

Monthly OMC Sales

Volumes stays depressed again in Aug-24

03 September 2024

- Sales down 13.5% Y/Y in Aug-24.** Total energy sales reached 1,216 KT in Aug-24 (+1.6% M/M). During this period, MS sales fell by 7.0% Y/Y, HSD sales dropped by 16.9% Y/Y. This decrease is attributed to lower economic activity and influx of smuggled fuel into the country from Iran has again resurged during the past few months, which reduced few months back as a result of a crackdown launched by the govt.
- Lower fuel prices M/M.** MS average fuel price decreased by PKR 5.4/ltr to PKR 265.2/ltr in Aug-24, as a result of lower international crude prices. Likewise, HSD's ex depot price decreased by PKR 11.1/ltr to PKR 269.4/ltr, as a result of aforementioned reasons.
- FO sales down 45.3% Y/Y in Aug-24.** FO sales reached 65 KT in Aug-24 (-16.7% M/M). This decline suggests lower power generation from FO plants, with cheaper capacity available in the NTDC system. In Aug-23, FO power plants utilization was ~25% with system constraints & higher summer demand.
- Y/Y decline in company wise volumes .** Sales of PSO declined 27% on a Y/Y basis at 528 KT in Aug-24. PSO's offtake of MS, HSD and FO witnessed a decline of 24%, 34% and 43% Y/Y, respectively. Total energy sales of APL and SHELL also declined by 24% and 6%, respectively on a Y/Y basis in Aug-24.
- Outlook.** Crude prices may remain lower at USD 80/barrel during 2HCY24 due to global demand concerns, especially in China. Also, OPEC+ plans to gradually phase out the 2.2 MN bpd production cuts from Oct-24 to Sep-25. If the global economy slows further, OPEC+ may need to either postpone plans to boost production or accept lower prices for increased supply. Furthermore, we expect a modest recovery in POL sales in FY25, driven by improved economic activity and a low base in FY24.

Sales (KT)	Aug-24	Jul-24	Aug-23	M/M	Y/Y
INDUSTRY					
MS	625	591	672	5.8%	-7.0%
HSD	456	465	548	-1.9%	-16.9%
FO	65	77	118	-16.7%	-45.3%
Total	1,216	1,196	1,406	1.6%	-13.5%

Source: OCAC, Optimus Research

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Monthly OMC Volumes (KT)

