



Major Oil Marketers
Association of Nigeria

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INDUSTRY DATA SHEET

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OPTIMIZING NIGERIA'S DISTRIBUTION INFRASTRUCTURE FOR THE PETROLEUM INDUSTRY AS WE APPROACH THE IMPLEMENTATION OF FULL DEREGULATION

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s Nigeria moves towards the full deregulation of its petroleum industry, it is crucial to optimize the distribution infrastructure to ensure efficient and effective supply of petroleum products across the country.

The deregulation process aims to promote competition, attract investment, and ultimately improve the quality of services in the industry. This article will discuss the challenges faced by Nigeria's petroleum distribution infrastructure and propose strategies to optimize it in preparation for full deregulation.

Challenges in Nigeria's Petroleum Distribution Infrastructure

• Inadequate Infrastructure:

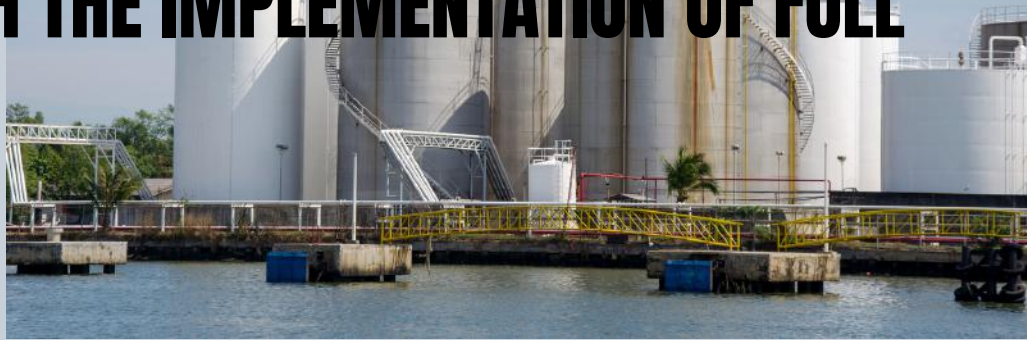
Nigeria's petroleum distribution infrastructure is characterized by insufficient storage facilities, pipelines, and transportation networks. This has led to frequent supply disruptions, product shortages, and increased costs for consumers.

• Pipeline Vandalism and Theft:

The country's pipelines are frequently targeted by vandals and thieves, leading to significant losses in revenue and posing a threat to the environment and public safety.

• Inefficient Distribution Channels:

The current distribution channels are characterized by multiple layers of intermediaries, which contribute to increased costs and reduced transparency in the supply chain.



• Lack of Investment:

Insufficient investment in the petroleum distribution infrastructure has hindered the development of new facilities and the maintenance of existing ones.

Strategies for Optimizing Nigeria's Petroleum Distribution Infrastructure

• Expansion and Modernization of Infrastructure:

The government and private sector should collaborate to expand and modernize the existing distribution infrastructure. This includes constructing new pipelines, storage facilities, and transportation networks to ensure efficient and reliable supply of petroleum products.

• Strengthening Security Measures:

To curb pipeline vandalism and theft, the government should invest in advanced surveillance systems, deploy security personnel, and enforce strict penalties for perpetrators.

• Streamlining Distribution Channels:

The deregulation process should encourage the establishment of more efficient distribution channels, such as direct sales from refineries to retailers, to reduce the number of intermediaries and improve transparency in the supply chain.

• Encouraging Private Sector Investment:

The government should create an enabling environment for private sector investment in the petroleum distribution infrastructure by providing incentives, reducing bureaucratic hurdles, and ensuring a stable regulatory framework.

• Enhancing Regional Cooperation:

In line with AfCFTA, Nigeria should collaborate with neighboring countries to develop regional petroleum distribution networks, which can help reduce transportation costs and improve supply reliability.

• Promoting the Use of Alternative Energy Sources:

