



Ministry of Energy & Mining

Weekly Oil Price Report



May 28 – June 03, 2009

INTRODUCTION

This report seeks to highlight crude oil prices internationally and prices of 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 adjustments 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\$60.32/bbl representing an increase of four percent (4%) over the previous week, when Crude Oil prices stood at US\$57.94/bbl (see table 1).

Table 1 Crude Oil Spot Prices US\$/BL

Region	Benchmark	14th May	21st May	% Difference
				14th May vs 21st May
Americans	West Texas Intermediate	57.94	60.32	4.11
Europe	Europe Bent	56.39	57.89	2.66
Asia	Dubai Fateh	57.17	58.09	1.61
Nothern Africa	Egypt Suez Blend	53.07	54.34	2.39
Western Africa	Nigeria Bonny Light	58.34	59.13	1.35

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 up by two percent (2%) over the previous week (see Table 2), as prices stood at J\$42.27/litre and J\$50.06/litre respectively. The imposition of taxes amounting to J\$16.48/litre resulted in a Refinery Billing

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price of J\$66.54/litre, which increased by one percent (1%) when compared with the previous week.

Unleaded Gasoline – 87 Octane

For this week, the Gulf Reference price for Unleaded Gas (87 Octane) was J\$42.27/litre similar to that of 90 octane, while the Ex-Refinery price was J\$48.99/litre, an increase of two percent (2%) when compared to the previous week. The imposition of taxes amounting to J\$16.11/litre resulted in a Refinery billing price of J\$65.10/litre, which also increased by two percent (2%) when compared to the previous week.

E10

For the week under review the Ex-Refinery price for E10 was J\$46.96, an increase of two percent (2%) when the price stood at J\$45.66/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\$63.07/litre for the E10 87 blend. This represented an increase of two percent (2%) 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

Petroleum Products Price List for Selected Products J\$/Litre						
Year:	2009					
Week 1:	28-May					
Benchmark:	USGC					
Exch.Rate: US\$=J\$	89.170					
	L.P.G	Unleaded	E 10	Premium	Kerosene	ADO
Gulf Reference Price	19.49	42.27	n/a	42.27	36.40	35.48
Ex-Refinery Price	27.40	48.99	46.96	50.06	45.18	46.19
Refinery Billing Price	27.44	65.10	63.07	66.54	51.20	61.60
Selling Price	43.82	74.10	71.51	76.88	55.02	71.16

Note: n/a = not available

Automotive Diesel Oil (A.D.O.)

The Gulf Reference price for the week under review went up by five percent (5%) over that of the previous week as prices stood at J\$35.48/litre, while the Ex-Refinery price increased by three percent (3%) over that of the previous week when the price amounted to J\$46.19/litre. The addition of taxes amounting to J\$15.42/litre, contributed to a Refinery Billing price of J\$61.60/litre, which resulted in a two percent (2%) increase when compared to prices in the previous week.

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Liquid Petroleum Gas (L.P.G.)

The Gulf Reference and Ex-refinery prices for the week under review went up by three percent (3%) over that of the previous week as prices stood at J\$19.49/litre and J\$27.40/litre respectively. The addition of taxes amounting to J\$0.04/litre contributed to a Refinery Billing Price of J\$27.44/litre, which also resulted in a three percent (3%) increase when compared with the previous week.

Kerosene

The Gulf Reference price for the week under review went up by five percent (5%) over that of the previous week as the price stood at J\$36.40/litre, while the Ex-Refinery price went up by three percent (3%) over that of the previous week as the price stood at J\$45.18. The addition of taxes amounting to \$6.66/litre, contributes to a Refinery Billing price of J\$51.20/litre, which also increased by three percent (3%) when compared to the previous week.

