



# Ministry of Energy and Mining

## Weekly Oil PRICE Report Report



April 30 – May 06, 2009

### INTRODUCTION

This report seeks to highlight the prices of crude oil internationally and petroleum products including LPG in the domestic energy market. The report allows the Ministry of Energy and Mining to assess the impact of liberalization on the petroleum market. In that regard, recommendations for policy adjustment may be made where necessary.

### *International Benchmarks*

#### **Crude Oil**

The benchmark used by the Petrojam Refinery is the West Texas Intermediate (WTI). The spot price for Crude Oil was not available for this week; however, the Crude Oil price for last week was US\$47.80/bbl representing a decrease of four percent (4%) over the previous week, when Crude Oil price stood at US\$49.86/bbl (see table 1).

Table 1 Crude Oil Spot Prices US\$/BBL

Region	Benchmark	17th April	24th April	% Difference 17rd April vs 24th April
Americans	West Texas Intermediate	49.86	47.80	-4.13
Europe	Europe Bent	51.59	48.97	-5.08
Asia	Dubai Fateh	51.75	49.54	-4.27
Nothern Africa	Egypt Suez Blend	47.79	45.26	-5.29
Western Africa	Nigeria Bonny Light	52.65	50.46	-4.16

Source: Energy Information Administration

### *Petrojam Billing Price*

#### **Unleaded Gasoline – 90 Octane**

For this week, the Gulf Reference and Ex-Refinery prices for Unleaded Gas (90 Octane) went down by one percent (1%) over the previous week (see Table 2), as the price stood at J\$32.42/litre and J\$44.71/litre respectively. The Imposition of taxes amounting to J\$16.48/litre resulted in a Refinery Billing price of J\$61.19/litre, which increased significantly by fifteen percent (15%) when compared to the previous week.

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**Unleaded Gasoline – 87 Octane**

For this week, the Gulf Reference price for Unleaded Gas (87 Octane) was J\$32.42/litre similar to that of 90 octane, while the Ex-Refinery price was J\$43.64/litre, a decrease of one percent (1%) when compared to the previous week. The imposition of taxes amounting to J\$16.11/litre, resulted in a Refinery billing price of \$59.75/litre, which increased significantly by fifteen percent (15%) when compared to the previous week.

**E10**

For the week under review the Ex-Refinery price for E10 was J\$41.61, a decrease of one percent (1%) when the price stood at J\$42.14/litre for the previous week. The addition of taxes amounting to J\$16.11/litre similar to that of 87 octane resulted in a Refinery Billing price of J\$57.72/litre for the E10 87 blend. This represented an increase of fourteen percent (14%) over the previous week. The Refinery Billing price for the E10 87 blend was J\$2.03 less than that of the 87 Octane blend.

Table 2.

<u>Petroleum Products Price List for Selected Products J\$/Litre</u>							
Year:	2009						
Week 1:	30-Apr						
Benchmark:	United States Gulf Coast						
Exch.Rate: US\$=J\$	88.97						
	L.P.G	Unleaded 87	E 10	Unleaded 90	Kerosene	ADO	
Gulf Reference Price	16.80	32.42	n/a	32.42	31.04	30.47	
Ex-Refinery Price	23.66	43.64	41.61	44.71	42.23	43.65	
Refinery Billing Price	23.70	59.75	57.72	61.19	48.25	59.06	
Selling Price	41.48	69.32	66.75	72.65	52.07	69.59	

Note: n/a=not available

**Automotive Diesel Oil (A.D.O.)**

The Gulf Reference price for the week under review went down by three percent (3%) over that of the previous week as the price stood at J\$30.47/litre, while the Ex-Refinery price went down by two percent (2%) over that of the previous week as the price amounted to J\$43.65/litre. The addition of taxes amounting to J\$15.42/litre, contributed to a Refinery Billing price of J\$59.06/litre, which resulted in a fourteen percent (14%) increase when compared to prices in the previous week.

**Liquid Petroleum Gas (L.P.G.)**

The Gulf Reference price for the week under review went down by two percent (2%) over that of the previous week as the price stood at J\$16.80/litre, while the Ex-Refinery prices went up by less than one percent (1%) over that of the

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previous week as prices amounted to J\$23.66/litre. The addition of taxes amounting to J\$0.04/litre contributed to a Refinery Billing Price of J\$23.70/litre, which also resulted in a less than one percent (1%) increase when compared with the previous week.

### Kerosene

The Gulf Reference price for the week under review went down by four percent (4%) over that of the previous week as the price stood at J\$31.04/litre, while the Ex-Refinery price went down by three percent (3%) over that of the previous week as the price amounted to J\$42.23/litre. The addition of taxes amounting to \$6.66/litre, contributed to a Refinery Billing price of J\$48.25/litre, which resulted in a two percent (2%) decrease when compared with the previous week.

