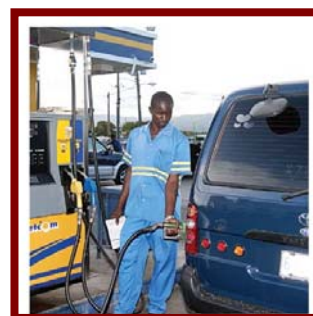




Ministry of Energy & Mining

WEEKLY OIL PRICE REPORT



July 8 - 14, 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 where necessary.

International Benchmarks

Crude Oil

The benchmark used by the Petrojam Refinery is 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 1- 7, 2010) was US\$75.68/bbl. This represented a decrease of 2% over that of the previous week when crude oil price stood at US\$77.06/bbl (see table 1).

Table 1 Spot Prices US\$/BL

Region	Benchmark	25th June	2nd July	% Difference
				25th June vs 2nd July
Americans	West Texas Intermediate	77.06	75.68	-1.79
Europe	Europe Brent	76.64	74.39	-2.94
Asia	Dubai Fateh	75.58	73.62	-2.59
Nothern Africa	Egypt Suez Blend	73.33	70.89	-3.33
Western Africa	Nigeria Bonny Light	79.03	76.84	-2.77

Petrojam Billing Price

E10 - 90

For this week, the Gulf Reference prices decreased by 4% while the Ex-Refinery price also decreased by 3% when compared to the previous week; prices amounted to J\$45.08/litre and J\$53.32/litre respectively (See Table 2). The imposition of taxes

Weekly Oil Price Report
July 8 – 14, 2010

amounting to J\$26.95/litre resulted in a Refinery Billing price of J\$80.27/litre, with taxes accounting for 34% of the Refinery Billing price.

E10 – 87

For this week, the Gulf Reference price for E10-87 was J\$45.08/litre similar to that of E10-90, while the Ex-Refinery price was J\$52.25/litre, which represented a 3% decrease when compared to the previous week. The imposition of taxes amounting to J\$26.36/litre resulted in a Refinery billing price of J\$78.61/litre, with taxes accounting for 34% of the refinery billing price.

Table 2

Petroleum Products Price List for Selected Products J\$/Litre					
Year:	2010				
Week 2:	08-Jul				
Benchmark:	USGC				
Exch.Rate: US\$=J\$	85.87				
	E10 - 90	E10 - 87	ADO	L.P.G	Kerosene
Gulf Reference Price	45.08	45.08	42.82	25.83	44.11
Ex-Refinery Price	53.32	52.25	51.05	31.63	52.83
Refinery Billing Price	80.27	78.61	76.43	31.67	78.48
Average Selling Price	95.06	90.30	89.31	54.09	82.30

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

In comparison to the previous week, there was a reduction of 7% and 4% respectively in the Gulf Reference and Ex-Refinery prices, which amounted to J\$42.82/litre and J\$51.05/litre respectively. The addition of taxes amounting to J\$25.38/litre contributed to a Refinery Billing price of J\$76.43/litre, with taxes accounting for 33% of the Refinery Billing price.

Liquid Petroleum Gas (L.P.G.)

The Gulf Reference and Ex-Refinery prices decreased by 5% and 4% respectively for the week under review when compared to the previous week; prices amounted to J\$25.83/litre and J\$31.63/litre respectively. The addition of taxes amounting to J\$0.04/litre contributed to a Refinery Billing Price of J\$31.67/litre, which represents a 0.1% decrease when compared to the previous week.

Kerosene

Weekly Oil Price Report July 8 – 14, 2010

The Gulf Reference and Ex-Refinery prices decreased by 7% and 3% respectively for the week under review; prices amounted to J\$44.11/litre and J\$52.83/litre respectively when compared to the previous week. The addition of taxes amounting to \$25.65/litre, contributed to a Refinery Billing price of J\$78.48/litre, with taxes accounting for 33% of the Refinery Billing price.