**Marketing/Retail Prices
Motor Fuels**

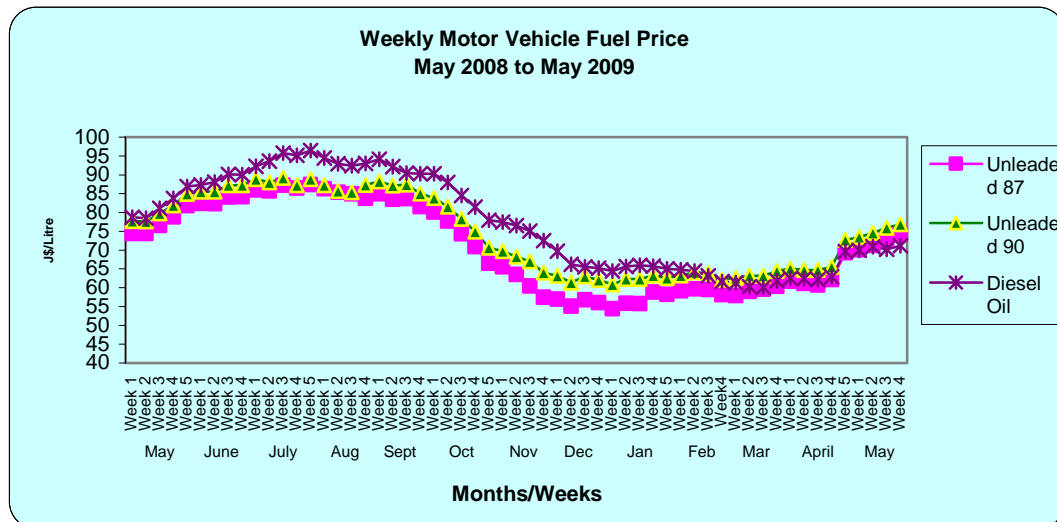
Unleaded Gasoline – 90 Octane

The average retail price for this week went up by J\$0.98/litre, moving from J\$75.90/litre for the previous week to J\$76.88/litre, representing a one percent (1%) increase over last week.

Unleaded Gasoline – 87 Octane

The average retail price for this week went up by one percent (1%), moving from J\$72.25/litre for the previous week to J\$74.10/litre, this represents a J\$1.19/litre increase when compared to the previous week.

Figure 1



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Unleaded Gasoline – E10

The average retail price for this week was increased by one percent (1%), moving from J\$70.24/litre for the previous week to currently amount to J\$71.54/litre. This represents a J\$1.08/litre increase when compared with the previous week.

Automotive Diesel Oil (A.D.O.)

The average retail price for this week was increased by J\$0.92/litre moving from J\$70.24/litre for the previous week to J\$71.16/litre. This represents a one percent (1%) increase over that of the previous week.

Cooking Fuels

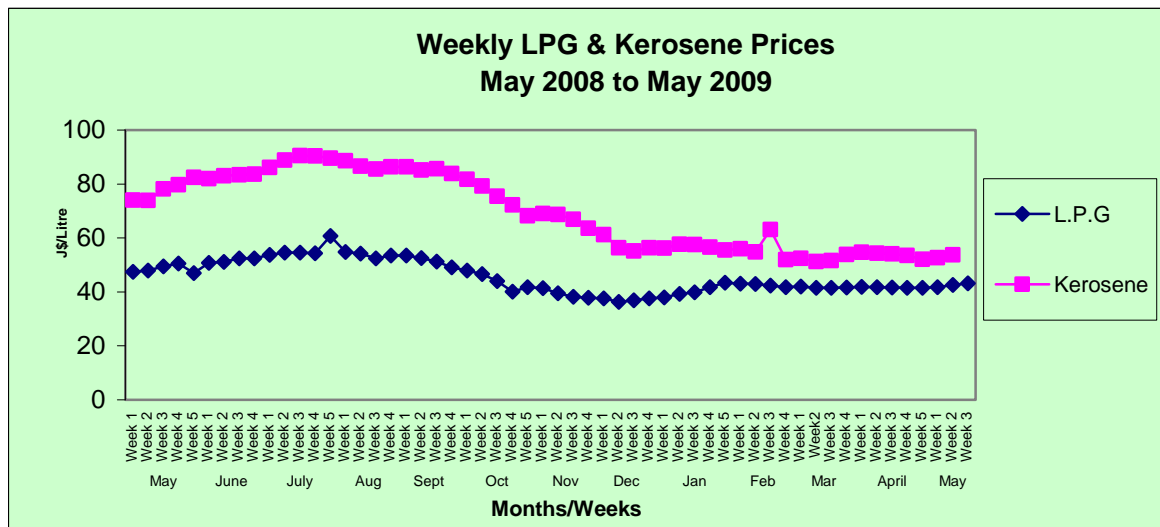
Liquid Petroleum Gas (L.P.G.)