## Marketing/Retail Prices Motor Fuels

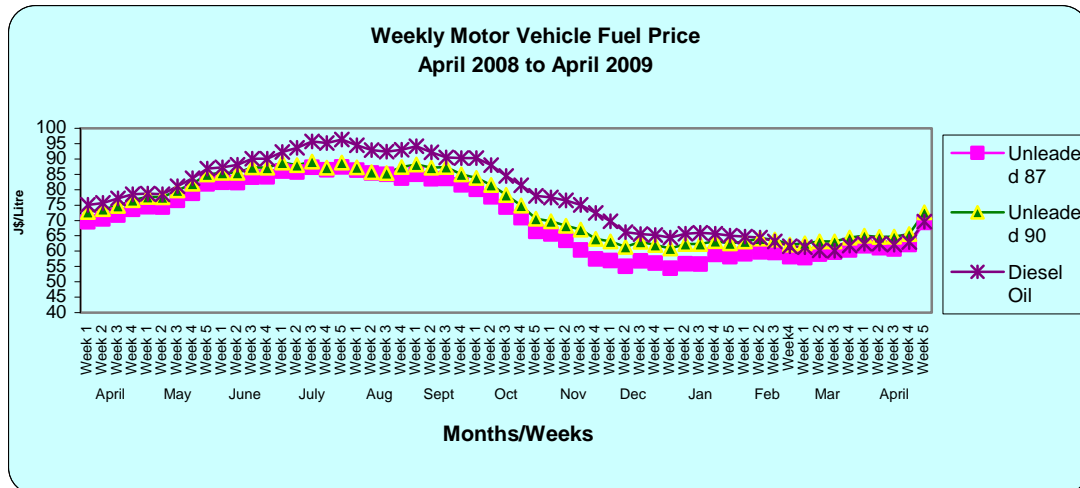
### Unleaded Gasoline – 90 Octane

The average retail price for this week went up by J\$7.08/litre, moving from J\$65.57/litre for the previous week to J\$72.65/litre, representing a ten percent (10%) increase over last week.

### Unleaded Gasoline – 87 Octane

The average retail price for this week went up by eleven percent (11%), moving from J\$62.10/litre for the previous week to J\$69.32/litre, this represents a J\$7.22/litre increase when compared to the previous week.

Figure 1



### Unleaded Gasoline – E10

The average retail price for this week was increased by thirteen percent (13%), moving from J\$59.05/litre for the previous week to currently amount to

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J\$66.75/litre. This represents a J\$70.70/litre increase when compared to the previous week.

### **Automotive Diesel Oil (A.D.O.)**

The average retail price for this week was increased by J\$6.66/litre moving from J\$62.93/litre for the previous week to J\$69.59/litre. This represents a ten percent increase over that of the previous week.

### **Cooking Fuels**

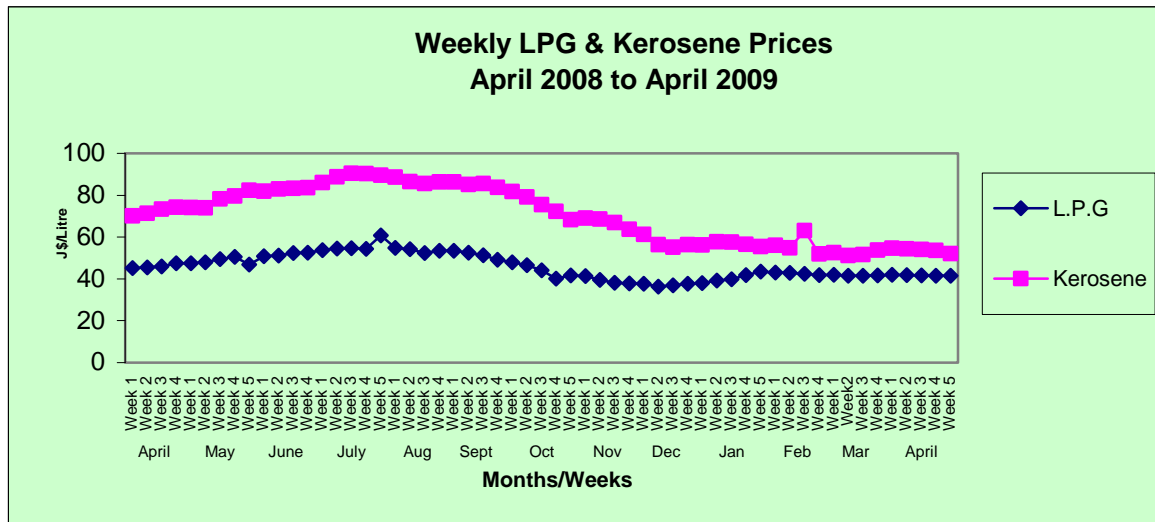
#### **Liquid Petroleum Gas (L.P.G.)**

The average retail price for this week decreased by less than one percent (1%) moving from J\$41.52/litre for the previous week to currently amount to J\$41.48/litre.

#### **Kerosene**

The average retail price for this week decreased by two percent (2%) moving from J\$53.53/litre for the previous week to currently amount to J\$52.07/litre.

