



# Ministry of Energy & Mining

## WEEKLY OIL PRICE REPORT



July 30 – August 05, 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\$65.28/bbl representing a six percent (6%) increase over that of the previous week, when crude oil prices stood at US\$61.29/bbl (see table 1).

Table 1 Crude Oil Spot Prices US\$/BL

Region	Benchmark	17th July	24th July	% Difference
				17th July vs 24th July
Americans	West Texas Intermediate	61.29	65.28	6.51
Europe	Europe Bent	61.11	66.56	8.92
Asia	Dubai Fateh	61.69	64.30	4.23
Nothern Africa	Egypt Suez Blend	57.98	63.24	9.07
Western Africa	Nigeria Bonny Light	61.54	66.95	8.79

Source: Energy Information Administration

### *Petrojam Billing Price*

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

For this week, the Gulf Reference price for Unleaded Gas (90 Octane) was J\$44.32/litre representing an eight percent (8%) increase over the previous week (see Table 2), while the Ex-Refinery price went up by two percent (2%) as the price amounted to \$51.71/litre. The imposition of taxes

**Weekly Oil Price Report  
July 30 – August 05, 2009**

amounting to J\$16.48/litre resulted in a Refinery Billing price of J\$66.99/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\$44.32/litre similar to that of 90 octane, while the Ex-Refinery price was J\$50.64/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 \$66.75/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\$48.61, an increase of two percent (2%) when the price stood at J\$47.41/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\$64.72/litre for the E10 87 blend. This represented an increase of one percent (1%) 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:	30-Jul					
Benchmark:	USGC					
Exch.Rate: US\$=J\$	89.07					
	L.P.G	Unleaded	E 10	Premium	Kerosene	ADO
Gulf Reference Price	21.31	44.32	n/a	44.32	42.93	41.06
Ex-Refinery Price	29.36	50.64	48.61	51.71	49.02	47.74
Refinery Billing Price	29.40	66.75	64.72	68.19	55.04	63.15
Selling Price	45.85	76.04	73.61	80.13	58.86	73.22

Note: n/a = not available

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

The Gulf Reference price for the week under review went up by eight percent (8%) over that of the previous week as prices stood at J\$41.06/litre, while the Ex-Refinery price went up by two percent (2%) as the price amounted to J\$47.74/litre. The addition of taxes amounting to J\$15.42/litre, contributed to a Refinery Billing price of J\$63.15/litre, which resulted in a one percent (1%) increase when compared to prices in the previous week.

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

## Weekly Oil Price Report July 30 – August 05, 2009

The Gulf Reference price for the week under review went up by four percent (4%) over that of the previous week as the price stood at J\$21.31/litre. While Ex-refinery price went up by two percent (2%) over that of the previous week as price stood at J\$29.36/litre. The addition of taxes amounting to J\$0.04/litre contributed to a Refinery Billing Price of J\$29.40/litre, which also resulted in a two percent (2%) increase when compared with the previous week.

### Kerosene

The Gulf Reference price for the week under review went up by six percent (6%) over that of the previous week as the prices stood at J\$42.93/litre. While Ex-refinery price went up by two percent (2%) over that of the previous week as the prices stood at J\$49.02/litre. The addition of taxes amounting to \$6.02/litre, contributes to a Refinery Billing price of J\$55.04/litre, which increased by one percent (1%) when compared to the previous week.

