



Major Oil Marketers  
Association of Nigeria

# NEWSLETTER

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*Not for sale*

# THE WEEKLY POST

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Coronavirus (COVID-19)



MOMAN is an acronym for Major Oil Marketers Association of Nigeria. It consists of 6 member companies.

## STORAGE AND HANDLING OF LUBRICANTS

*Engr. Babatunde Taiwo; Ardova Plc/Chairman, MOMAN Lubricants/LPG/Chemicals Committee*



### The Three C's of Lubricant Storage and Handling

**C**ontamination  
Avoid contamination of products.

**C**onfusion  
Prevent confusion regarding each product and its appropriate usage.

**C**ontainment  
Provide containment to prevent environmental pollution.

If you want to improve the performance and service life of your lubricants, take a look at your storage and handling procedures. We need to start by answering these important questions:

#### ARE ANY LUBRICANTS YOU HAVE IN STOCK LANGUISHING ON YOUR SHELVES?

Most lubricants can be stored for a substantial period without consequence, but they won't stay pristine forever. If a lubricant is stored too long, even in optimal conditions, it can lose performance capabilities and eventually become useless. Rotating inventory on a first-in, first-out basis can help remedy this problem. Arrange storage shelves and racks to facilitate this rotation, ensuring that new purchases are placed in the back and older stock moves forward for use before its shelf life ends.

#### WHAT IS THE ENVIRONMENT LIKE WHERE YOUR LUBRICANTS ARE STORED?

Whether your lubricants are stored indoors or outside, environmental conditions can reduce their shelf life. The fluids are vulnerable to contamination by dust and dirt. Fluctuating temperatures cause a reaction known as thermal siphoning, in which air moves in and out of the container's head space and the atmosphere – even in sealed containers with no oil going in or out. Moisture and airborne particles travel with the air, resulting in contamination and degradation of the oil. Extreme hot or cold temperatures can lead to chemical degradation as well.



***Ideally, lubricants should be stored indoors, if possible, where the environment can be better controlled.***

A clean, dry environment kept at a stable, moderate temperature is best. Do not, for example, store lubricants near sources of heat or steam. If outdoor storage cannot be avoided, lubricants should be sheltered as much as possible from environmental conditions that may degrade them. For example, a roof or tarpaulin can help shelter lubricants from precipitation as well as from the heat generated by direct sunlight. In addition, placing containers on blocks or racks can help protect them from ground moisture.

More general storage tips for indoor or outdoor storage:

- Store the same type of lubricants in a single indoor location (or just one indoor and one outdoor location, if some products must be kept outdoors) for easier inventory management.
- Ensure easy access to all products:
  - Aisles should be wide enough for forklifts or other equipment used to handle/move lubricant containers.
  - Proper shelves and racks should be used to hold, display and protect containers.
- Arrange the storage area and its contents to facilitate first-in, first-out rotation, which helps ensure timely lubricant usage.

#### **ARE THE LUBRICANTS CLEARLY LABELED AND EASILY DISTINGUISHABLE?**

Lubricant mix-ups can be disastrous. Use of an incorrect lubricant could cause equipment damage or failure, health and safety issues, and a host of other problems.

- 
- Make sure that whatever labeling system you develop is:
    - Easy to understand and maintain, and
    - Used consistently and stays current with all lubricants stored at your facility.
  - If storing lubricants outside, do at least one of the following:
    - Use labels/printings that resist moisture and sun damage, or
    - Take measures to protect labels from the elements (such as sheltering the products with a roof or tarpaulin).

### **DO YOUR STORAGE AND HANDLING PROCEDURES PUT SAFETY FIRST?**

In a typical lubricant-storage facility, you will find many sources for potential injury or loss of life. Some examples:

- Heavy forklifts and other machinery move in confined spaces and often carry heavy loads, posing safety risks to pedestrians as well as the machine operators.
- Weighty containers, such as pails of oil weighing almost 100kg and oil drums weighing 200Litres, could fall or roll onto unsuspecting individuals.
- Slippery lubricants may leak or spill, creating slip-and-fall hazards and fire hazards.
- Some substances may cause physical harm upon inhalation, swallowing, or contact with skin or eyes.

