

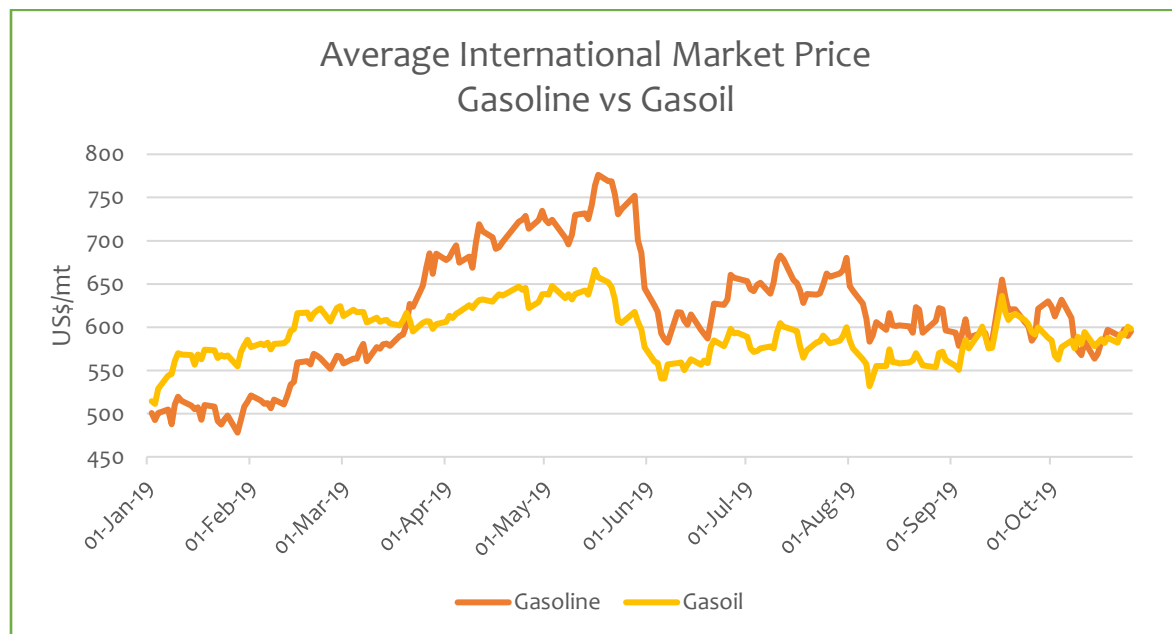


## CBOD PETROLEUM PRICE OUTLOOK

### 1<sup>st</sup> to 15<sup>th</sup> November 2019

#### Refined Products Review and Outlook

The international market prices of gasoline and gasoil for the first pricing window of November (12<sup>th</sup> October to 26<sup>th</sup> October) averaged \$586.05/mt and \$587.93/mt respectively. This was 3% (\$19.06/mt) lower in the case of gasoline and 1% (\$5.90/mt) higher for gasoil respectively relative to the previous pricing window (27<sup>th</sup> September to 11<sup>th</sup> October). Prices for gasoline fell as a result of the switch in the use of a relatively expensive summer-grade fuel to a cheaper winter-grade fuel. The increase in gasoil prices can be attributed to the disruptions to gasoil flows from Russia and the Middle East.



## Fufex

The Fufex<sub>30</sub><sup>1</sup> which is a 30-day forward Ghs/USD FX rate for the petroleum downstream industry is estimated at **Ghs 5.60/USD** for the first pricing window of November (12<sup>th</sup> October to 26<sup>th</sup> October 2019). The FufeX<sub>30</sub> is estimated using the average quoted indicative forward forex rate from major oil financing banks adjusted by the covered-interest parity pricing model and the CBOD internal research outlook.

