



Major Oil Marketers
Association of Nigeria

THE WEEKLY POST

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INDUSTRY DATA SHEET

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Conoil



NNPC



UNDERSTANDING THE FREE MARKET REFORMS IN NIGERIA'S PETROLEUM DOWNSTREAM SUPPLY CHAIN

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he petroleum industry in Nigeria has been a cornerstone of the nation's economic structure, serving as a vital source of revenue and powering various sectors of the economy. Whilst the industry is typically segmented into the upstream, midstream, and downstream sectors, this article will focus on the recently reformed downstream sector, breaking down its intricacies and workings in the new era of free-market pricing.

The downstream sector comprises the final stages of the petroleum supply chain, namely processing, marketing, and selling petroleum products to end-users.

It links Nigeria's rich petroleum resources to the nation's vast consumer base, fueling industries, homes, and vehicles across the country, and beyond.

Refining:

The journey through the reformed downstream supply chain commences in the refineries, where crude oil undergoes transformation into high-demand products such as petrol (gasoline), diesel, kerosene, and liquefied petroleum gas (LPG). Nigeria's refining landscape comprises multiple state-run refineries, including those in Port Harcourt, Warri, and Kaduna, operated by the Nigerian National Petroleum Company Limited (NNPCL). Also, the coming onstream of the Dangote Refinery, set to be Africa's largest, is anticipated to significantly enhance Nigeria's refining capacity.

Storage & Distribution:

After refining, petroleum products are transported via pipelines, tankers, and barges to depots scattered across Nigeria. These depots serve as storage facilities, sited strategically near high consumption areas. From the depots, petroleum products are distributed to retail outlets.

Retail:

The final stage of the supply chain is retail. This is where petroleum products meet consumers through an extensive network of petrol stations throughout the country. There are about 33,000 petrol stations across Nigeria. These retail outlets include members of the Major Oil Marketers Association of Nigeria (MOMAN), such as TotalEnergies Marketing Nigeria Plc, NNPC Retail Limited, MRS Oil Nigeria Plc, Ardova Plc (AP), Conoil Plc, and 11 Plc (Mobil), alongside a multitude of local operators.

Under President Bola Ahmed Tinubu's administration, a significant reform has swept through Nigeria's downstream sector — the removal of petrol subsidy and the commencement of free-market pricing. The consequence of this policy shift is that oil marketing companies now have the freedom to import petrol, thus stirring competition and hopefully leading to better service delivery and price efficiency.

Historically, the downstream sector was marked by challenges such as inadequate refining capacity, pipeline vandalism, and price regulation. The latter was particularly contentious, with the government subsidizing petrol prices to keep it affordable for consumers. With the subsidy removal, the downstream sector is moving towards a market-driven pricing model, potentially attracting more investment and encouraging sector growth.

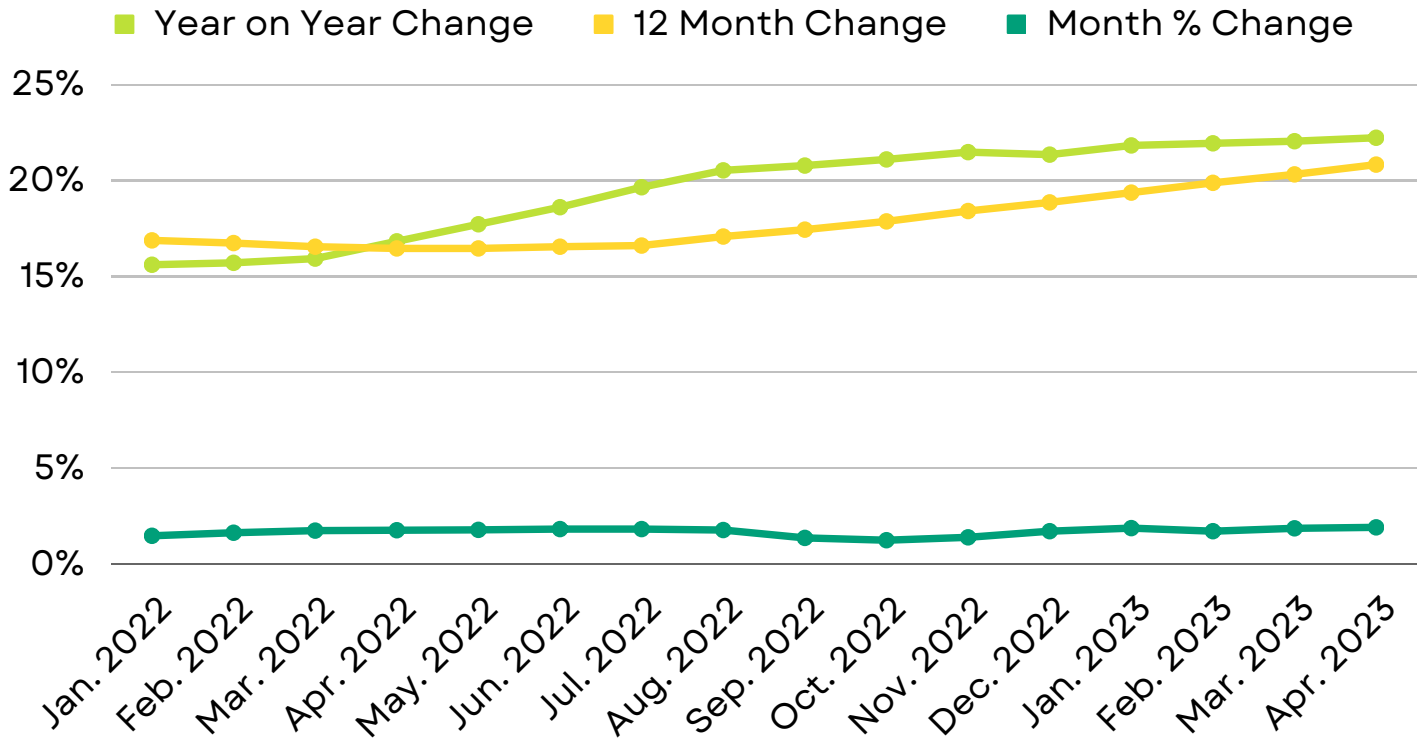
The reforms of the downstream sector in Nigeria offer significant potential. As projects like the Dangote Refinery near completion and the country's infrastructure improves, Nigeria stands to decrease its reliance on petroleum product imports, and potentially evolve into a net exporter of refined petroleum products.