Personnel should be trained on proper handling procedures and safety practices. For example:

- Wear steel-toe shoes at all times in the storage facility.
- Anyone lifting heavy containers should wear back support.
- Gloves, safety glasses and masks should be worn when handling lubricants or other chemicals to protect against ingestion, inhalation and eye or skin contact.
- Maintain current material safety data sheets (MSDSs) for all stored lubricants and other chemicals and follow all safety guidelines included in those documents.
- Never allow a drum to drop or to fall on its side. Use equipment such as hydraulic lifts or secured skids to lower drums, and at least two people to lay a drum on its side from an upright position.
- When rolling drums, never let them roll freely on their own momentum.
- Keep the floor of the storage facility clean, dry and free of clutter. Properly store or, if applicable, dispose of anything that is not in its rightful place, such as tools, equipment, lubricant containers, empty cartons, rags and trash.
- Prepare for worst-case-scenario spills: Maintain enough oil-absorbing products (such as pads or granules) to absorb all oil from your facility's largest container or stack of containers. If a spill or leak occurs, once most of the fluid has been absorbed and removed, clean the floor with a solvent or degreaser.

### **ARE YOUR PROCEDURES ENVIRONMENTALLY FRIENDLY?**

In addition to safety concerns, lubricant spills also may present environmental hazards. In the event of a spill, proper containment, cleaning and disposal are critical. Stocking sufficient oil-absorbing products is just one important measure to take. In many cases, containment structures (typically concrete, metal or plastic secondary containers surrounding primary containers) are best suited to take care of address this. If floor drains are used for spill collection, they must not connect to sewer lines. Many governments impose various stringent environmental regulations with regard to the prevention, containment, management and reporting of oil spills. Failure to comply could lead to substantial fines and penalties.

### **Make Sound Storage and Handling A Priority.....**

By implementing smart lubricant storage and handling procedures, you can:

- Get up to 100 percent of the performance, protection and service life that your lubricants can offer.
- Avoid wasting oil and money by maintaining a contamination-resistant environment, keeping a more efficient inventory and ensuring timely dispatches of the products.
- Improve the protection of your personnel and the environment.

#### WHAT CAN CAUSE STORED LUBRICANTS TO GO BAD?

Some of the most common causes of lubricant contamination and degradation include:

- Storage of a lubricant beyond its expected shelf life.
- Damaged or improperly sealed containers.
- Ingression of moisture from humidity, condensation or precipitation.
- A dusty or dirty environment.
- Exposure to extreme heat or cold, or to fluctuating temperatures.

**Ensure that your storage and handling procedures safeguard against these and other contamination-causing circumstances.**

#### TIPS FOR STORING

##### Drums:

- Whether kept inside (preferable) or outside, drums are best stored on their sides (horizontally) with bungs at the 3 o'clock and 9 o'clock positions. This prevents moisture from accumulating on the top (especially if kept outdoors), and also minimizes the ingress of air through the bungs (indoors or out).
- If drums must be stored upright outside, use drum covers (rain caps) or store them at a tilt to prevent moisture from pooling and ingesting through the bungs.



##### Bulk containers:

- Use filters on tank vents to help keep out dust, water and other contaminants.
- Tanks should be equipped with breathers and secured hatches to minimize the ingress of debris and moisture.
- If condensate accumulates in the tank, it should be drained, pumped or (in the case of grease) siphoned out promptly to avoid rust and contamination.
- Avoid using galvanized tanks and piping, as some lubricant additives react adversely with zinc and will form sludge.



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# Industry WATCH

## MACROECONOMIC INDICES



### INFLATION

	FEB	MAR	APR	MAY
<b>Year on Year % Change</b>	<b>12.20%</b>	<b>12.26%</b>	<b>12.34%</b>	<b>12.40%</b>
<b>12 Month % Change</b>	<b>11.54%</b>	<b>11.62%</b>	<b>11.71%</b>	<b>11.79%</b>
<b>Month on Month % Change</b>	<b>0.79%</b>	<b>0.84%</b>	<b>1.02%</b>	<b>1.17%</b>

Source: NBS  
\*Year - 2020



### CRUDE OIL PRICES

\$/bbl	JUN 19	JUN 22	JUN 23	JUN 24	JUN 25
<b>Brent Crude</b>	<b>42.19</b>	<b>43.08</b>	<b>42.63</b>	<b>40.31</b>	<b>41.05</b>
<b>WTI Crude</b>	<b>39.75</b>	<b>40.46</b>	<b>40.37</b>	<b>38.01</b>	<b>38.72</b>

