



# Ministry of Energy & Mining

## WEEKLY OIL PRICE REPORT



July 29 – August 4, 2010

### INTRODUCTION

This report highlights the international prices of crude oil as well as the 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 adjustment can be made were 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 23-29, 2010) was US\$77.56/bbl. This represented an increase of 2% over that of the previous week when crude oil prices stood at US\$76.35/bbl (see table 1).

**Table 1 Spot Prices US\$/BL**

Region	Benchmark	16th July	23rd July	% Difference
				16th July vs 23rd July
Americans	West Texas Intermediate	<b>76.35</b>	<b>77.56</b>	<b>1.58</b>
Europe	Europe Brent	<b>75.70</b>	<b>76.64</b>	<b>1.24</b>
Asia	Dubai Fateh	<b>72.97</b>	<b>N/A</b>	<b>N/A</b>
Nothern Africa	Egypt Suez Blend	<b>71.59</b>	<b>N/A</b>	<b>N/A</b>
Western Africa	Nigeria Bonny Light	<b>77.04</b>	<b>N/A</b>	<b>N/A</b>

N/A :Not Available

### *Petrojam Billing Price*

#### *E10 - 90*

For this week, the Gulf Reference increased by 2% while the Ex-Refinery prices had a marginal increase of less than 1% respectively when compared to the previous week, when prices amounted to J\$47.17/litre and J\$53.97/litre respectively (See Table 2).

**Weekly Oil Price Report**  
**July 22 – 28, 2010**

The imposition of taxes amounting to J\$27.05/litre resulted in a Refinery Billing price of J\$81.02/litre, with taxes accounting for 33% of the Refinery Billing price.

**E10 – 87**

This week, the Gulf Reference price for E10-87 was J\$47.17/litre similar to that of E10-90, while the Ex-Refinery price was J\$52.91/litre, which represented a marginal increase when compared to the previous week. The imposition of taxes amounting to J\$26.46/litre resulted in a Refinery billing price of J\$79.36/litre, with taxes accounting for 33% of the refinery billing price.

Table 2

<b>Petroleum Products Price List for Selected Products J\$/Litre</b>					
<b>Year:</b>	<b>2010</b>				
<b>Week 5:</b>	<b>29-Jul</b>				
<b>Benchmark:</b>	<b>USGC</b>				
<b>Exch.Rate: US\$=J\$</b>	<b>86.29</b>				
	<b>E10 - 90</b>	<b>E10 - 87</b>	<b>ADO</b>	<b>L.P.G</b>	<b>Kerosene</b>
<b>Gulf Reference Price</b>	<b>47.17</b>	<b>47.17</b>	<b>45.53</b>	<b>27.69</b>	<b>47.05</b>
<b>Ex-Refinery Price</b>	<b>53.97</b>	<b>52.91</b>	<b>52.80</b>	<b>34.22</b>	<b>54.78</b>
<b>Refinery Billing Price</b>	<b>81.02</b>	<b>79.36</b>	<b>78.45</b>	<b>34.26</b>	<b>80.73</b>
<b>Average Selling Price</b>	<b>95.09</b>	<b>90.31</b>	<b>90.19</b>	<b>55.84</b>	<b>84.55</b>

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

In comparison to the previous week, there was an increase of less than 1% of the Gulf Reference and Ex-Refinery prices which amounted to J\$45.53/litre and J\$52.80/litre respectively. The addition of taxes amounting to J\$25.65/litre contributed to a Refinery Billing price of J\$78.45/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\$27.69/litre and J\$34.22/litre respectively. The addition of taxes amounting to J\$0.04/litre contributed to a Refinery Billing Price of J\$34.26/litre, which represents a 3% increase when compared to the previous week.

***Kerosene***

The Gulf Reference and Ex-Refinery prices increased by less than 1% respectively for the week under review; prices amounted to J\$47.05/litre and J\$54.78/litre respectively when

## Weekly Oil Price Report July 22 – 28, 2010

compared to the previous week. The addition of taxes amounting to J\$25.94/litre, contributed to a Refinery Billing price of J\$80.73/litre, with taxes accounting for 32% of the Refinery Billing price.