In conclusion, the newly reformed downstream petroleum supply chain in Nigeria, though complex, plays a critical role in the nation's economy. With its transition to a free market, understanding the operations and strategies driving this sector's growth is key to appreciating its pivotal role in powering the country's development.

MARKETS WATCH



INFLATION



EQUITIES MARKET UPDATE

SECTOR	Jun. 9	Jun. 16	Weekly Change	WTD	MTD	QTD	YTD
NSE 30	2022.00	2137.35	115.35	5.70	5.76%	10.56%	16.00%
Consumer Goods	847.84	882.90	35.06	4.14	4.11%	25.64%	49.92%
Oil & Gas	643.71	720.62	76.91	11.95	20.91%	41.07%	55.82%
Banking	525.93	592.14	66.21	12.59	13.12%	30.72%	41.83%
Industrial	2453.92	2413.91	-40.01	-1.63	-2.98%	-1.73%	0.44%
Insurance	241.65	263.41	21.76	9.00	26.02%	48.39%	51.07%



MARKETS WATCH



FOREX RATES - INTERBANK I & E MARKET

NGN	Jun. 12	Jun. 13	Jun. 14	Jun. 15	Jun. 16
Minimum	-	465.00	465.00	465.00	465.00
Maximum	-	466.00	466.00	466.00	466.00
Interbank Official Closing (FX Rate (\$/N))	-	464.00	475.50	759.00	660.10

CLOSING USD / NGN FX RATES

INTERBANK (CLOSING IND)	Bid	Offer	Market Closing FX Rate (\$/NGN)
Jun. 12	-	-	-
Jun. 13	465.00	466.00	461.50
Jun. 14	465.00	466.00	461.50
Jun. 15	465.00	466.00	759.00
Jun. 16	465.00	466.00	759.00



FOREX RATES - PARALLEL MARKET

NGN	Jun. 12	Jun. 13	Jun. 14	Jun. 15	Jun. 16
USD					
GBP					
EURO					

abokiFX

INDUSTRY WATCH

AVERAGE EX-DEPOT PRICES (NAIRA/LITRE)

5 - 9 JUN 2023

14-JUN-23

Product	Warri/Oghara Hub	Calabar Hub	PHC Hub	Satellite Hub	Ibafon/Tincan Hub	Apapa Hub
PMS	505.00	520.00	511.00	501.00	500.50	496.25
AGO	557.50	628.33	569.25	535.40	534.00	534.80
DPK	620.00	N/A	N/A	626.67	625.00	630.00



15-JUN-23

Product	Warri/Oghara Hub	Calabar Hub	PHC Hub	Satellite Hub	Ibafon/Tincan Hub	Apapa Hub
PMS	505.00	520.00	511.00	501.00	500.50	496.25
AGO	557.50	628.33	569.25	535.40	534.00	534.80
DPK	620.00	N/A	N/A	626.67	625.00	630.00

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 17 2023	851.67	782.00	726.70
Week 18 2023	815.27	734.75	674.50
Week 19 2023	836.49	753.81	694.25
Week 20 2023	835.00	756.95	701.00
Week 21 2023	878.03	764.50	712.20
Week 22 2023	842.70	748.69	704.44
Week 23 2023	865.24	775.00	730.45
Week 24 2023	842.12	765.05	728.80

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INDUSTRY WATCH

WEST AFRICAN PUMP PRICES

GlobalPetrolPrices.com



PMS		
Country	USD/Litre	Naira/Litre Exchange rate of 1USD = 755.00 NGN)
Nigeria	0.65	488.00
Cameroon	1.20	906.00
Benin	1.07	807.85
Sierra Leone	1.09	822.95
Togo	1.15	868.25
Burkina Faso	1.40	1057.00
Ivory Coast	1.34	1011.70
Ghana	1.18	890.90
Guinea	1.39	1049.45
Mali	1.43	1079.65
Senegal	1.63	1230.65
Liberia	1.01	762.55

AGO		
Country	USD/Litre	Naira/Litre (Exchange rate of 1USD = 755.00 NGN)
Nigeria	0.94	709.70
Cameroon	1.19	898.45
Benin	1.15	868.25
Sierra Leone	1.11	838.05
Togo	1.28	966.40
Burkina Faso	1.11	838.05
Ivory Coast	1.08	815.40
Ghana	1.30	981.50
Guinea	1.39	1049.45
Mali	1.42	1072.10
Senegal	1.24	936.20
Liberia	1.07	807.85

Note:

PMS Pump Prices

- All USD per litre prices are sourced from Globalpetrolprices.com EXCEPT for Nigeria.
- Naira per litre price for ALL was calculated by MOMAN using exchange rate 1 USD = 755NGN.

AGO Pump Prices

- All USD per litre prices are sourced from Globalpetrolprices.com EXCEPT for Nigeria.
- Naira per litre price for ALL was calculated by MOMAN using exchange rate 1 USD = 755NGN.