The average retail price for this week was increased by one percent (1%) moving from J\$43.15/litre for the previous week to currently amounting to J\$43.82/litre.

Kerosene

The average retail price for this week was increased by two percent (2%) moving from J\$53.51/litre for the previous week to currently amounting to J\$55.02/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\$78.53/litre. In the urban region the price of Unleaded Gas (90 Octane) was lower, selling at an average price of J\$75.71/litre. The price difference between both regions was J\$2.82/litre

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The price for Unleaded 87 Gasoline showed a similar trend with average price per litre in the rural and urban areas standing at J\$75.49/litre and J\$71.55/litre respectively. The price difference between both regions was J\$3.94/litre.

E10 was sold at an average price of J\$72.76/litre in the rural area while in the urban it had a lower average price of J\$70.39/litre. The difference between both regions was J\$2.37/litre.

Automotive Diesel Oil was sold at an average price of J\$72.99/litre in the rural area while it was sold in the urban at a lower average price of J\$69.57/litre. The difference between both regions was J\$3.42/litre.

L.P.G was sold at an average price of J\$45.16/litre in the rural area while selling at a lower average price of J\$44.14/litre in the urban. The difference between both regions was J\$1.02/litre.

There was an overall increase in prices throughout the regions; St. Mary had the highest prices for two products, Unleaded Gas (87 Octane) which was J\$78.76/litre and E10 at J\$76.30/litre, while St. Thomas had the highest for Unleaded Gas (90 Octane) at J\$82.98/litre and ADO at J\$75.71/litre. (see Table 3). St. Catherine had the lowest prices for two products, Unleaded Gas (90 Octane) at J\$72.15/litre and for ADO at J\$67.60/litre, while Kingston & St. Andrew had the lowest price for Unleaded Gas (87 Octane) at J\$71.55/litre and St. James E10 at J\$69.06/litre.

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\$3.60/litre, J\$3.81/litre and J\$10.83/litre respectively.

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	71.55	70.42	78.61	70.39	69.19	75.71	73.19	82.54	69.57	67.23	83.72
Clarendon	72.46	71.68	81.29	71.55	70.39	77.93	76.97	85.56	71.22	70.40	88.03
Hanover	74.75	73.26	81.86	n/a	n/a	78.29	76.65	85.47	73.09	71.84	86.37
Manchester	74.26	73.38	82.51	72.72	71.79	79.13	78.23	86.08	72.63	72.01	87.61
Portland	76.65	73.91	84.28	73.63	72.19	79.40	77.79	85.55	74.10	73.69	88.67
St. Ann	76.98	76.17	84.94	75.12	74.67	82.01	81.18	87.63	75.24	74.81	90.12
St. Catherine	73.87	72.37	79.73	71.94	70.49	72.15	74.04	83.40	67.60	69.57	84.63
St. Elizabeth	75.58	73.69	82.29	n/a	n/a	75.04	76.90	85.13	73.91	72.31	87.89
St. James	73.05	72.08	80.36	69.06	69.06	76.41	75.39	83.67	70.38	69.88	85.32
St. Mary	78.76	76.74	85.08	76.30	74.68	81.77	79.83	87.53	75.34	74.24	90.62
St. Thomas	78.76	77.93	84.73	71.51	72.89	82.98	82.59	87.02	75.71	74.96	89.35
Trelawny	78.49	77.19	78.87	n/a	n/a	80.94	79.64	82.01	75.69	74.53	82.95
Westmoreland	73.30	72.25	80.73	n/a	n/a	76.33	75.25	83.09	70.45	69.90	85.66

Note: n/a = not available

Source: Weekly Price Survey - MCIS Website

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CONCLUDING REMARKS

Globally, Crude oil went up due to the fall in the United States dollar. Given that crude oil is traded in dollars around the globe, when the dollar softens, oil prices rise.

Locally, there was an increase in retail prices for several petroleum products. 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 four percent (4%), Unleaded 90 decreased by four percent (4%) and ADO by thirteen percent (13%).

Another factor influencing prices is the value of the Jamaican dollar, which increased by J\$0.17 as evidenced by the movement in the exchange rate from US\$1.00: J\$89.00 in the previous week to US\$1.00: J\$89.17 this week. For the same period last year the dollar stood at US\$1.00: J\$71.40, twenty-four percent (24%) less than the current rate.