



Ministry of Energy & Mining

WEEKLY OIL PRICE REPORT



October 29 – November 04, 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. The crude oil price for last week was US\$75.73/bbl representing an increase of five percent (5%) over that of the previous week, when crude oil price stood at US\$80.06/bbl (see table 1).

Table 1 Spot Prices US\$/BL

Region	Benchmark	15th October	22th October	% Difference
				15th October vs 22th October
Americans	West Texas Intermediate	75.73	80.06	5.72
Europe	Europe Bent	72.29	77.24	6.85
Asia	Dubai Fateh	71.35	76.22	6.83
Nothern Africa	Egypt Suez Blend	68.31	73.57	7.70
Western Africa	Nigeria Bonny Light	72.87	78.02	7.07

Source: Energy Information Administration

Note: n/a = not available

Petrojam Billing Price

Unleaded Gasoline – 90 Octane

For this week, the Gulf Reference prices for Unleaded Gas (90 Octane) was J\$47.87/litre which represented an increase of four percent (4%) over the previous week (see Table 2). While the Ex-Refinery price went up by three percent (3%) as the price amounted to J\$56.63/litre. The imposition of taxes

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amounting to J\$16.48/litre resulted in a Refinery Billing price of J\$73.11/litre, which increases by two percent (2%) when compared to the previous week.

Unleaded Gasoline – 87 Octane

For this week, the Gulf Reference price for Unleaded Gas (87 Octane) was J\$47.87/litre similar to that of 90 octane, while the Ex-Refinery price was J\$55.56/litre, an increase of three percent (3%) when compared to the previous week. The imposition of taxes amounting to J\$16.11/litre resulted in a Refinery billing price of J\$71.67/litre, which increased by two percent (2%) when compared to the previous week.

E10

For the week under review the Ex-Refinery price for E10 was J\$53.53, an increase of three percent (3%) when the price stood at J\$51.56/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\$69.64/litre for the E10 87 blend. This represented an increase of approximately three percent (3%) when compared to 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 5:	29-Oct					
Benchmark:	USGC					
Exch.Rate: US\$=	89.17					
	Unleaded	Unleaded	E 10	ADO	L.P.G	Kerosene
	90	87				
Gulf Reference Price	47.87	47.87	n/a	48.13	29.12	48.68
Ex-Refinery Price	56.63	55.56	53.53	55.09	36.50	55.60
Refinery Billing Price	73.11	71.67	69.64	70.50	36.54	61.62
Selling Price	85.08	80.93	78.22	80.20	51.36	65.44

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

The Gulf Reference and Ex-Refinery prices for the week under review went up by three percent (3%) over that of the previous week as the prices stood at J\$48.13/litre and J\$55.09/litre respectively. The addition of taxes amounting to J\$15.42/litre, contributed to a Refinery Billing price of J\$70.50/litre, which resulted in a two percent (2%) increase when compared to prices in the previous week.

Liquid Petroleum Gas (L.P.G.)

The Gulf Reference price for the week under review went up by seven percent (7%) over that of the previous week as price stood at J\$29.12/litre, while the Ex-Refinery price went up by five percent (5%) over that of the previous week as the

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price stood at J\$36.50. The addition of taxes amounting to J\$0.04/litre contributed to a Refinery Billing Price of J\$36.54/litre, which also resulted in a five percent (5%) increase when compared with the previous week.

Kerosene

The Gulf Reference and Ex-Refinery prices for the week under review went up by three percent (3%) over that of the previous week as the price stood at J\$48.68/litre and J\$55.60/litre respectively. The addition of taxes amounting to \$6.02/litre, contributed to a Refinery Billing price of J\$61.62/litre, which increased by two percent (2%) when compared to the previous week.