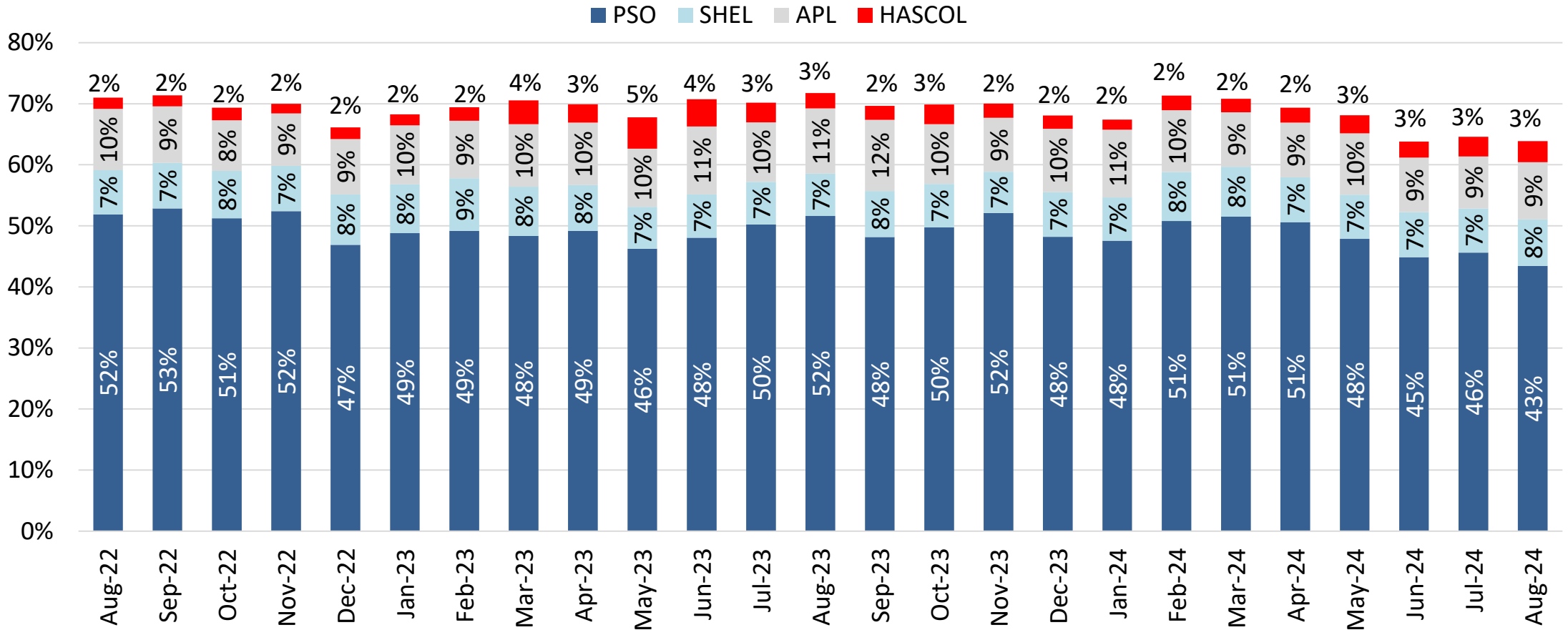
	Aug-24	Jul-24	Aug-23	M/M	Y/Y	2MFY25	2MFY24	Y/Y
INDUSTRY								
MS	625	591	672	5.8%	-7.0%	1,216	1,328	-8.5%
HSD	456	465	548	-1.9%	-16.9%	921	1,043	-11.7%
FO	65	77	118	-16.7%	-45.3%	142	262	-45.8%
Total Energy Products	1,216	1,196	1,406	1.6%	-13.5%	2,412	2,756	-12.5%
PSO								
MS	252	244	332	3.2%	-24.0%	496	645	-23.1%
HSD	201	214	306	-6.0%	-34.3%	415	581	-28.6%
FO	17	34	30	-50.1%	-43.1%	51	71	-28.0%
Total Energy Products	528	546	726	-3.2%	-27.2%	1,074	1,404	-23.5%
SHEL								
MS	60	57	60	5.6%	-0.3%	116	121	-4.0%
HSD	29	28	35	5.1%	-17.2%	57	66	-14.2%
FO	-	-	-	n.m	n.m	0	0	n.m
Total Energy Products	92	86	98	6.7%	-5.7%	179	192	-6.8%
APL								
MS	53	51	58	4.4%	-8.9%	104	114	-8.8%
HSD	44	38	53	16.5%	-17.5%	81	97	-15.6%
FO	13	10	36	36.6%	-63.3%	23	66	-65.6%
Total Energy Products	114	102	150	11.7%	-24.1%	216	282	-23.4%
HASCOL								
MS	27	24	28	11.2%	-5.5%	51	52	-3.4%
HSD	15	15	7	2.8%	106.5%	29	27	10.5%
FO	-	-	-	n.m	n.m	0	0	n.m
Total Energy Products	42	39	35	8.6%	18.4%	80	79	1.8%

Product Wise Market Shares

	Aug-24	Jul-24	Aug-23	M/M	Y/Y	2MFY25	2MFY24	Y/Y
PSO								
MS	40.3%	41.3%	49.4%	-1.0%	-9.0%	40.8%	48.6%	-7.8%
HSD	44.1%	46.0%	55.7%	-1.9%	-11.7%	45.0%	55.7%	-10.6%
FO	26.3%	43.8%	25.3%	-17.6%	1.0%	35.8%	27.0%	8.9%
Total Energy Products	43.5%	45.6%	51.6%	-2.2%	-8.1%	44.5%	50.9%	-6.4%
SHEL								
MS	9.6%	9.6%	8.9%	0.0%	0.6%	9.6%	9.1%	0.4%
HSD	6.4%	6.0%	6.4%	0.4%	0.0%	6.2%	6.4%	-0.2%
FO	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Energy Products	7.6%	7.2%	7.0%	0.4%	0.6%	7.4%	7.0%	0.5%
APL								
MS	8.5%	8.6%	8.7%	-0.1%	-0.2%	8.5%	8.6%	0.0%
HSD	9.6%	8.1%	9.7%	1.5%	-0.1%	8.8%	9.3%	-0.4%
FO	20.4%	12.4%	30.3%	7.9%	-10.0%	16.0%	25.2%	-9.2%
Total Energy Products	9.4%	8.5%	10.7%	0.9%	-1.3%	8.9%	10.2%	-1.3%
HASCOL								
MS	4.3%	4.0%	4.2%	0.2%	0.1%	4.2%	3.9%	0.2%
HSD	3.3%	3.1%	1.3%	0.2%	2.0%	3.2%	2.6%	0.6%
FO	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Energy Products	3.4%	3.2%	2.5%	0.2%	0.9%	3.3%	2.9%	0.5%

Source: OCAC, Optimus Research

PSO market share down 9 ppts in Aug-24 vs Aug-23



Source: OCAC, Optimus Research

Analyst Certification

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