Sources: CNBC  
& Bloomberg  
\*Year - 2020



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# Industry WATCH



## PPPRA GUIDING PRICE FOR PMS

	FEB - MAR 18	MAR 19 - 31	APR	MAY	JUN
=N=/Litre	135.00 - 145.00	125.00	123.50 - 125.00	123.50 - 125.00	121.50 - 123.50

Source: PPPRA  
\*Year - 2020



## FOREX RATES - CBN I/E WINDOW

=N=	JUN 22	JUN 23	JUN 24	JUN 25
USD	383.00 - 387.00	383.00 - 387.00	383.00 - 387.00	383.00 - 387.00

Source: CBN  
\*Year - 2020



## FOREX RATES - CBN INTERBANK RATE

=N=	JUN 22	JUN 23	JUN 24	JUN 25
USD	360.50 - 361.00	360.50 - 361.00	360.50 - 361.00	360.50 - 361.00

Source: CBN  
\*Year - 2020



## FOREX RATES - PARALLEL MARKET

=N=	JUN 19	JUN 22	JUN 23	JUN 24	JUN 25
USD	445 / 455	450 / 455	450 / 460	450 / 455	452 / 458
GBP	540 / 553	545 / 555	545 / 555	545 / 555	547 / 557
EURO	480 / 490	488 / 498	490 / 495	488 / 498	490 / 498

Source: CBN  
\*Year - 2020



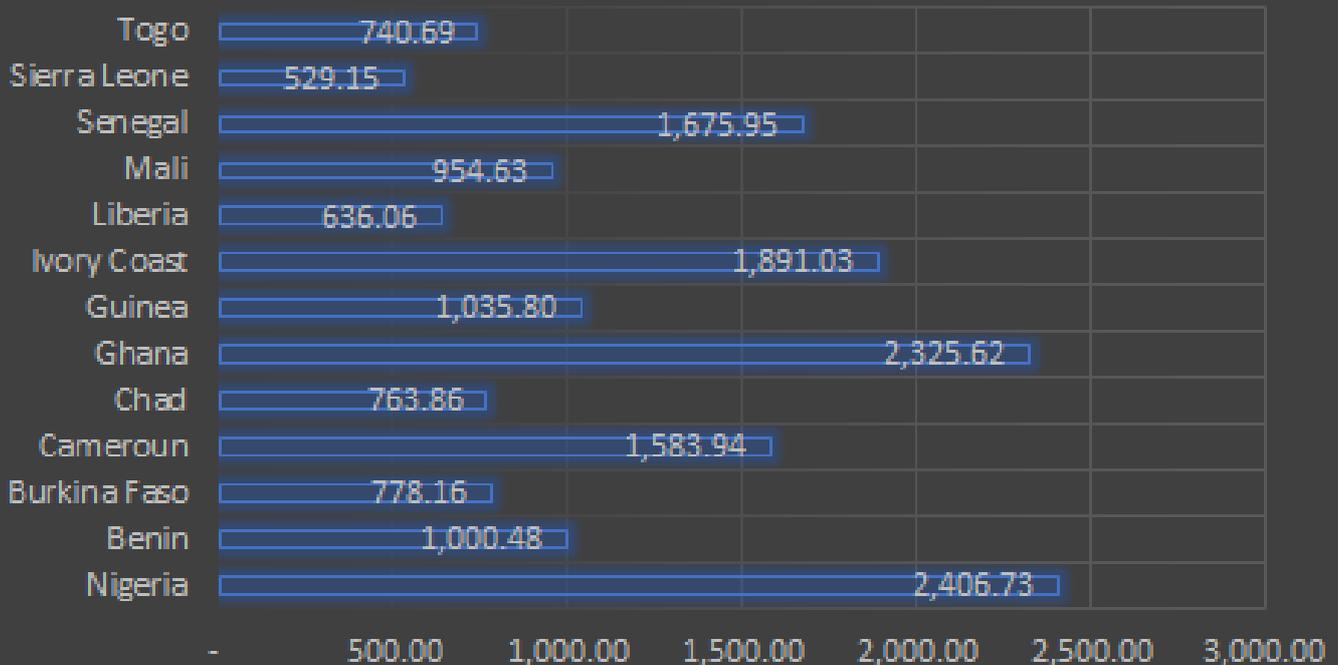
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# Industry WATCH