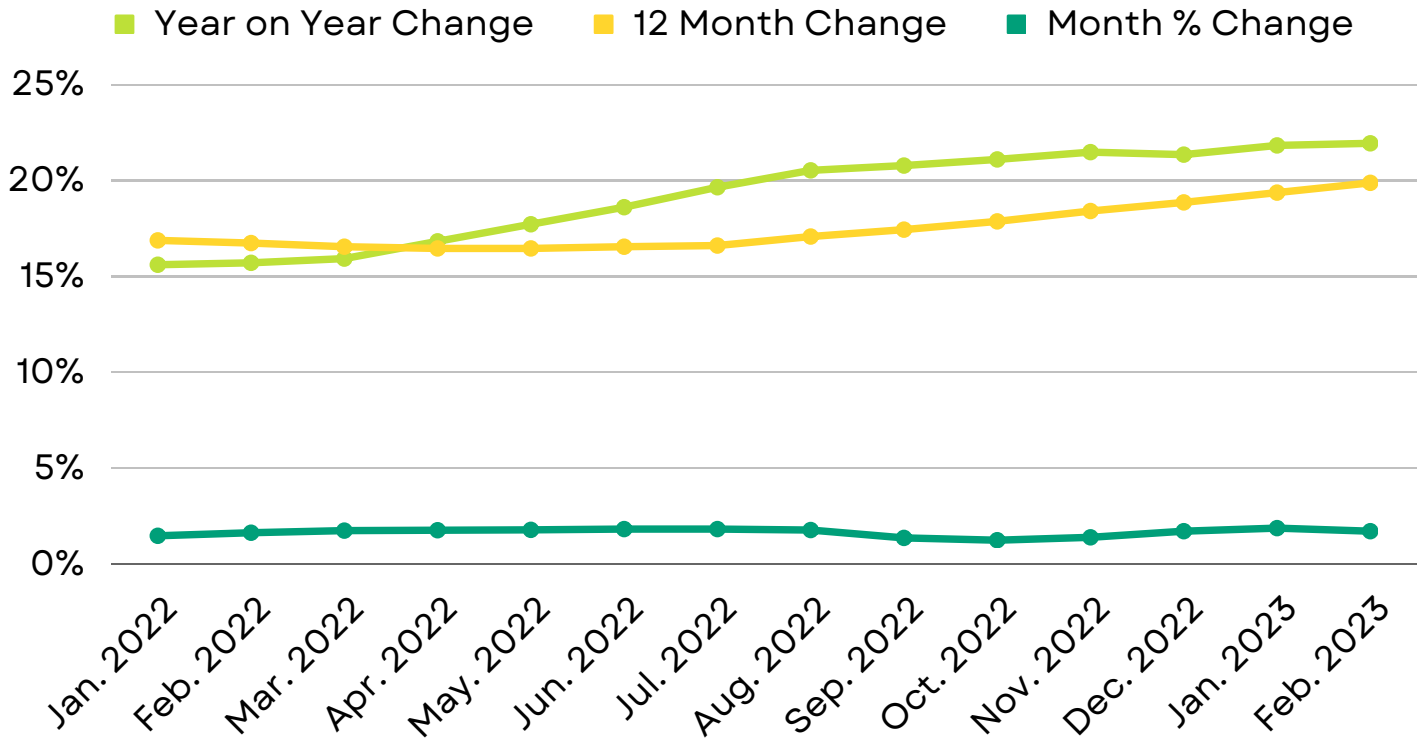
The government should consistently encourage the adoption of alternative energy sources, such as natural gas and renewable energy, to reduce the country's dependence on petroleum products and diversify the energy mix.

Optimizing Nigeria's petroleum distribution infrastructure is essential for the successful implementation of full deregulation in the industry. By addressing the challenges and adopting some of the strategies outlined in this article, Nigeria can create a more efficient, competitive, and sustainable petroleum industry that benefits both consumers and the economy. The government, private sector, and other stakeholders must work together to achieve this goal and ensure that the country is well-prepared for the opportunities and challenges that lie ahead in the era of full deregulation.

MARKETS WATCH



INFLATION



EQUITIES MARKET UPDATE

SECTOR	Apr. 13	Apr. 20	Weekly Change	WTD	MTD	QTD	YTD
NSE 30	1859.38	1848.93	-10.45	-0.56	-4.36%	-4.36%	0.35%
Consumer Goods	698.71	699.91	1.20	0.17	-0.40%	-0.40%	18.84%
Oil & Gas	510.25	502.95	-7.30	-1.43	-1.54%	-1.54%	8.75%
Banking	441.95	430.74	-11.21	-2.54	-4.91%	-4.91%	3.17%
Industrial	2445.50	2441.37	-4.13	-0.17	-0.61%	-0.61%	1.59%
Insurance	178.21	180.72	2.51	1.41	1.81%	1.81%	3.65%



MARKETS WATCH



FOREX RATES - INTERBANK I & E MARKET

NGN	Apr. 17	Apr. 18	Apr. 19	Apr. 20	Apr. 21
Minimum	460.00	460.00	460.00	460.00	-
Maximum	462.00	462.00	462.00	462.00	-
Interbank Official Closing (FX Rate (\$/N))	461.50	462.00	461.00	462.00	-

CLOSING USD / NGN FX RATES

INTERBANK (CLOSING IND)	Bid	Offer	Market Closing FX Rate (\$/NGN)
Apr. 17	460.00	462.00	460.00
Apr. 18	460.00	462.00	460.00
Apr. 19	460.00	462.00	460.00
Apr. 20	460.00	462.00	460.00
Apr. 21	-	-	-



FOREX RATES - PARALLEL MARKET

NGN	Apr. 17	Apr. 18	Apr. 19	Apr. 20	Apr. 21
USD					
GBP					
EURO					

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INDUSTRY WATCH

AVERAGE EX-DEPOT PRICES (NAIRA/LITRE)

