**14TH JUNE, 2020**

**CONSUMERS TO PAY A LITTLE MORE FOR A LITRE OF FUEL IN 2ND-HALF OF JUNE**

***REVIEW OF JUNE 2020 FIRST PRICING-WINDOW***

**Local Fuel Market Performance**

Prices of petroleum products experienced a significant increment in the Pricing-window under review as projected by the Institute for Energy Security (IES). Oil Marketing Companies (OMCs) effected the upward adjustments within the first Pricing-window of June 2020, with Goil, Total and Shell raising the prices of Gasoline and Gasoil to an average of GH¢4.44 per litre, representing an average 7.77% rise. The changes puts the current national average price of both Gasoil and Gasoline at GH¢4.38per litre.

Within the period under review, Santol, Benab Oil, Nick Petroleum, Radiance, Champion and Cash Oil, joined Zen Petroleum as OMCs that sold the least-priced Gasoline and Gasoil on the local market relative to others in the industry; as monitored by IES Market-scan.

**World Oil Market**

Brent crude price moved above the $35 per barrel mark within the past Pricing-window. Over the period, Brent Oil hit $42.3 a barrel for the first time since 10th March. This positive gain can be attributed to the easing of restrictions in economic activities around the world, as well as reaction to OPEC+ agreed extension to historic production cuts of 9.6mbpd for additional month (till the end of July). Following this, Brent crude appreciated by 16.19% from $33.72 per barrel recorded at the end of the first Pricing-window of June to close at $39.18 per barrel on average terms.

S&P’s Platts benchmark for fuels shows average Gasoline price rallying by 15.35% to close at $331.79 per metric tonne, from a previous average of $287.65 per metric tonne. Gasoil towed a similar path as it recorded a price appreciation of 15.79% to close trading at $306.65 per metric tonne, from a previous average of $264.83 per metric tonne.

**Local Forex**

Data collated by IES Economic Desk from the Foreign Exchange (Forex) market shows the Cedi depreciated by 0.18% against the U.S. Dollar; trading at an average price of Gh¢5.72 to the US Dollar over the period.

**PROJECTIONS FOR JUNE 2020 SECOND PRICING-WINDOW**

Considering the 16.19% increment Brent Crude, plus the 15.35% and 15.79% appreciation in the prices of Gasoline & Gasoil respectively; the Institute for Energy Security (IES) sees prices of fuel on the local market moving up further. However, the possible upward price adjustments may not be close to the increases experienced over the last two weeks. Meanwhile other OMCs may hesitate to increase prices at the pump owing to competition for market share.

Signed:

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