WEST AFRICA FOCUS



## GDP PER CAPITA (\$)



Source: [globalpetrolprices.com](http://globalpetrolprices.com)  
\*Year - 2020



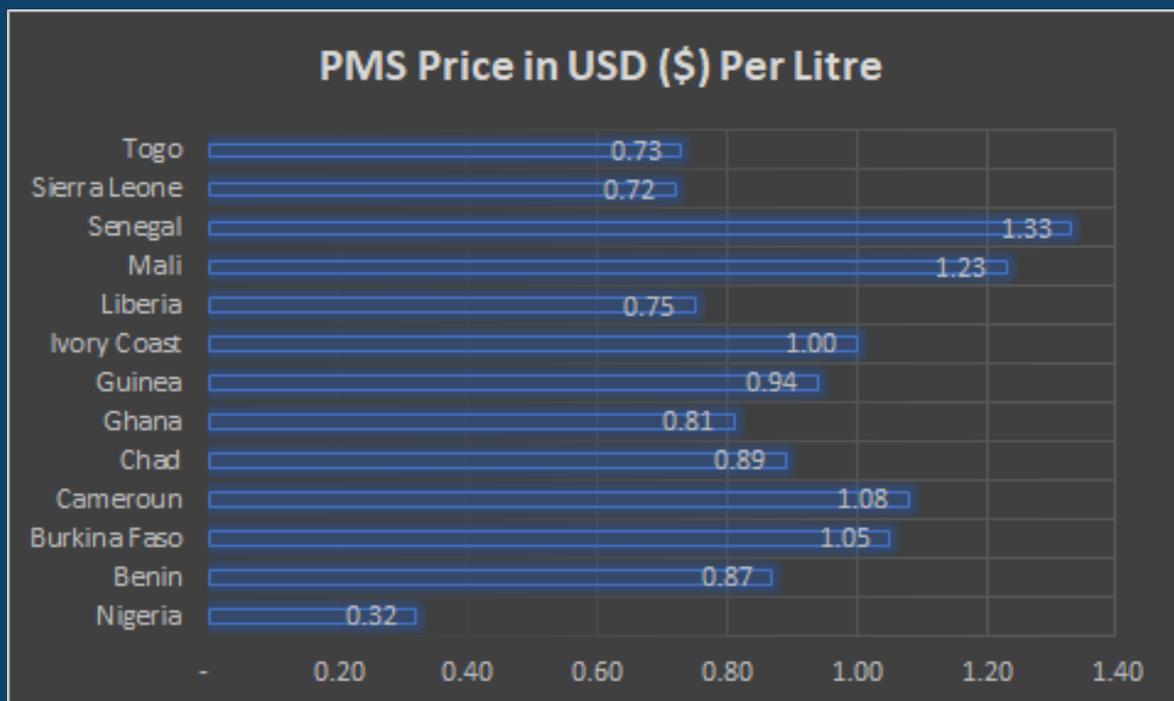
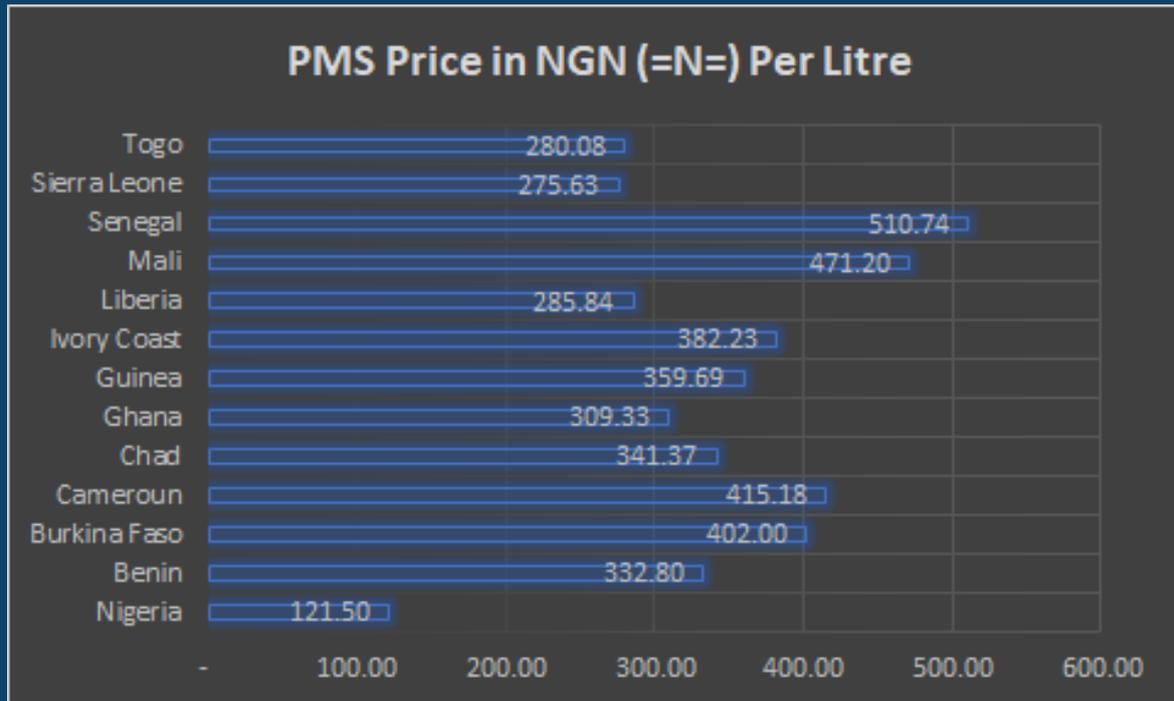
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# Industry WATCH