18 - 20 APRIL 2023

18-APR-23

Product	Warri/Oghara Hub	Calabar Hub	PHC Hub	Satellite Hub	Ibafon/Tincan Hub	Apapa Hub
PMS	195.75	195.50	201.00	189.60	188.88	187.88
AGO	624.25	667.50	647.50	605.80	606.00	605.10
DPK	N/A	N/A	N/A	691.67	675.00	685.00

19-APR-23

Product	Warri/Oghara Hub	Calabar Hub	PHC Hub	Satellite Hub	Ibafon/Tincan Hub	Apapa Hub
PMS	194.67	194.60	201.00	188.00	189.50	189.38
AGO	622.50	666.50	647.50	602.00	605.00	602.40
DPK	N/A	N/A	N/A	693.00	668.00	670.00

20-APR-23

Product	Warri/Oghara Hub	Calabar Hub	PHC Hub	Satellite Hub	Ibafon/Tincan Hub	Apapa Hub
PMS	195.00	194.25	199.88	188.90	189.25	187.75
AGO	621.50	667.50	642.50	598.80	599.60	611.20
DPK	N/A	N/A	N/A	693.00	666.00	670.00

INDUSTRY WATCH



AVERAGE WEEKLY PRICES



Available on the [Argus Publications App](#)

Combined Description	Gasoline Eurobob Delivered West Africa \$/t	Jet/Kerosine Delivered West Africa \$/t	Gasoil Diesel 1000ppm Delivered West Africa \$/t
Week 04 2023	908.37	1,117.70	984.15
Week 05 2023	857.95	997.70	874.65
Week 06 2023	851.03	933.70	841.65
Week 07 2023	873.30	941.10	865.05
Week 08 2023	843.61	896.65	824.00
Week 09 2023	840.50	920.65	856.05
Week 10 2023	847.54	885.45	838.00
Week 11 2023	795.46	843.10	808.55
Week 12 2023	807.15	845.35	813.90
Week 13 2023	896.24	855.80	808.70
Week 14 2023	949.36	876.13	822.19
Week 15 2023	958.65	869.38	813.19
Week 16 2023	946.19	846.00	797.50

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INDUSTRY WATCH

WEST AFRICAN PUMP PRICES

GlobalPetrolPrices.com



PMS			
Country	USD/Litre	Naira/Litre (CBN rate of 1USD = 460.00 NGN)	Naira/Litre (Blended rate of 1USD = 698.00 NGN)
Nigeria	0.57	261.28	396.46 (629.00 [^])
Cameroon	1.22	562.12	852.96
Benin	1.09	501.40	760.82
Sierra Leone	1.09	502.78	762.91
Togo	1.17	540.04	819.45
Burkina Faso	1.43	655.50	994.65
Ivory Coast	1.37	628.36	953.47
Ghana	1.09	501.40	760.82
Guinea	1.39	638.02	968.13
Mali	1.45	667.92	1,013.50
Senegal	1.66	763.60	1,158.68
Liberia	1.05	481.16	730.11

AGO			
Country	USD/Litre	Naira/Litre (CBN rate of 1USD = 460.00 NGN)	Naira/Litre (Blended rate of 1USD = 698.00 NGN)
Nigeria	1.20	551.54	836.91
Cameroon	1.21	554.30	841.09
Benin	1.17	540.04	819.45
Sierra Leone	1.09	502.78	762.91
Togo	1.30	597.54	906.70
Burkina Faso	1.13	520.72	790.14
Ivory Coast	1.10	505.08	766.40
Ghana	1.14	525.78	797.81
Guinea	1.39	638.02	968.13
Mali	1.45	666.08	1,010.70
Senegal	1.27	582.36	883.67
Liberia	1.14	524.40	795.72

Note:

- *The blended rate is the rate at which most private sector operators import products. This blended rate of 698.00 NGN per USD was calculated by MOMAN using the rate of 15% of the CBN rate (460.00 NGN per USD) + 85% of the parallel market rate (740.00 NGN per USD) advised by The NMDPRA.

PMS Pump Prices

- All USD per litre prices are sourced from Globalpetrolprices.com.
- Naira per litre price using CBN rate of 460.00 NGN per USD was calculated by MOMAN.
- Naira per litre price using the blended rate of 698.00 NGN per USD was calculated by MOMAN.
- ^Pump price, taking into consideration the PLATTS and FOREX adjustment: 629.00 NGN per litre.**

AGO Pump Prices

- All USD per litre prices sourced from Globalpetrolprices.com EXCEPT for Nigeria.
- Nigeria's USD per litre price was calculated by dividing the pump price of 836.91 NGN by the blended rate of 698.00 NGN per USD. This calculation was done by MOMAN.
- Naira per litre price using CBN rate of 460.00 NGN per USD was calculated by MOMAN.
- Naira per litre using the blended rate of 698.00 NGN per USD was calculated by MOMAN.