## Marketing/Retail Prices

### Motor Fuels

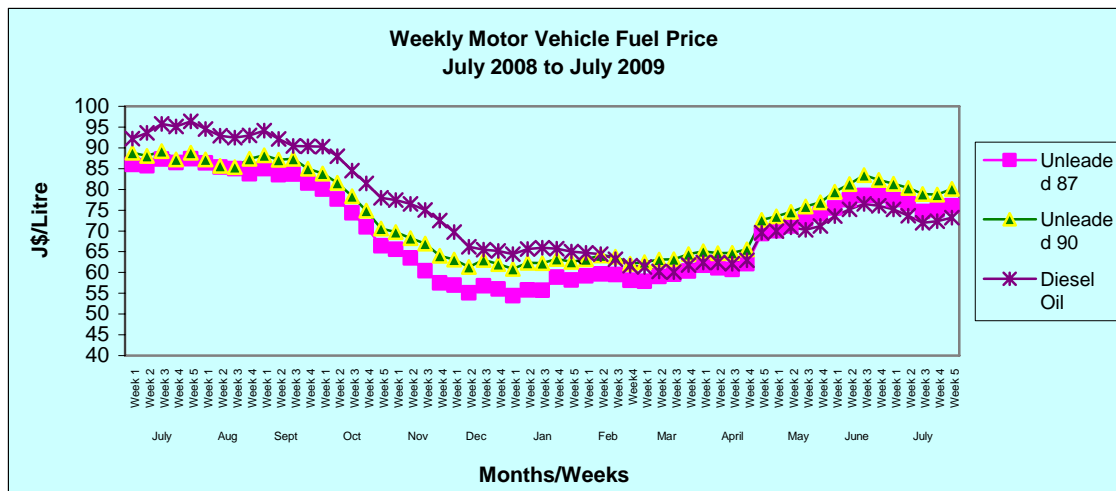
#### Unleaded Gasoline – 90 Octane

The average retail price for this week went up by J\$0.93/litre, moving from J\$79.20/litre for the previous week to J\$80.13/litre, representing a one percent (1%) increase over last week.

#### Unleaded Gasoline – 87 Octane

The average retail price for this week had a one percent (1%) increase, moving from J\$75.05/litre for the previous week to J\$76.04/litre, this represents a J\$0.98/litre increase when compared to the previous week.

Figure 1



## Weekly Oil Price Report July 30 – August 05, 2009

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

The average retail price for this week increased by J\$1.33/litre moving from J\$72.38/litre for the previous week to J\$73.22/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\$72.28/litre for the previous week to J\$73.61/litre. This represents a J\$1.33/litre increase when compared to the previous week.

### **Cooking Fuels**

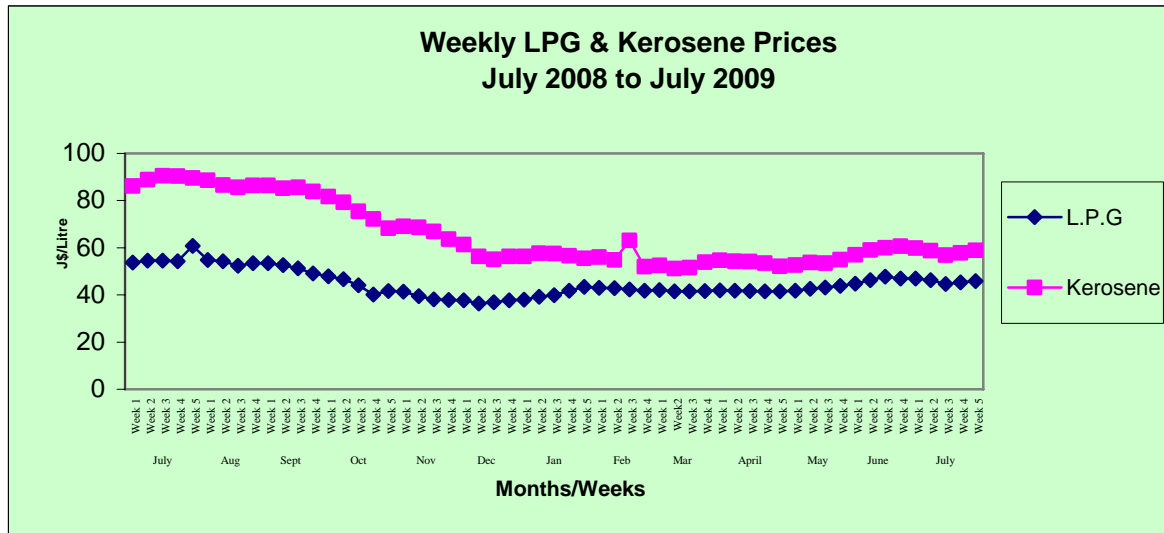
#### **Liquid Petroleum Gas (L.P.G.)**

The average retail price for this week increased by one percent (1%) moving from J\$45.30/litre for the previous week to a current amount of J\$45.85/litre.

