



Ministry of Energy & Mining

WEEKLY OIL PRICE REPORT



August 13 – 19, 2009

INTRODUCTION

This report seeks to highlight crude oil prices internationally and petroleum products prices 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\$71.58/bbl representing a six percent (6%) increase over that of the previous week, when crude oil prices stood at US\$67.03/bbl (see table 1).

Table 1 Crude Oil Spot Prices US\$/BL

Region	Benchmark	31st July	7th August	% Difference
				31st July vs 7th Aug
Americans	West Texas Intermediate	67.03	71.58	6.79
Europe	Europe Bent	68.60	73.99	7.86
Asia	Dubai Fateh	67.20	71.06	5.74
Nothern Africa	Egypt Suez Blend	65.95	70.08	6.26
Western Africa	Nigeria Bonny Light	69.96	74.45	6.42

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) was J\$47.14/litre and J\$54.51/litre respectively, this represent a two percent (2%) increase over the previous week (see Table 2). The imposition of taxes amounting to J\$16.48/litre resulted in a Refinery Billing

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price of J\$70.99/litre, which increased by one percent (1%) when compared to the previous week.

Unleaded Gasoline – 87 Octane

For this week, the Gulf Reference price for Unleaded Gas (87 Octane) was J\$47.14/litre similar to that of 90 octane, while the Ex-Refinery price was J\$53.44/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 \$69.55/litre, which increased by one percent (1%) when compared to the previous week.

E10

For the week under review the Ex-Refinery price for E10 was J\$51.41, an increase of two percent (2%) when the prices stood at J\$50.11/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\$67.52/litre for the E10 87 blend. This represented an increase of approximately 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

<u>Petroleum Products Price List for Selected Products J\$/Litre</u>						
Year:	2009					
Week 4:	13-Aug					
Benchmark:	USGC					
Exch.Rate: US\$=J\$	88.93					
	Unleaded 90	Unleaded 87	E 10	ADO	Kerosene	L.P.G
Gulf Reference Price	47.14	47.14	n/a	44.56	45.21	23.81
Ex-Refinery Price	54.51	53.44	51.41	49.97	50.32	32.52
Refinery Billing Price	70.99	69.55	67.52	65.38	56.34	32.56
Avg. Selling/Retail Price	82.92	78.85	76.10	75.26	60.16	48.19

Note

: n/a = not available

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

The Gulf Reference price for the week under review went up by six percent (6%) over that of the previous week as price stood at J\$44.56/litre, while the Ex-Refinery price was J\$49.97/litre representing a three percent (3%) increase over that of the previous week. The addition of taxes amounting to J\$15.42/litre, contributed to a Refinery Billing price of J\$65.38/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 price for the week under review went up by five percent (5%) over that of the previous week as price stood at J\$23.81/litre, while Ex-refinery price went up by four percent (4%) over that of the previous week settling at J\$32.52/litre. The addition of taxes amounting to J\$0.04/litre contributed to a Refinery Billing Price of J\$32.56/litre, which also resulted in a four percent (4%) increase when compared with the previous week.

Kerosene

Increases in the Gulf Reference price for the week under review went up by approximately five percent (5%) over that of the previous week as the price stood at J\$45.21/litre. The ex-Refinery price went up by two percent (2%) over that of the previous week as prices amounted to J\$50.32/litre. The addition of taxes amounting to \$6.02/litre, contributed to a Refinery Billing price of J\$56.34/litre, which also increased by two percent (2%) when compared to the previous week.

