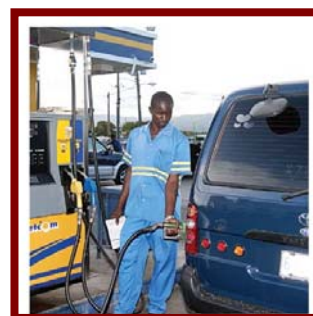




Ministry of Energy & Mining

WEEKLY OIL PRICE REPORT



August 5 – August 11, 2010

INTRODUCTION

This report highlights the international crude oil as well as the 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 can 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 July 30-August 5, 2010 was US\$78.12/bbl. This represented a marginal increase of less than 1% from that of the previous week when crude oil price stood at US\$77.56/bbl (see table 1).

Table 1 Spot Prices US\$/BL

Region	Benchmark	23rd July	30th July	% Difference
				23rd July vs 30th July
Americans	West Texas Intermediate	77.56	78.12	0.72
Europe	Europe Brent	76.64	77.24	0.78
Asia	Dubai Fateh	72.94	73.62	0.93
Nothern Africa	Egypt Suez Blend	71.64	72.05	0.57
Western Africa	Nigeria Bonny Light	77.29	78.20	1.18

Petrojam Billing Price

E10 - 90

For this week, the Gulf Reference increased by 1% while the Ex-Refinery prices had a marginal increase of less than 1% respectively when compared to the previous week;

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prices amounted to J\$47.82/litre and J\$54.23/litre respectively (See Table 2). The imposition of taxes amounting to J\$27.09/litre resulted in a Refinery Billing price of J\$81.32/litre with taxes accounting for 33% of the Refinery Billing price.

Table 2

Petroleum Products Price List for Selected Products J\$/Litre					
Year:	2010				
Week 5:	29-Jul				
Benchmark:	USGC				
Exch.Rate: US\$=J\$	86.07				
	E10 - 90	E10 - 87	ADO	L.P.G	Kerosene
Gulf Reference Price	47.82	47.82	46.53	28.61	48.17
Ex-Refinery Price	54.23	53.17	53.40	35.18	55.51
Refinery Billing Price	81.32	79.66	79.14	35.22	81.57
Average Selling Price	95.51	90.63	90.91	56.17	85.39

E10 – 87

This week, the Gulf Reference price for E10-87 was J\$47.82/litre similar to that of E10-90, while the Ex-Refinery price was J\$53.17/litre, which represented a marginal increase when compared to the previous week. The imposition of taxes amounting to J\$26.50/litre resulted in a Refinery billing price of J\$79.66/litre with taxes accounting for 33% of the refinery billing price.

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

The Gulf Reference Ex-Refinery prices increased by 2% and 1% over the previous week; prices amounted to J\$46.53/litre and J\$53.40/litre respectively. The addition of taxes amounting to J\$25.74/litre contributed to a Refinery Billing price of J\$79.14/litre with taxes accounting for 33% of the Refinery Billing price.

Liquid Petroleum Gas (L.P.G.)

The Gulf Reference and the Ex-Refinery prices increased by 3% respectively for the week under review when compared to the previous week; prices amounted to J\$28.61/litre and J\$35.18/litre respectively. The addition of taxes amounting to J\$0.04/litre contributed to a Refinery Billing Price of J\$35.22/litre, which represents a 3% increase when compared to the previous week.

Kerosene

The Gulf Reference and Ex-Refinery prices increased by 2% and 1% respectively for the week under review; prices amounted to J\$48.17/litre and J\$55.51/litre respectively when

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compared to the previous week. The addition of taxes amounting to \$26.05/litre, contributed to a Refinery Billing price of J\$81.57/litre with taxes accounting for 32% of the Refinery Billing price.