## The Ex-refinery Price Indicator (Xpi)

The Ex-ref price indicator (Xpi) is computed using the referenced international market prices usually adopted by BDCs, factoring the CBOD economic breakeven benchmark premium for a given window and converted from USD/mt to Ghs/ltr using the *FuFeX*.

$$XPI = \frac{(\text{International Market Price} + \text{CBOD Benchmark Premium}) \times \text{FuFeX}}{\text{Conversion Factor}}$$

## Ex-ref Price for 12<sup>th</sup> October to 26<sup>th</sup> October

PRICE COMPONENT	PMS	AGO
Average World Market Price (US\$/MT) 27 <sup>th</sup> September to 11 <sup>th</sup> October Pricing window	586.050	587.925
<b>CBOD Benchmark Breakeven Premium (US\$/MT)</b>	90	90
FuFex <sub>30</sub> (GHS/USD)	5.60	5.60
Volume Conversion Factor (ltrs/mt)	1324.50	1183.43
<b>Ex-ref Price (Ghs/ltr)</b>	2.858	3.208

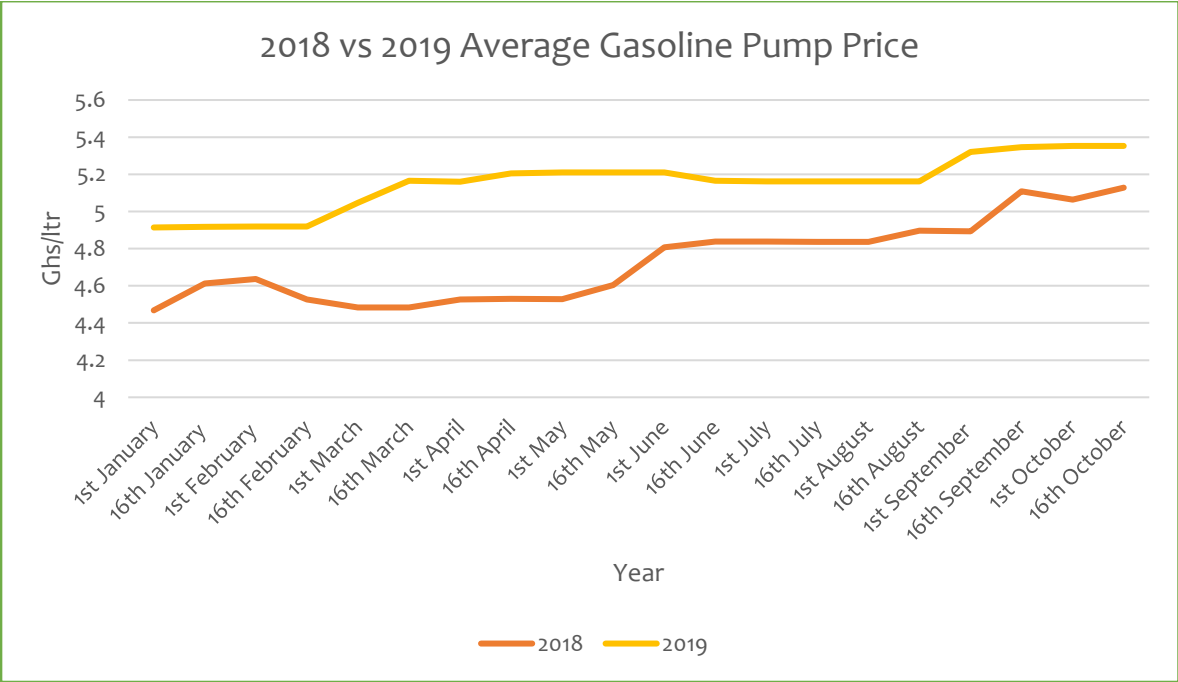
<sup>1</sup> The FufeX<sub>30</sub> is a 30-day Ghs/USD forward fx rate used as a benchmark rate for BDC ex-ref price estimations.