Marketing/Retail Prices Motor Fuels

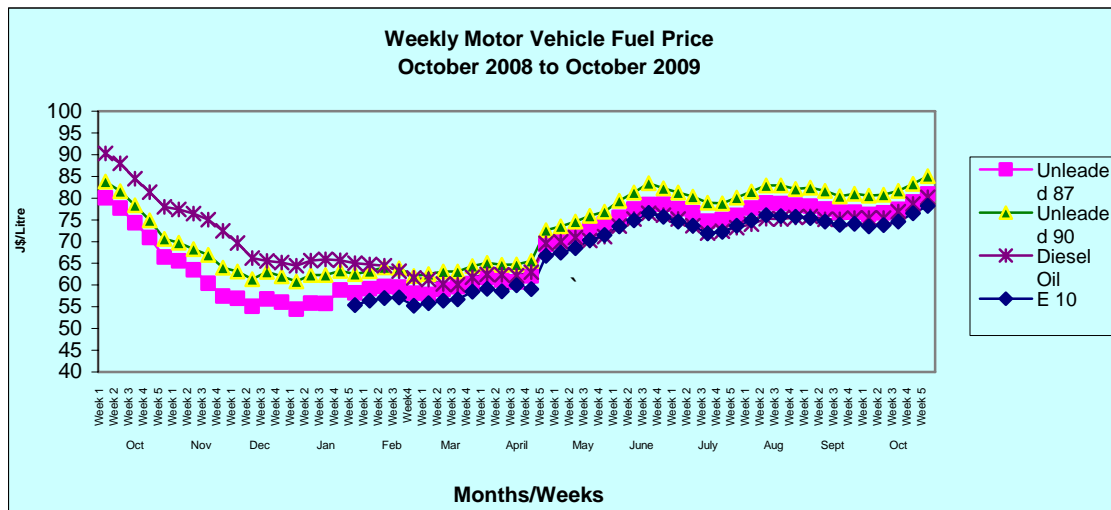
Unleaded Gasoline – 90 Octane

The average retail price for this week went up by J\$1.79/litre, moving from J\$83.29/litre for the previous week to currently amount to J\$85.08/litre, representing an increase of two percent (2%) over last week. Figure 1 shows year to year trend analysis of weekly motor vehicle fuel price.

Unleaded Gasoline – 87 Octane

The average retail price for this week increased by two percent (2%), moving from J\$79.09/litre for the previous week to currently amount to J\$80.93/litre. This represented a J\$1.84/litre increase when compared to the previous week.

Figure 1



Automotive Diesel Oil (A.D.O.)

The average retail price for this week was increased by J\$1.56/litre moving from J\$78.64/litre for the previous week to currently amount to J\$80.20/litre. This represents an increase of approximately two percent (2%) over that of the previous week.

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Unleaded Gasoline – E10

The average retail price for this week showed an increase of two percent (2%) moving from J\$76.55/litre for the previous week to currently amount to J\$78.22/litre. This represents a J\$1.67/litre increase when compared to the previous week.

Cooking Fuels

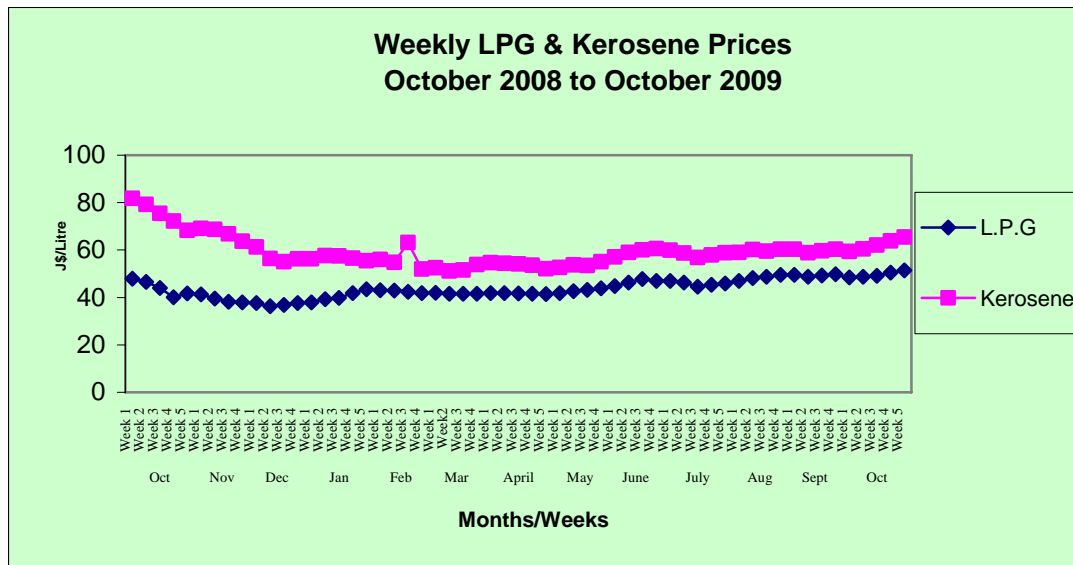
Liquid Petroleum Gas (L.P.G.)

The average retail price for this week increased by one percent (1%) moving from J\$50.53/litre for the previous week to currently amount to J\$51.36/litre. Figure 2 shows year to year trend analysis of cooking fuels' prices.