Average Marketing/Retail Prices Motor Fuels

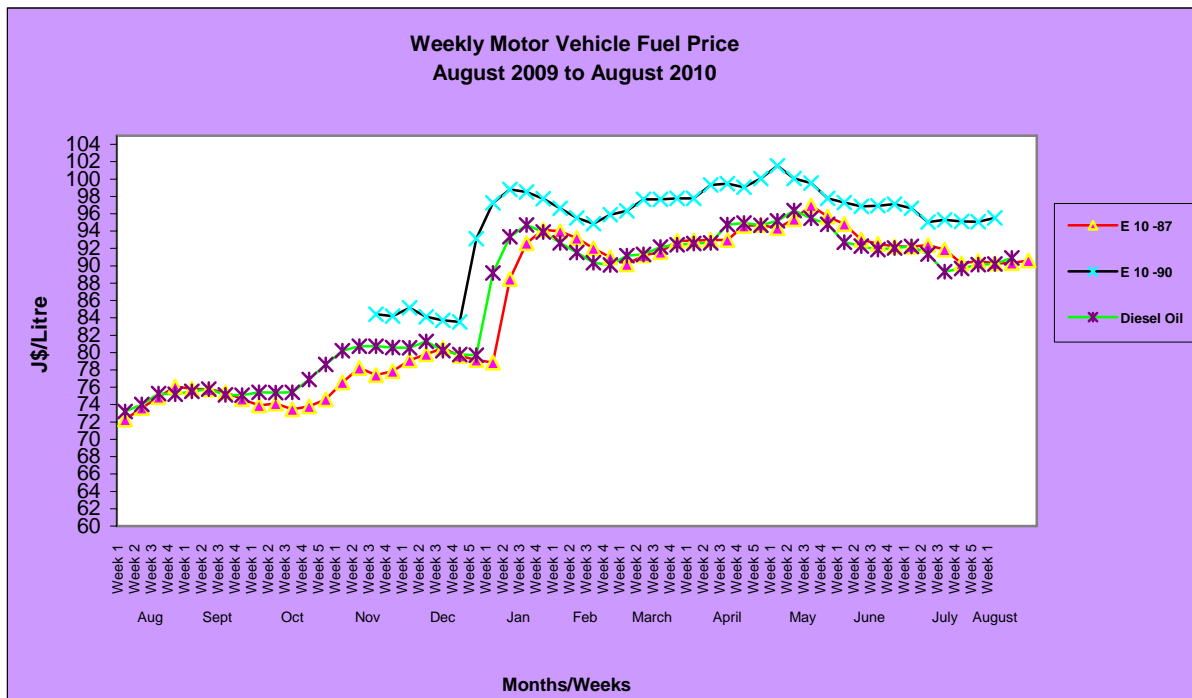
E10 - 90

The average retail price for this week increased by J\$0.44/litre, moving from J\$95.09/litre for the previous week to J\$95.51/litre, representing a marginal increase over last week. Figure 1 shows year to year trend analysis of weekly motor vehicle fuel price.

E10 - 87

The average retail price for this week increased marginally moving from J\$90.31/litre for the previous week to J\$90.63/litre. This represented a J\$0.36/litre increase when compared to the previous week.

Figure 1



Automotive Diesel Oil (A.D.O.)

The average retail price for this week increased by J\$0.80/litre, moving from J\$90.19/litre for the previous week to J\$90.91/litre. This represented a marginal increase over the previous week.

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Cooking Fuels

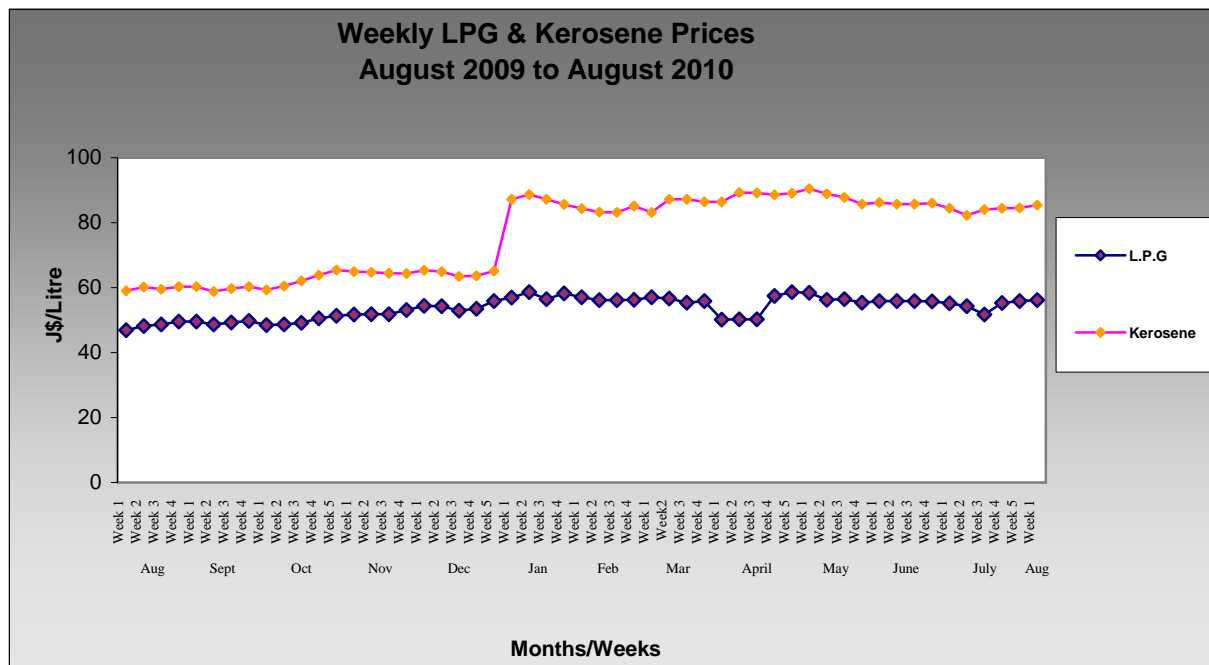
Liquid Petroleum Gas (L.P.G.)