Figure 2



### **Urban vs. Rural Analysis**

For the week under review Unleaded Gas (90 Octane) in the rural region was sold for an average of J\$74.35/litre. In the urban region, the price of Unleaded Gas (90 Octane) was lower, selling at an average price of J\$70.71/litre. The price difference between both regions was J\$3.64/litre

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The price for Unleaded 87 Gasoline showed a similar trend with average prices per litre in the rural and urban areas standing at J\$70.74/litre and J\$66.85/litre respectively. The price difference between both regions was J\$3.89/litre.

E10 was sold at an average price of J\$68.62/litre in the rural area while in the urban it had a lower average price of J\$65.28/litre. The difference between both regions was J\$3.34/litre.

Automotive Diesel Oil was sold at an average price of J\$71.32/litre in the rural area while it was sold in the urban at a lower average price of J\$67.52/litre. The difference between both regions was J\$3.80/litre.

L.P.G was sold at an average price of J\$42.10/litre in the rural area while selling at a lower average price of J\$40.15/litre in the urban. The difference between both regions was J\$1.95/litre.

There was an overall increase in prices throughout the regions; St. Thomas had the highest prices for three products, Unleaded Gas (87 Octane) which was J\$74.10/litre, Unleaded Gas (90 Octane) at J\$79.27/litre and ADO at J\$74.55/litre, while St. Mary had the highest price for E10 at J\$72.33/litre (see Table 3). Kingston & St. Andrew had the lowest prices for two products, E10 at J\$65.28/litre and ADO at J\$67.52/litre, while St. Catherine had the lowest price for Unleaded Gas (90 Octane) at J\$70.66/litre, and St. James had the lowest for Unleaded Gas (87 Octane) at J\$67.83/litre.

**Table 3. Weekly Retail Prices for Selected Petroleum Products by Region**

Region	Unleaded 87 Octane			E 10		Unleaded 90 Octane			Automotive Diesel Oil		
	Prices This Week	Prices Last Week	Prices One Year Ago	Prices This Week	Prices Last Week	Prices This Week	Prices Last Week	Prices One Year Ago	Prices This Week	Prices Last Week	Prices One Year Ago
Kgn. & St. Andrew	66.85	60.41	72.09	65.28	61.76	70.71	64.14	77.96	67.52	61.01	76.62
Clarendon	66.71	60.39	73.57	66.20	58.75	72.98	66.35	77.95	69.43	64.28	79.31
Hanover	70.92	64.73	74.11	n/a	n/a	74.53	68.30	77.69	71.55	65.76	77.72
Manchester	70.58	61.83	74.28	69.59	59.59	74.33	66.10	77.74	70.79	63.49	78.66
Portland	71.39	66.94	75.92	66.40	66.67	73.52	70.59	77.85	71.37	68.00	80.17
St. Ann	72.29	64.14	77.56	71.75	64.36	77.34	69.34	80.27	73.55	66.16	82.20
St. Catherine	68.55	60.69	72.28	66.90	60.16	70.66	63.63	75.94	68.40	61.99	76.25
St. Elizabeth	70.38	61.87	75.96	n/a	n/a	73.83	65.27	79.16	72.16	63.95	80.34
St. James	67.83	60.69	72.20	66.99	59.74	71.12	63.99	75.69	67.95	61.24	76.51
St. Mary	74.04	65.71	76.82	72.33	64.23	76.95	68.44	79.95	73.74	65.85	81.79
St. Thomas	74.10	68.66	77.97	68.79	60.59	79.27	73.26	79.84	74.55	69.10	82.02
Trelawny	73.03	64.63	72.32	n/a	n/a	75.77	67.37	75.38	73.20	65.28	75.45
Westmoreland	69.08	60.78	74.67	n/a	n/a	71.84	63.64	78.03	69.18	61.12	78.83

Note: n/a = not available

Source: Weekly Price Survey - MCIS Website

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Combined average prices for urban and rural regions indicate that the year to year average price of Unleaded 87 ,Unleaded 90 and A.D.O. have decreased by J\$5.10/litre, J\$5.06/litre and J\$9.16/litre respectively.

**CONCLUDING REMARKS**

Globally, Crude Oil prices decreased during the week due to the increase in value of the United States dollar, which came about as concerns about the impending economic repercussions of the swine flu pandemic weighed on the stock market. In addition, the market remains concerned about the weak outlook for energy demand as the global economy continues to deteriorate.

Locally, there was an increase in retail prices of several Petroleum Products with the exception of LPG, and Kerosene. A comparative examination over the same period last year indicates that retail prices for Unleaded 87, Unleaded 90 and ADO have decreased; Unleaded 87 decreased by six percent (6%), Unleaded 90 decreased by six percent (6%) and ADO by eleven percent (11%).

The price of gasoline went up due to the increase in the special consumption tax by \$8.75 per litre.

Another factor influencing prices was the value of the Jamaican dollar which decreased by J\$0.07 as evidenced by the movement in the exchange rate from US\$1.00: J\$89.04 in the previous week to US\$1.00: J\$88.97 this week. For the same period last year the dollar stood at US1.00: J\$71.24, twenty-four percent (24%) less than the current rate.