

28TH MARCH, 2021

FUEL PRICES TO REMAIN STABLE

REVIEW OF MARCH SECOND PRICING-WINDOW

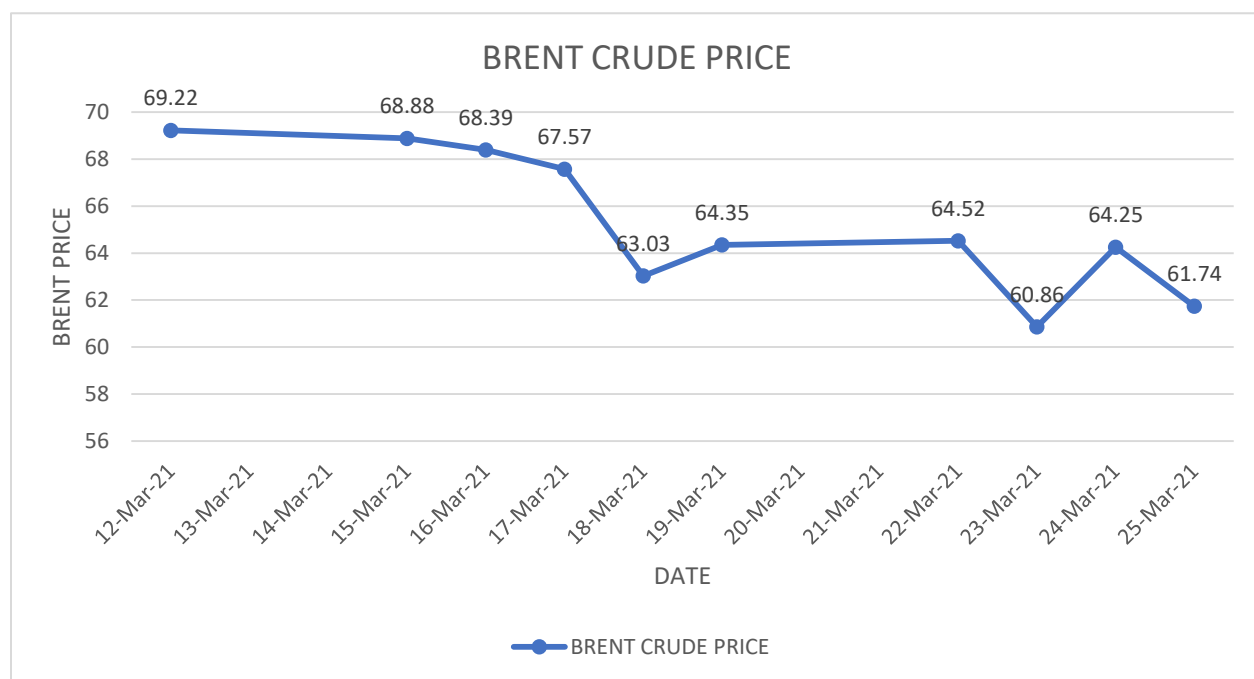
Local Fuel Market Performance

Price of fuel on the local market remained largely stable within the window under review. Price of petroleum products within the second Pricing-window of March 2021 saw the Oil Marketing Companies (OMCs) maintain prices at the pump throughout the period. The current national average price of fuel per litre at the pump is pegged at Gh¢5.16 for both products.

For this Pricing-window, Zen Petroleum, Benab Oil, Petrosol and Frimps Oil sold the least-priced fuel on the local market according to IES Market-Scan.

World Oil Market

For the window under assessment, international benchmark, Brent crude price averaged about \$65.22 per barrel mark representing a 2.19% decrease from the previous window's average price of \$66.65 per barrel



mark.

Source: IES Construct 2021, with data from oilprice.com

The Brent crude price decrease is coming on the back of the third wave of coronavirus infections which has forced several European States like France, Poland, Italy, Germany and others to introduce new restrictions on movements in subsequent weeks. The restrictions are expected to reduce crude oil demand. On 24th March however, price of Brent Crude went up by 5.5% due to the unfortunate mishap in the Suez Canal. The canal is a major transportation route for global trade that connects Asia to the Middle East.

The mishap blocked the delivery of about 13 million barrels of crude according to Vortexa. The situation is expected to cause a short-term delay in Crude Oil imports in Europe, Asia and other parts of the world. The Prices were back again to the downward trajectory on 25th March trading downwards by 3.85% in response to the restrictions in Europe.

In preparation for the next OPEC+ meeting, traders still remain on edge for the resolutions from the meeting scheduled for 1st April 2021.

Gasoline and Gasoil prices as monitored on Standard and Poor's global Platts platform show that price of the international commodities Gasoline and Gasoil experienced marginal decreases within the period. Gasoline saw a decrease in price by 2.07% to close the window at \$608.73 per metric tonne from an earlier \$621.64 per metric tonne. Gasoil price also decreased by 3.56% to close trading at \$513.35 per metric tonne from \$532.33 per metric tonne at the end of the first pricing window of March 2021.

Local Forex

Data collated by IES Economic Desk from the Foreign Exchange (Forex) market shows the Cedi maintained its stability against the U.S. Dollar still trading at Gh¢5.73 to the US Dollar.

PROJECTIONS FOR APRIL 2021 FIRST PRICING-WINDOW

Due to factors including the 2.05% decrease in price of the International Benchmark- Brent crude, the 2.84% decrease in price of Gasoil, the 1.89% decrease in Gasoline price and the relative stability of the local currency against the US Dollar; the Institute for Energy Security (IES) projects for price of fuel on the domestic market at the various pumps to remain the same as we continue into April 2021.

Signed:

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