### Average Marketing/Retail Prices Motor Fuels

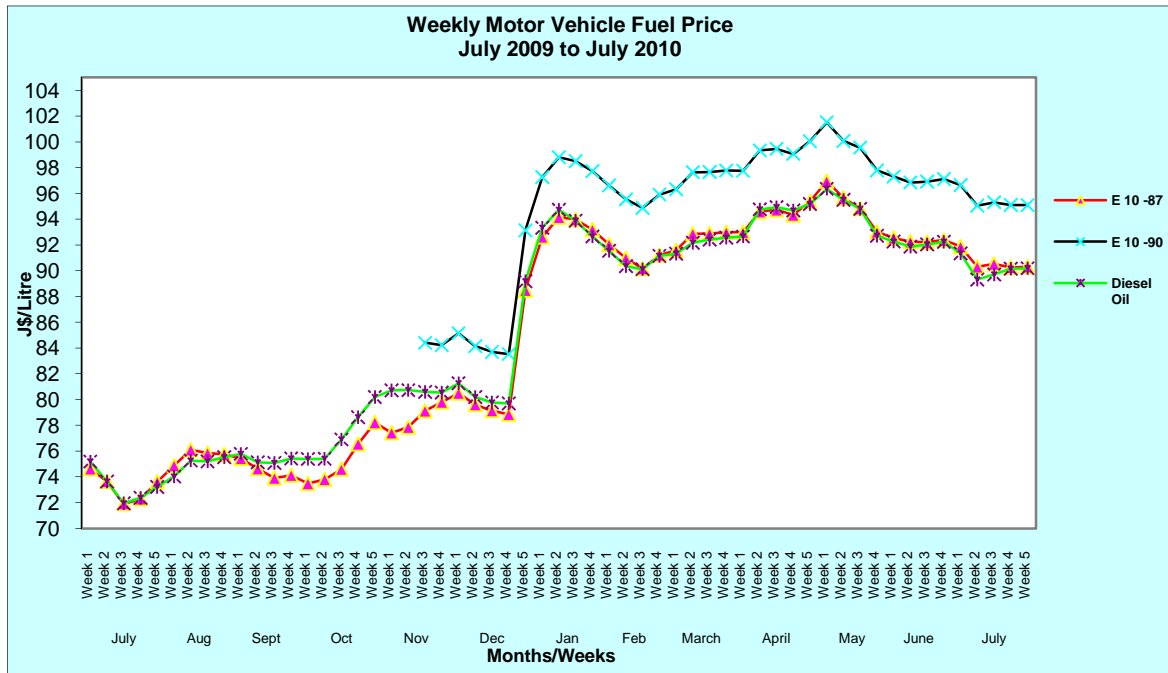
#### E10 - 90

The average retail price for this week went down by J\$0.02/litre, moving from J\$95.10/litre for the previous week to J\$95.09/litre, representing a marginal decrease 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\$90.27/litre for the previous week to J\$90.31/litre. This represented a J\$0.04/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\$0.04/litre, moving from J\$90.15/litre for the previous week to J\$90.19/litre. This represented a marginal increase over the previous week.

## Weekly Oil Price Report July 22 – 28, 2010

### Cooking Fuels

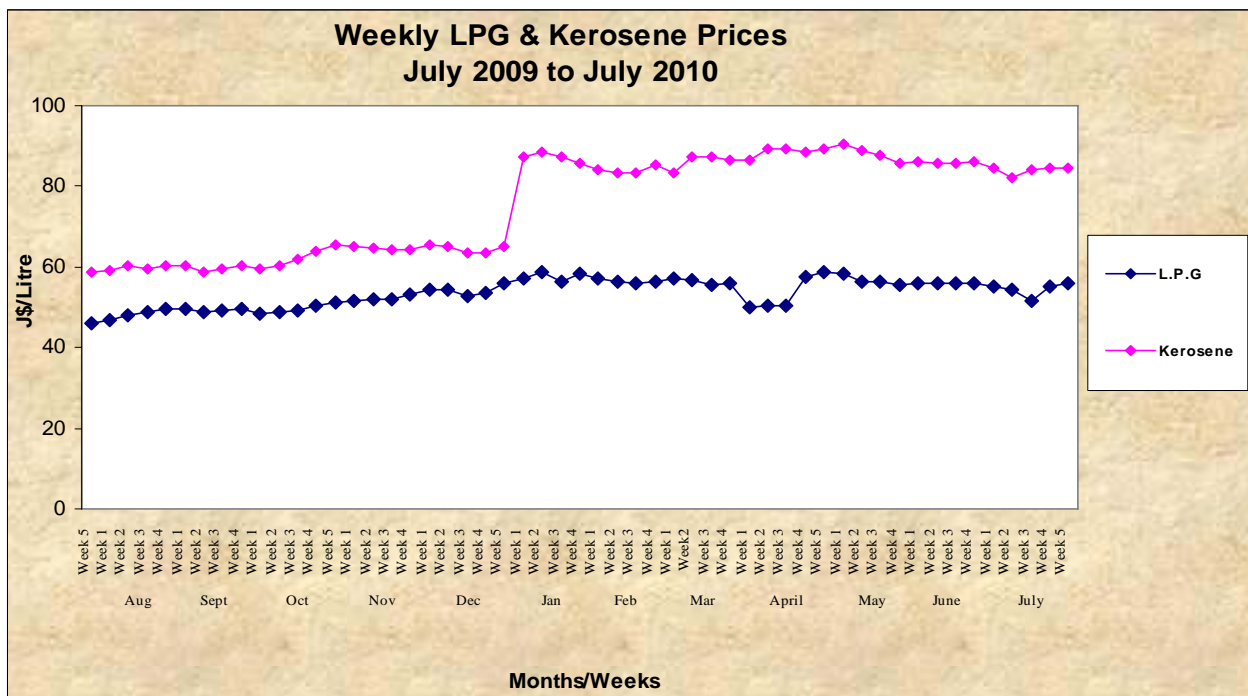
#### Liquid Petroleum Gas (L.P.G.)