#### **Kerosene**

The average retail price for this week increased by one percent (1%) moving from J\$57.86/litre for the previous week to a current amount of J\$58.86/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\$81.48/litre. In the urban region the price of Unleaded Gas (90 Octane) was lower, selling at an average price of J\$78.64/litre. The price difference between both regions was J\$2.84/litre

## Weekly Oil Price Report July 30 – August 05, 2009

The price for Unleaded 87 Gasoline showed a similar trend with average price per litre in the rural and urban areas standing at J\$77.46/litre and J\$73.18/litre respectively. The price difference between both regions was J\$4.28/litre.

E10 was sold at an average price of J\$76.22/litre in the rural area while in the urban it had a lower average price of J\$74.01/litre. The difference between both regions was J\$2.21/litre.

Automotive Diesel Oil was sold at an average price of J\$75.00/litre in the rural area while it was sold in the urban at a lower average price of J\$71.50/litre. The difference between both regions was J\$3.50/litre.

L.P.G was sold at an average price of J\$46.18/litre in the rural area while selling at a lower average price of J\$45.42/litre in the urban. The difference between both regions was J\$0.76/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\$80.43/litre, Unleaded Gas (90 Octane) at J\$85.23/litre and ADO at J\$78.17/litre, while St. Mary had the highest for E10 which was J\$79.05/litre (see Table 3). Kingston & St. Andrew had the lowest prices for three products, Unleaded Gas (87 Octane) at J\$73.18/litre, ADO at J\$71.50/litre and Unleaded Gas (90 Octane) at J\$78.64/litre, while Clarendon had the lowest for E10 at J\$73.07/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 Last Week	Prices One Year Ago	
Kgn. & St. Andrew	73.18	72.16	84.13	74.01	70.92	78.64	77.34	84.97	71.50	70.21	91.90
Clarendon	74.34	73.78	87.34	73.07	70.77	79.55	78.52	88.81	72.70	71.78	97.25
Hanover	76.96	76.51	86.95	n/a	n/a	80.46	79.77	88.39	74.86	74.32	95.59
Manchester	76.20	75.49	88.27	76.35	75.04	81.51	80.98	90.37	74.67	74.21	96.80
Portland	79.72	78.39	88.21	78.37	76.58	82.34	81.24	90.40	77.17	75.92	97.57
St. Ann	79.77	78.99	90.82	78.96	78.19	84.68	83.86	91.50	77.74	77.00	99.99
St. Catherine	74.23	73.43	84.66	73.28	72.10	79.41	78.33	86.15	71.91	70.87	93.58
St. Elizabeth	77.96	76.96	88.94	n/a	n/a	81.01	80.47	90.73	75.40	75.27	98.22
St. James	75.42	74.38	86.27	74.04	72.84	78.70	77.73	87.82	72.39	71.42	95.80
St. Mary	80.11	79.19	88.72	79.05	77.95	83.69	82.69	91.63	76.51	75.54	99.28
St. Thomas	80.43	78.99	90.45	76.89	75.49	85.23	83.80	91.52	78.17	76.71	98.75
Trelawny	78.92	77.72	84.85	n/a	n/a	82.13	80.93	87.76	76.01	74.89	95.36
Westmoreland	75.49	74.53	87.16	n/a	n/a	79.10	77.97	86.13	72.50	71.38	95.09

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\$11.34/litre, J\$8.68/litre and J\$23.17/litre respectively.

**Weekly Oil Price Report**  
**July 30 – August 05, 2009**

## **CONCLUDING REMARKS**

Globally, crude oil prices rebounded this week going up by 5% when compared to last week to average US\$67 a barrel. This was due to the release of economic data igniting new optimism of an economic recovery following the global recession. In addition, the release of economic data in tandem with a string of solid corporate profits helped lift equities markets as the US dollar continue to weaken.

The Energy Information Administration reported that crude stocks jumped by 5.1 million barrels to 347.8 million barrels in the week ended July 24, 2009.

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 twelve percent (12%), nine percent (9%) and twenty-four percent (24%) respectively.

Another factor influencing prices is the value of the Jamaican dollar, as evidenced by the movement in the exchange rate from US\$1.00: J\$89.07 in the previous week to US\$1.00: J\$89.07 this week. For the same period last year the dollar stood at US1.00: J\$72.29, twenty-three percent (23%) less than the current rate.