Kerosene

The average retail price for this week increased by one percent (1%) moving from J\$63.81/litre for the previous week to currently amount to J\$65.78/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\$86.07/litre. In the urban region the price of Unleaded Gas (90 Octane) was lower, selling at an average price of J\$83.53/litre. The price difference between both regions was J\$2.54/litre.

The price for Unleaded 87 Gasoline showed a similar trend with average price per litre in the rural and urban areas standing at J\$82.05/litre and J\$78.48/litre respectively. The price difference between both regions was J\$3.57/litre.

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E10 was sold at an average price of J\$80.05/litre in the rural area while in the urban it had a lower average price of J\$77.32/litre. The difference between both regions was J\$2.73/litre.

Automotive Diesel Oil was sold at an average price of J\$81.70/litre in the rural area while selling in the urban at a lower average price of J\$77.75/litre. The difference between both regions was J\$3.95/litre.

L.P.G was sold at an average price of J\$51.08/litre in the rural area while selling at a higher average price of J\$52.70/litre in the urban. The difference between both regions was J\$1.63/litre.

There was an increase in prices throughout the regions. St. Thomas had the highest prices for three products, Unleaded Gas (90 Octane) at J\$90.14/litre, Unleaded Gas (87 Octane) at J\$85.42/litre and ADO at J\$85.54/litre while St. Ann had the highest price for E10 at J\$84.06/litre (see Table 3). Kingston & St. Andrew had the lowest prices for three products, Unleaded Gas (87 Octane) at J\$78.48/litre, ADO at J\$77.75/litre and E10 at J\$77.32/litre, while St. James had the lowest price for Unleaded Gas (90 Octane) at J\$83.21/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	78.48	76.44	68.94	77.32	75.87	83.53	82.06	73.64	77.75	76.47	79.90
Clarendon	79.18	77.60	65.79	77.30	75.73	84.65	83.08	71.34	78.19	77.32	80.63
Hanover	81.54	79.56	68.89	n/a	n/a	85.08	83.19	72.07	81.59	79.86	78.90
Manchester	80.02	77.84	66.75	79.08	77.64	85.96	84.13	71.11	80.77	79.05	78.27
Portland	81.84	81.57	70.93	80.80	79.86	84.43	83.86	73.25	81.77	80.69	81.50
St. Ann	83.36	81.98	70.69	84.06	82.07	88.08	86.48	74.76	84.00	82.65	82.62
St. Catherine	81.04	79.16	65.21	78.22	76.65	85.07	83.36	70.10	79.51	77.98	76.63
St. Elizabeth	82.99	80.32	67.64	n/a	n/a	86.64	83.92	70.36	82.98	80.85	79.77
St. James	79.68	77.78	66.48	75.34	75.34	83.21	81.33	69.35	79.14	77.37	78.04
St. Mary	84.75	83.00	69.92	83.31	82.33	88.37	86.78	73.20	83.45	81.92	80.81
St. Thomas	85.42	83.58	76.17	82.29	80.29	90.14	88.32	78.74	85.54	83.88	84.17
Trelawny	84.07	82.24	65.14	n/a	n/a	87.34	85.52	68.15	83.57	82.01	76.58
Westmoreland	80.76	79.48	64.93	n/a	n/a	83.88	83.02	67.68	79.87	78.85	75.77

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 ADO have increased by J\$14.49/litre, J\$14.47/litre and J\$2.20/litre respectively.

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CONCLUDING REMARKS

Globally, crude oil prices went up by two dollars (\$2) during the week, this is due to the weakening of the US dollars. The Energy Information Administration (EIA) reported that crude oil stockpiles went up by 800,000 barrels to reach 339.9 million barrels in the week ending October 23, 2009.

The West Texas Intermediate crude oil increased by five percent (5%) during the week ending October 23, 2009 to settle above \$80 the highest price since the start of the year.

Locally, there was a week on week increase in retail prices for petroleum products. A comparative examination for the same period last year indicates that retail prices for Unleaded 87, Unleaded 90 and ADO have increased by twenty one percent (21%), twenty percent (20%) and two percent (2%) respectively. The primary factor influencing prices locally is the value of the crude oil which has shown a gradual increase for the last four consecutive weeks; the price of crude oil increased by approximately sixteen percent (16%) over that period.

The value of the Jamaican dollar increased by \$0.01 as evidenced by the movement in the exchange rate from US\$1.00: J\$89.16 in the previous week to US\$1.00: J\$89.17 this week. For the same period last year the dollar stood at US\$1.00: J\$74.82, which was nineteen percent (19%) less than the current rate.