Marketing/Retail Prices

Motor Fuels

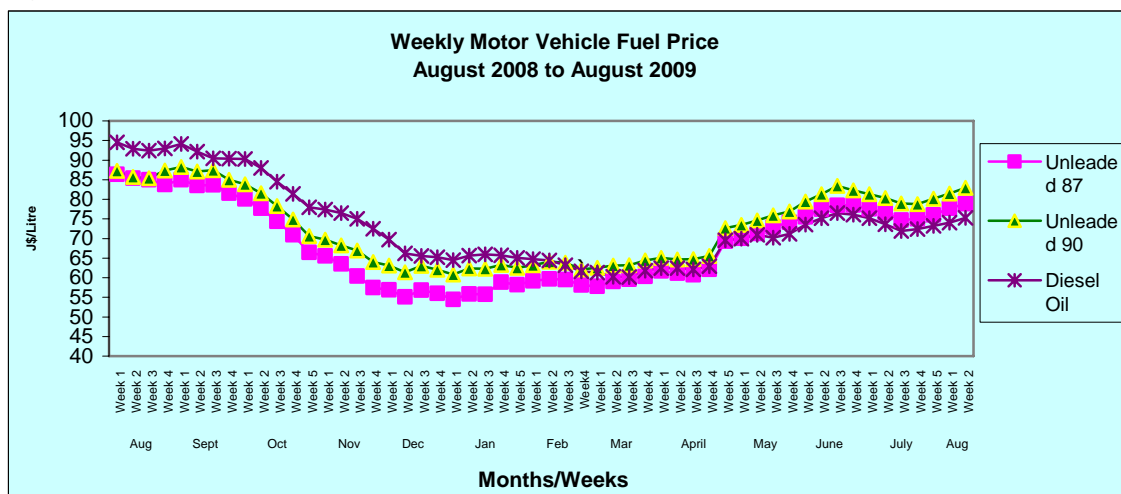
Unleaded Gasoline – 90 Octane

The average retail price for this week went up by J\$1.44/litre, moving from J\$81.48/litre for the previous week to currently amount to J\$82.92/litre, representing a one percent (1%) increase over last week.

Unleaded Gasoline – 87 Octane

The average retail price for this week increased by one percent (1%), moving from J\$77.71/litre for the previous week to currently amount to J\$78.85/litre. This represented a J\$1.14/litre increase when compared to the previous week.

Figure 1



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Automotive Diesel Oil (A.D.O.)

The average retail price for this week increased by J\$1.24/litre moving from J\$74.02/litre for the previous week to currently amount to J\$75.26/litre. This represents a one percent (1%) increase over that of the previous week.

Unleaded Gasoline – E10

The average retail price for this week increased by one percent (1%) moving from J\$74.87/litre for the previous week to currently amount to J\$76.10/litre. This represents a J\$1.23/litre increase when compared to the previous week.

Cooking Fuels

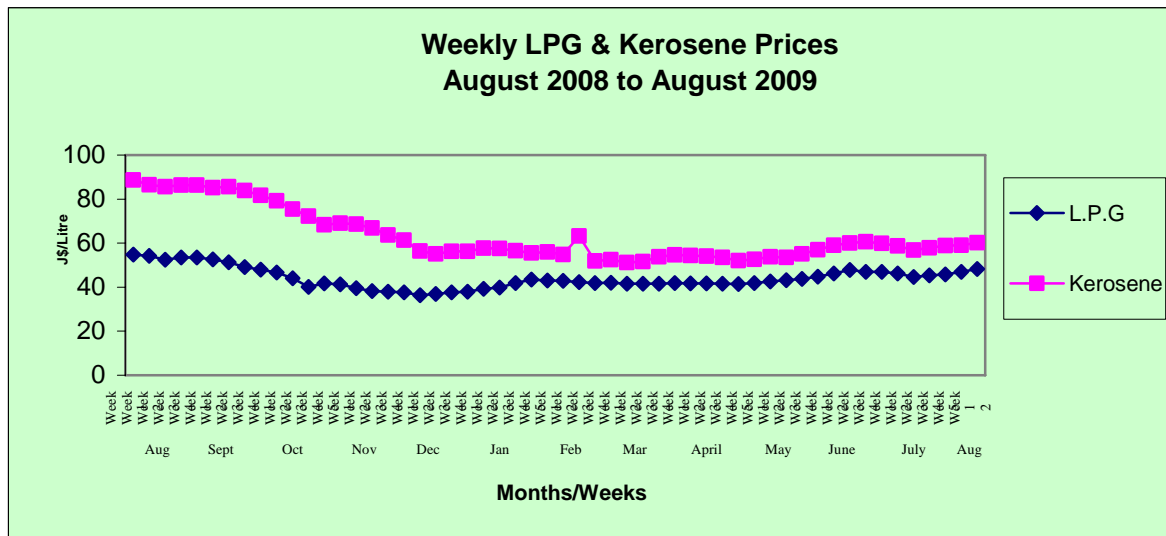
Liquid Petroleum Gas (L.P.G.)

The average retail price for this week increased by two percent (2%) moving from J\$46.91/litre for the previous week to currently amount to J\$48.19/litre.