## GASOLINE PRICES

**\*Average gasoline prices around the world: =N=365.05 or \$0.95 USD as at June 22 2020**

### WEST AFRICA (PMS)



Source: [globalpetrolprices.com](http://globalpetrolprices.com)

\*Year - 2020



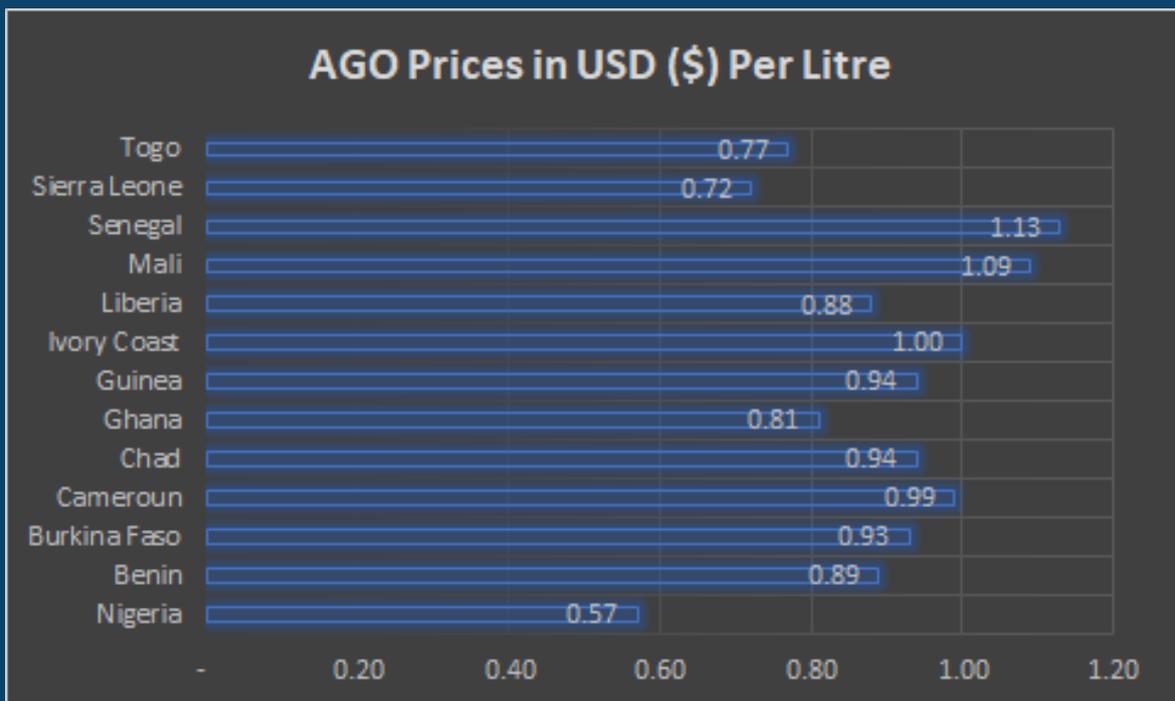
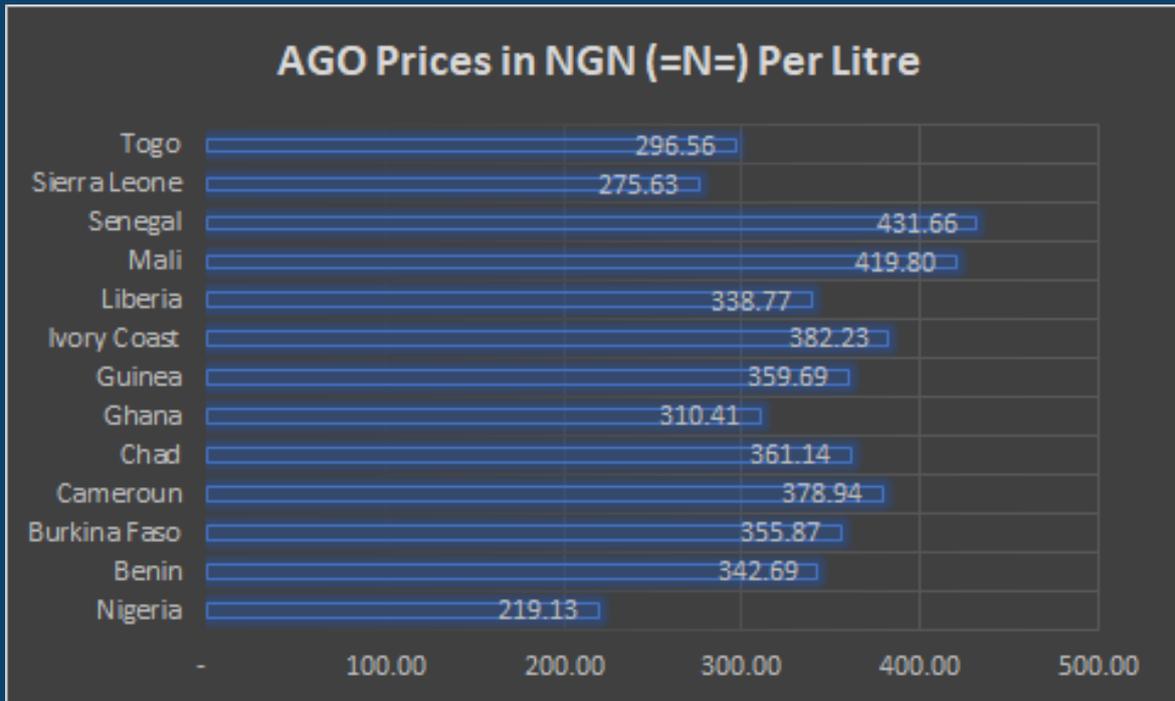
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# Industry WATCH