The average retail price for this week increased marginally moving from J\$55.32/litre for the previous week to a current amount of J\$55.84/litre. Figure 2 shows the year to year trend analysis of cooking fuels' prices.

#### Kerosene

The average retail price for this week increased marginally, moving from J\$84.40/litre for the previous week to a current amount of J\$84.55/litre.

Figure 2



### Urban vs. Rural Analysis

For the week under review E10-90 in the rural region was sold for an average of J\$96.67/litre. In the urban region the price of E10-90 was lower, selling at an average price of J\$91.09/litre. The price difference between both regions was J\$5.58/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\$92.71/litre and J\$85.97/litre respectively. The price difference between both regions was J\$6.74/litre.

**Weekly Oil Price Report**  
**July 22 – 28, 2010**

Automotive Diesel Oil was sold at an average price of J\$92.13/litre in the rural area while selling in the urban at a lower average price of J\$86.91/litre. The difference between both regions was J\$5.22/litre.

L.P.G was sold at an average price of J\$55.52/litre in the urban area while selling at a higher average price of J\$56.14/litre in the rural. The difference between both regions was J\$0.62/litre.

The prices fluctuated throughout the regions. St. Ann had the highest prices for all three products: E10-87 at J\$96.01/litre, E10-90 at J\$100.55/litre and ADO at J\$96.04/litre (see Table 3). Kingston & St. Andrew had the lowest prices for all three products E10-87 at J\$85.97/litre, E10-90 at J\$91.09/litre and ADO at J\$86.91/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	85.97	86.40	74.01	91.09	92.40	78.64	86.91	87.69	71.50
Clarendon	88.14	88.07	73.07	94.40	94.92	79.55	87.47	87.26	72.70
Hanover	92.78	92.53	n/a	96.80	96.35	80.46	92.58	92.48	74.86
Manchester	92.25	92.27	76.35	96.23	97.14	81.51	93.08	92.63	74.67
Portland	94.88	94.84	78.37	97.59	97.54	82.34	93.58	93.63	77.17
St. Ann	96.01	95.81	78.96	100.55	100.01	84.68	96.04	95.74	77.74
St. Catherine	89.63	89.42	73.28	95.01	94.77	79.41	88.96	88.79	71.91
St. Elizabeth	93.01	93.19	n/a	95.97	95.56	81.01	93.14	93.20	75.40
St. James	89.23	89.14	74.04	93.01	93.17	78.70	88.20	87.92	72.39
St. Mary	94.83	94.83	79.05	99.90	98.99	83.69	95.01	95.01	76.51
St. Thomas	95.89	95.57	76.89	98.17	98.38	85.23	94.23	94.18	78.17
Trelawny	93.50	93.10	n/a	96.17	95.00	82.13	92.23	92.13	76.01
Westmoreland	92.36	92.03	n/a	96.23	94.75	79.10	91.03	90.94	72.50

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\$16.70/litre and J\$16.97/litre respectively, while E10-90 increased by J\$14.96/litre when compared to Regular 90.

**Weekly Oil Price Report**  
**July 22 – 28, 2010**

**CONCLUDING REMARKS**

Globally, crude oil prices advanced for the week ending July 23, 2010. The upward movement in prices was as a result of oil rising to its highest level in three weeks, nearing \$78 a barrel, as signs of growing Chinese demand for energy and cheerier Wall Street boosted prices.

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 18% and 19% respectively, while the E10-90 increased by 16% 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\$86.39 in the previous week to US\$1.00: J\$86.29 for this week. For the same period last year the dollar stood at US\$1.00: J\$89.07 which is 3% more than the current rate.