The average retail price for this week increased marginally moving from J\$55.84/litre for the previous week to a current amount of J\$56.17/litre. Figure 2 shows year to year trend analysis of cooking fuels' prices.

Kerosene

The average retail price for this week increased marginally, moving from J\$84.55/litre for the previous week to a current amount of J\$85.39/litre.

Figure 2



Urban vs. Rural Analysis

For the week under review E10-90 in the rural parishes was sold for an average of J\$97.08/litre. In the urban region the price of E10-90 was lower, selling at an average price of J\$91.53/litre. The price difference between both regions was J\$5.55/litre.

The price for E10 87 showed a similar trend as E10-90 with average price per litre in the rural and urban areas standing at J\$92.99/litre and J\$86.29/litre respectively. The price difference between both regions was J\$6.70/litre.

Automotive Diesel Oil was sold at an average price of J\$92.89/litre in the rural area while selling in the urban at a lower average price of J\$87.58/litre. The difference between both regions was J\$5.31/litre.

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L.P.G was sold at an average price of J\$55.79/litre in the urban area while selling at a higher average price of J\$6.50/litre in the rural. The difference between both regions was J\$0.71/litre.

The prices fluctuated throughout the regions. St. Ann had the highest prices for all three products: E10-87 at J\$96.25/litre, E10-90 at J\$100.76/litre and ADO at J\$96.49/litre (see Table 3). Kingston & St. Andrew had the lowest prices for all three products E10-87 at J\$86.29/litre ,E10-90 at J\$91.54/litre and ADO at J\$87.59/litre.

Table 3: Weekly Retail Prices for Selected Petroleum Products by Region

Gasolene E10 - 87			Gasolene E10- 90			Automotive Diesel Oil			
Region	Prices This Week	Prices Last Week	Prices One Year Ago	Prices This Week	Prices Last Week	Prices One Year Ago (Regular 90)	Prices This Week	Prices Last Week	Prices One Year Ago
Kgn. & St. Andrew	86.29	85.97	75.19	91.54	91.09	80.21	87.59	86.92	72.16
Clarendon	88.38	88.14	73.66	94.64	94.40	80.30	90.69	87.47	73.26
Hanover	93.20	92.78	n/a	97.28	96.80	81.59	93.45	92.58	74.40
Manchester	92.72	92.25	77.03	97.48	96.23	82.65	93.25	93.08	75.05
Portland	95.04	94.88	79.48	97.76	97.59	83.13	93.83	93.58	77.56
St. Ann	96.25	96.01	80.16	100.76	100.55	86.01	96.49	96.04	78.44
St. Catherine	89.87	89.63	74.76	95.26	95.01	80.91	89.43	88.96	72.63
St. Elizabeth	93.83	93.01	n/a	96.76	95.97	82.54	94.14	93.14	75.97
St. James	89.50	89.23	75.84	93.24	93.01	80.38	88.61	88.20	73.33
St. Mary	95.04	94.83	80.30	100.13	99.90	84.66	95.53	95.01	77.02
St. Thomas	95.71	95.89	78.39	98.99	98.17	86.80	94.75	94.23	78.92
Trelawny	93.83	93.50	n/a	96.47	96.17	73.63	92.93	92.23	76.74
Westmoreland	92.53	92.36	n/a	96.26	96.23	81.18	91.57	91.03	74.01

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 E10-87 and ADO have increased by J\$15.76/litre and J\$16.89/litre respectively, while E10-90 increased by J\$14.03/litre when compared to Regular 90.

CONCLUDING REMARKS

Globally, crude oil prices increased marginally for the week however, prices were the highest seen since early May 2010. The increase is said to be due to a bigger than

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expected drop in crude inventory. According to the Energy Information Administration (EIA) crude oil supplies fell by 2.8 million barrels last week resulting in an increase in crude oil prices. Prices were also influenced by a continually weakening dollar.

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 E10-87 and ADO increased by 21% and 23% respectively, while the E10-90 increased by 17% when compared to Regular 90.

The value of the Jamaican dollar decreased marginally as evidenced by the movement in the exchange rate from US\$1.00: J\$86.29 in the previous week to US\$1.00: J\$86.07 for this week. For the same period last year the dollar stood at US\$1.00: J\$89.00 which is 3% more than the current rate.