## DIESEL PRICES

**\*Average diesel prices around the world: =N=329.67 or \$0.86 USD as at June 22 2020  
WEST AFRICA (AGO)**



Source: [globalpetrolprices.com](http://globalpetrolprices.com)  
\*Year - 2020



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# Industry WATCH

## PLATTS

### PMS

\$ (USD)	JUN 22	JUN 23	JUN 24	JUN 25	WEEK AVERAGE
<b>FOB ROTTERDAM</b>	<b>396.000</b>	<b>404.750</b>	<b>376.250</b>	<b>364.750</b>	<b>386.450</b>
<b>FOB MED</b>	<b>397.500</b>	<b>411.250</b>	<b>376.750</b>	<b>370.500</b>	<b>389.700</b>
<b>CIF NWE</b>	<b>413.500</b>	<b>423.750</b>	<b>392.000</b>	<b>384.250</b>	<b>405.100</b>

### AGO

\$ (USD)	JUN 22	JUN 23	JUN 24	JUN 25	WEEK AVERAGE
<b>CIF NWE</b>	<b>362.500</b>	<b>366.250</b>	<b>344.500</b>	<b>344.250</b>	<b>355.600</b>

### ATK

\$ (USD)	JUN 22	JUN 23	JUN 24	JUN 25	WEEK AVERAGE
<b>CIF NWE</b>	<b>350.750</b>	<b>352.250</b>	<b>327.500</b>	<b>326.750</b>	<b>341.800</b>