Average Marketing/Retail Prices Motor Fuels

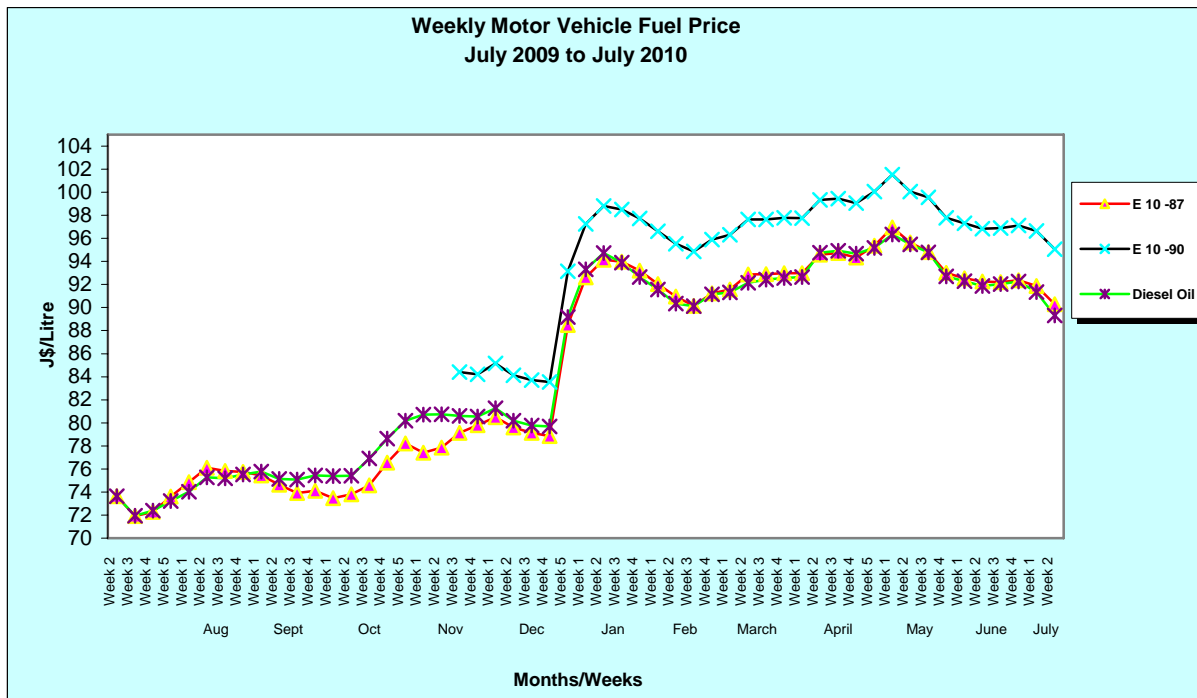
E10 - 90

The average retail price for this week went down by J\$1.57/litre, moving from J\$96.63/litre for the previous week to J\$95.06/litre, representing a 2% 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 decreased by 2%, moving from J\$91.87/litre for the previous week to J\$90.30/litre. This represented a J\$1.57/litre decrease when compared to the previous week.

Figure 1



Weekly Oil Price Report July 8 – 14, 2010

Automotive Diesel Oil (A.D.O.)

The average retail price for this week decreased by J\$2.04/litre, moving from J\$91.35/litre for the previous week to J\$89.31/litre. This represented a 2% decrease over the previous week.

Cooking Fuels

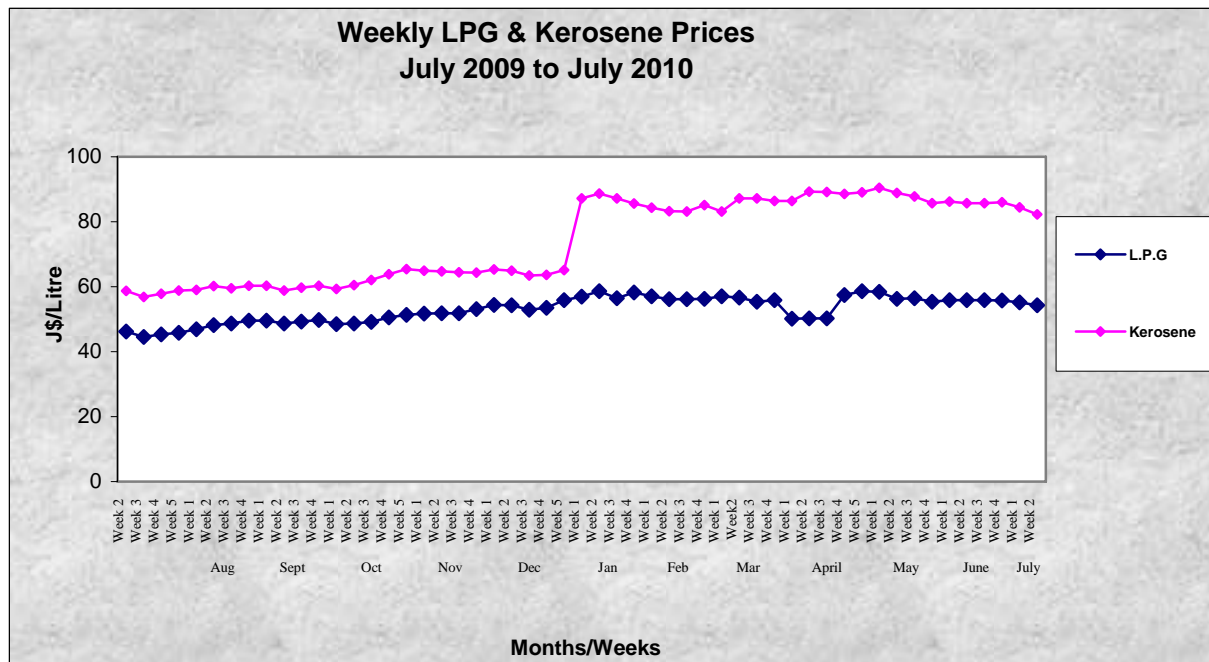
Liquid Petroleum Gas (L.P.G.)