Kerosene

The average retail price for this week increased by one percent (1%) moving from J\$59.01/litre for the previous week to currently amount to J\$60.16/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\$84.14/litre. In the urban region the price of Unleaded Gas (90 Octane) was lower, selling at an average price of J\$81.82/litre. The price difference between both regions was J\$2.32/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\$80.16/litre and J\$76.32/litre respectively. The price difference between both regions was J\$3.84/litre.

E10 was sold at an average price of J\$77.81/litre in the rural area while in the urban it had a lower average price of J\$75.55/litre. The difference between both regions was J\$2.26/litre.

Automotive Diesel Oil was sold at an average price of J\$77.01/litre in the rural area while it was sold in the urban at a lower average price of J\$73.68/litre. The difference between both regions was J\$3.33/litre.

L.P.G was sold at an average price of J\$48.38/litre in the rural area while selling at a lower average price of J\$48.15/litre in the urban. The difference between both regions was J\$0.23/litre.

There was an overall increase in prices throughout the regions. St. Thomas had the highest prices for three products, Unleaded Gas (87 Octane) at J\$82.87/litre, Unleaded Gas (90 Octane) at J\$87.85/litre and ADO at J\$80.15/litre. St. Ann had the highest for E10 which was J\$81.56/litre (see Table 3). Kingston & St. Andrew had the lowest prices for three products, Unleaded Gas (87 Octane) at J\$76.32/litre, E10 at J\$75.55/litre and ADO at J\$73.68/litre. St. James had the lowest price for Unleaded Gas (90 Octane) at J\$81.74/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	76.32	74.99	83.70	75.55	75.19	81.82	80.21	83.63	73.68	72.16	83.70
Clarendon	77.06	78.37	86.43	75.78	73.66	82.33	80.30	86.50	74.30	73.26	94.82
Hanover	79.81	78.11	85.21	n/a	n/a	83.28	81.59	87.27	76.75	74.40	93.70
Manchester	79.15	77.21	87.10	77.83	77.03	83.53	82.65	88.21	76.31	75.05	94.87
Portland	82.59	80.51	87.80	80.49	79.48	85.14	83.13	86.25	79.48	77.56	95.12
St. Ann	82.03	80.89	89.91	81.56	80.16	87.17	86.01	90.15	79.75	78.44	97.81
St. Catherine	76.90	75.96	83.87	75.83	74.76	81.87	80.91	85.06	73.75	72.63	91.55
St. Elizabeth	80.52	79.12	87.45	n/a	n/a	83.62	82.54	86.28	77.50	75.97	95.63
St. James	78.21	77.56	84.81	75.84	75.84	81.74	80.38	86.02	74.61	73.33	93.12
St. Mary	82.54	81.11	87.49	81.48	80.30	86.08	84.66	90.43	78.14	77.02	97.07
St. Thomas	82.87	82.01	89.67	79.89	78.39	87.85	86.80	87.49	80.15	78.92	96.26
Trelawny	81.29	80.42	84.46	n/a	n/a	84.93	73.63	85.57	78.21	76.74	92.93
Westmoreland	78.91	77.96	85.86	n/a	n/a	82.18	81.18	84.70	75.11	74.01	92.16

Note: n/a = not available

Source: Weekly Price Survey - MCIS Website

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\$6.53/litre, J\$2.78/litre and J\$17.64/litre respectively.

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CONCLUDING REMARKS

Globally, crude oil prices went up during the week as stock market gains raised optimism about the economy, offsetting concerns about rising inventories and weak demand by the top consumer – the United States. The Energy Information Administration reported that US crude oil inventories rose by 2.5 million barrels in the week ending August 07, 2009, against forecast for a 700,000 barrels build.

Locally, there was an increase in retail prices for petroleum products. A comparative examination over the same period last year indicates that retail prices for Unleaded 87, Unleaded 90 and ADO have decreased by seven percent (7%), three percent (3%) and nineteen percent (19%) respectively.

Another factor influencing prices is the value of the Jamaican dollar, which decreased by J\$0.08 as evidenced by the movement in the exchange rate from US\$1.00: J\$89.01 in the previous week to US\$1.00: J\$88.93 this week. For the same period last year the dollar stood at US\$1.00: J\$71.98, twenty-three percent (23%) less than the current rate.