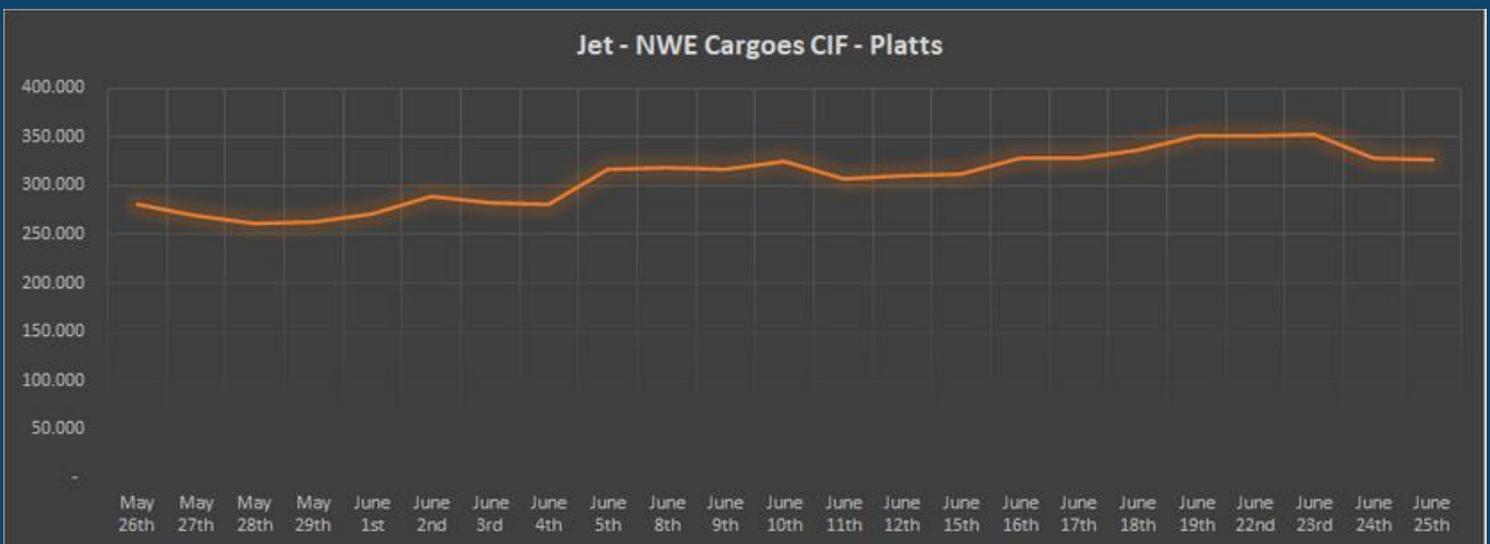
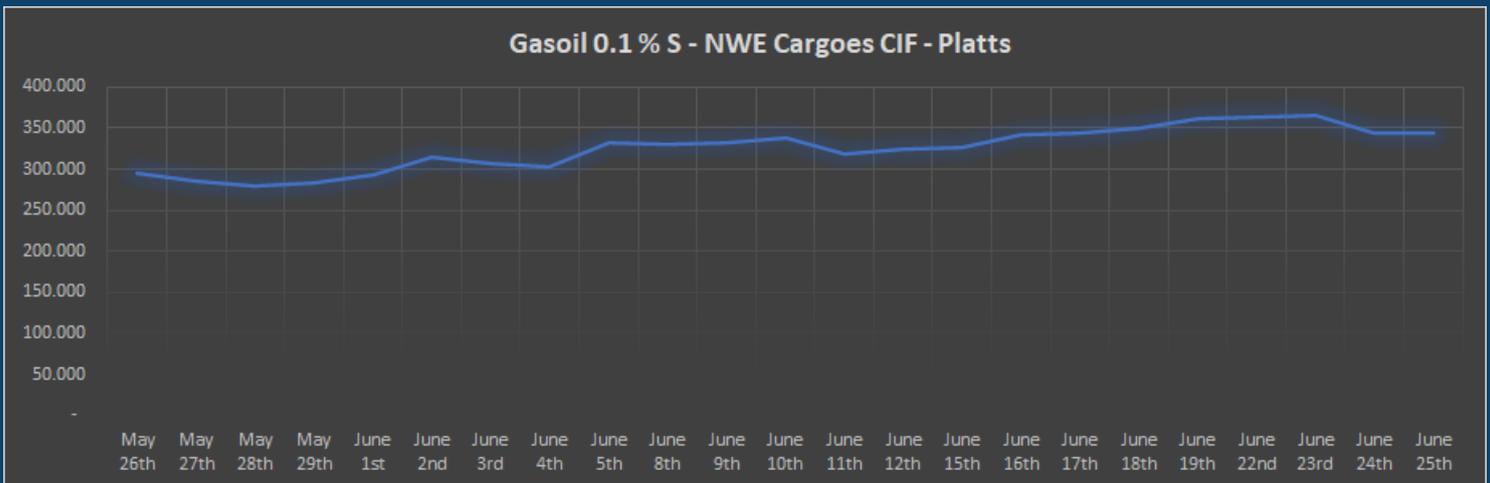
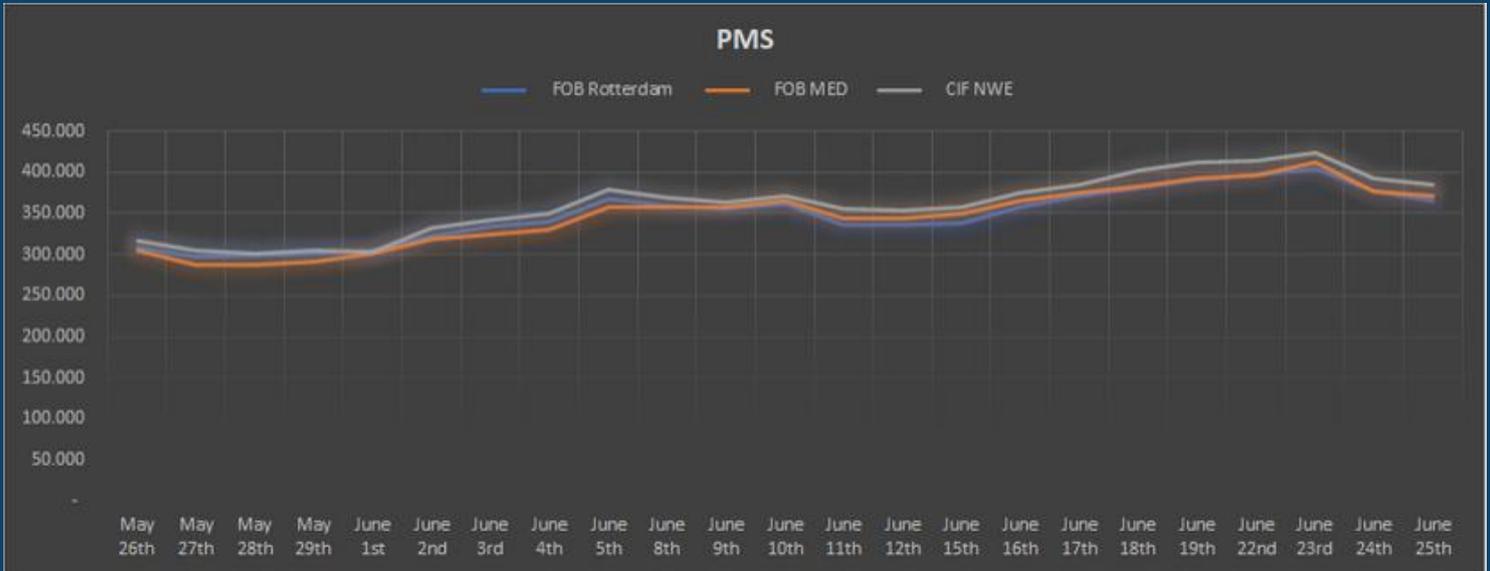
Source: S & P Global Platts  
\*Year - 2020