The average retail price for this week decreased by 2%, moving from J\$55.16/litre for the previous week to a current amount of J\$54.30/litre. Figure 2 shows year to year trend analysis of cooking fuels' prices.

Kerosene

The average retail price for this week decreased by 3%, moving from J\$84.45/litre for the previous week to a current amount of J\$82.30/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\$96.55/litre. In the urban region the price of E10-90 was lower, selling at an average price of J\$92.19/litre. The price difference between both regions was J\$4.36/litre.

Weekly Oil Price Report July 8 – 14, 2010

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\$92.60/litre and J\$86.72/litre respectively. The price difference between both regions was J\$5.88/litre.

Automotive Diesel Oil was sold at an average price of J\$91.17/litre in the rural area while selling in the urban at a lower average price of J\$87.13/litre. The difference between both regions was J\$4.04/litre.

L.P.G was sold at an average price of J\$54.85/litre in the rural area while selling at a lower average price of J\$53.32/litre in the urban. The difference between both regions was J\$1.52/litre.

There was an overall decrease in prices throughout the regions. St. Ann had the highest prices for all three products: E10-87 at J\$96.32/litre, E10-90 at J\$100.88/litre and ADO at J\$95.23/litre (see Table 3). Kingston & St. Andrew had the lowest prices for two products E10-87 at J\$86.73/litre and E10-90 at J\$92.19/litre, while Clarendon had the lowest price for ADO at J\$86.43/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	86.73	88.27	72.26	92.19	93.76	77.60	87.13	89.23	71.22
Clarendon	87.89	89.62	71.56	94.13	95.83	79.61	86.43	88.58	72.62
Hanover	92.25	94.38	n/a	96.18	98.18	81.49	90.60	93.15	75.30
Manchester	92.64	94.07	75.88	97.26	98.84	82.56	93.06	94.38	75.51
Portland	95.63	96.07	77.03	98.45	98.85	82.71	94.50	95.25	77.29
St. Ann	96.32	97.34	81.57	100.88	101.84	85.56	95.23	96.63	78.77
St. Catherine	89.67	91.39	73.70	94.54	96.32	80.21	87.76	89.93	72.22
St. Elizabeth	93.17	94.65	n/a	95.26	97.67	81.42	92.70	94.79	75.94
St. James	89.23	90.97	73.81	92.89	94.55	79.33	86.76	89.10	73.06
St. Mary	95.16	96.26	78.78	100.19	101.06	83.83	94.26	95.60	76.69
St. Thomas	94.68	96.51	76.09	97.96	99.41	85.36	92.89	95.44	77.28
Trelawny	92.80	95.03	n/a	95.47	97.70	81.90	90.23	93.27	75.52
Westmoreland	91.79	93.80	n/a	95.47	96.93	78.93	89.60	92.18	73.34

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\$16.66/litre and J\$15.67/litre respectively, while E10-90 increased by J\$14.72/litre when compared to Regular 90.

Weekly Oil Price Report
July 8 – 14, 2010

CONCLUDING REMARKS

Globally, crude oil prices declined for the week ending July 2, 2010. The decline in oil prices was attributed to concerns about a tropical storm in the Gulf of Mexico which began to ease. Another contributing factor was the demand for risky assets fading and the dollar gaining strength against the euro on mounting fears over a global economic slowdown.

Locally, there was a decrease 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 23% and 21% respectively, while the E10-90 increased by 18% when compared to Regular 90.

The value of the Jamaican dollar increased marginally as evidenced by the movement in the exchange rate from US\$1.00: J\$85.88 in the previous week to US\$1.00: J\$86.09 for this week. For the same period last year the dollar stood at US1.00: J\$89.03 which is 3% more than the current rate.