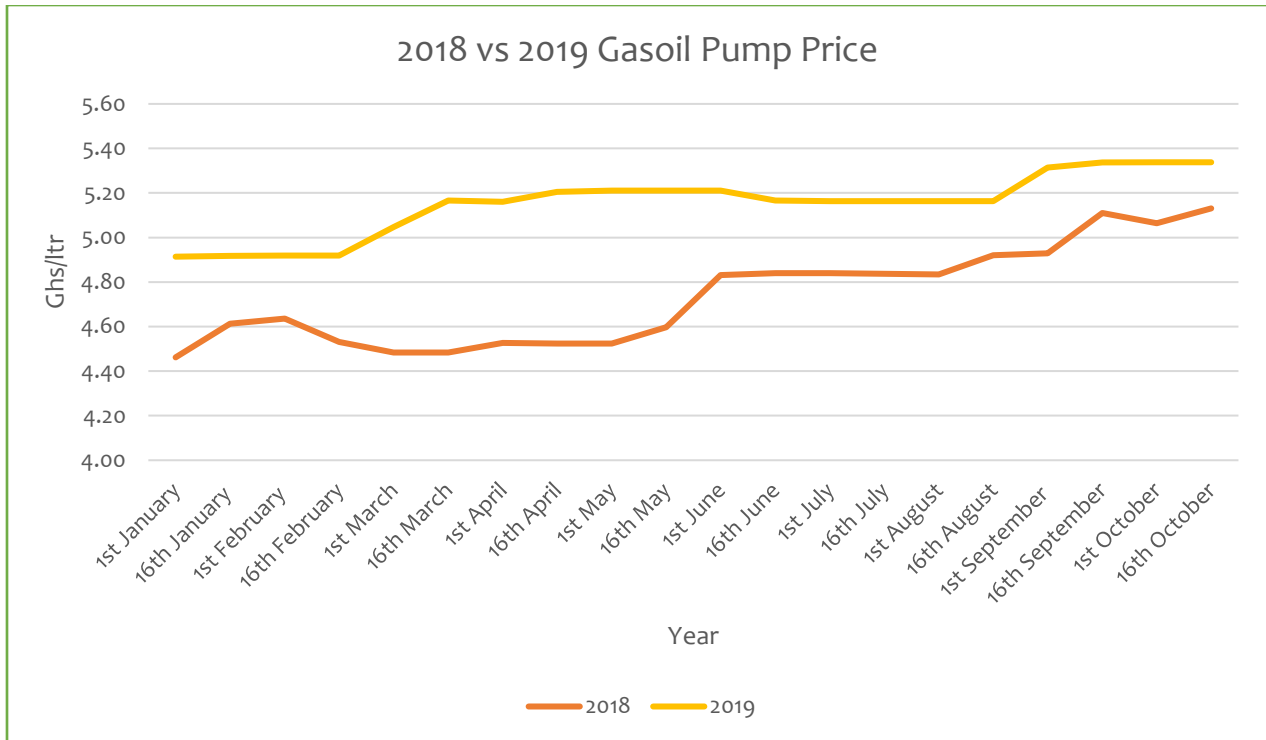
Price Tolerance	+1%/-1%	+1%/-1%
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**OMC Pricing Performance**

The average ex-pump prices for gasoline and gasoil for the second selling window of October (16<sup>th</sup> to 31<sup>st</sup> October) remained the same as compared to the previous window’s price of Ghs5.353/ltr for gasoline and Ghs5.338/ltr for gasoil. Average pump prices for the window has been the highest observed this year. Average ex-pump prices of gasoline and gasoil have increased by 9% year-to-date, compared to the 15% increase same period last year and a year-on-year increase of about 4% for gasoline and gasoil respectively.

Ex-pump prices for gasoline are expected to decrease by about Ghp8/ltr, while gasoil prices are expected to increase by about Ghp3/ltr respectively in the next selling window (1<sup>st</sup> to 15<sup>th</sup> November), all other things being equal.





### OMC Pricing Performance

Out of the top 10 OMCs, Vivo Energy Shell, Goil and Total displayed the highest prices at their pumps. For the second selling window of October (16<sup>th</sup> to 31<sup>st</sup>) the top three highest selling OMCs sold gasoline and gasoil at an average price of Ghs 5.383/ltr and Ghs5.370/ltr respectively. Frimps displayed the lowest price at the pump for both gasoline and gasoil, with a price of Ghs 5.320/ltr for gasoline and Ghs5.300 for gasoil at its pumps.

#### Average Ex-Pump prices for 16<sup>th</sup> to 31<sup>st</sup> October 2019 (Ghs/ltr)

OMCs	Gasoline	Gasoil
<b>Vivo Energy Shell</b>	5.385	5.385
<b>Total</b>	5.385	5.385
<b>Goil</b>	5.380	5.340

<b>Star Oil</b>	5.360	5.300
<b>Petrosol</b>	5.350	5.320
<b>Radiance</b>	5.350	5.320
<b>Allied Oil</b>	5.340	5.330
<b>Glory Oil</b>	5.339	5.379
<b>Puma Energy</b>	5.320	5.320
<b>Frimps Oil</b>	5.320	5.300

**NB: Table is arranged in descending order, from the highest priced OMC to the lowest priced OMC**