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# Industry WATCH

Source: S & P Global Platts  
\*Year - 2020





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# Industry WATCH

EX-DEPOT PRICES

## LAGOS, NIGERIA

=N=/Litre	JUN 12	JUN 19	JUN 26
PMS	106.50-108.00	110.50-113.00	110.00-111.78
AGO	140.00-143.00	149.00-175.00	151.00-155.00

\*Year - 2020

## PORT-HARCOURT, NIGERIA

=N=/Litre	JUN 12	JUN 19	JUN 26
PMS	110.00	112.50	112.00-112.30
AGO	150.00	147.00-160.00	149.00-160.00

\*Year - 2020



## DELTA, NIGERIA

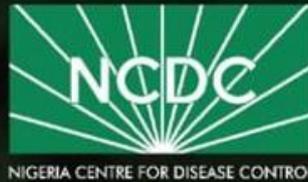
=N=/Litre	JUN 12	JUN 19	JUN 26
PMS	109.00	113.00	111.78-112.00
AGO	147.00-153.00	155.00	152.00-153.50

\*Year - 2020

## CALABAR, NIGERIA

=N=/Litre	JUN 12	JUN 19	JUN 26
PMS	110.00	114.00	112.80
AGO	154.00	113.00-115.00	154.00-155.00

\*Year - 2020



# COVID-19 CASE UPDATE

## 684 NEW CASES CONFIRMED

26<sup>th</sup> June, 2020

**TOTAL CONFIRMED**

**23298**

**DISCHARGED**

**8253**

**DEATHS**

**554**

NCDC Toll-free Number: 080097000010

Twitter/Facebook: @NCDCgov/ COVID19.NCDC.GOV.NG

Source: [NCDC.GOV.NG](http://NCDC.GOV.NG)  
June 26, 2020

**#StopTheSpread**

Better together

[www.moman.org](http://www.moman.org)



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