



Major Oil Marketers
Association of Nigeria

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INDUSTRY DATA SHEET

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TOPIC

EXPLORING ALTERNATIVE ENERGIES



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The Policy Intervention Series on Alternative Fuel brought together industry experts, stakeholders, and thought leaders to discuss critical issues regarding alternative energy sources and their role in shaping the future of our nation's energy landscape.

The challenges and opportunities facing transition energies such as gas (LPG and CNG) and alternative energies such as solar, biofuels, and EVs were discussed, and solutions were proffered.

Key Highlights and Takeaways

Policy Intervention: The discussion began by acknowledging the significance of BusinessDay's policy intervention initiative, especially in light of a new government administration. The event marked an opportune moment for policy realignment, considering the promises and commitments made by the new government. This aligns with the growing recognition of the need to explore alternative energy sources in Nigeria for sustainable development and energy security. Traditionally, Nigeria has heavily relied on fossil fuels, primarily oil and gas, for its energy needs. However, factors such as the increase in petrol prices, demand for energy, environmental concerns, energy access, and diversification are driving the search for alternative energy sources.

OPINIONS

Disclaimer: The views and opinions expressed in this article are solely those of the author.

Operator Contribution: Participants recognized that this juncture presents a unique opportunity for industry operators to actively engage in policy formulation, policy creation before formulation, and the subsequent steps toward policy implementation and execution. It is imperative to develop holistic policies that drive the adoption of alternative energies and robust infrastructure investment in the midstream sector to explore these alternatives effectively.

Appropriate Pricing: The advantages of appropriately pricing petroleum products, such as PMS (Petrol), were emphasized. Rather than artificial subsidies, appropriate pricing can make alternative energies more appealing to consumers, fostering a shift towards more sustainable options. Natural gas, in particular, was highlighted as a key component of alternative energies that requires more attention from the government and stakeholders.

Solar Energy Uptake: The removal of subsidies has led to a significant surge in the adoption of solar energy solutions. Notably, companies like Total Energies have made substantial investments in solar power, resulting in substantial cost savings and environmental benefits. TotalEnergies has over 250 retail outlets in Nigeria running on solar. Supporting private companies to deepen penetration across the value chain is crucial for the growth of alternative energy sources.

Accessibility of Alternative Energies: Participants dispelled the myth that alternative energy sources are inaccessible, even in urban settings. Sterling Bank provided examples of solar-powered branches and a 17-story office building (Sterling Towers on Marina), highlighting the versatility of solar solutions.

Ethanol Blending: Ethanol blending in petrol was discussed as an avenue for significant savings, reaching up to 49 Naira per liter. This practice can also support local farming and agro-processing industries, particularly using abundant resources like cassava.

Electric Vehicles (EVs): Concerns about EV charging infrastructure were addressed. While electric vehicle charging stations are emerging, individuals can utilize solar energy to charge their electric vehicles, promoting sustainability.

Conversion to CNG: Notably, several entities are actively converting their fleets and generators from diesel to compressed natural gas (CNG), achieving substantial cost savings, with some reporting up to a 70% reduction in expenses.

Government Support: Participants emphasized the need for targeted government support for alternative energy startups and a shift away from traditional petroleum subsidies. Such initiatives can expedite the transition towards a more diversified and efficient energy mix. The government should also consider providing tax breaks and other financial incentives to companies that invest in alternative energy projects to enhance availability.

Cost Reduction Strategies: Businesses and individuals were encouraged to explore cost-effective strategies, including the adoption of solar power in their operations. Additionally, participants highlighted the urgency of eliminating unnecessary dollar-based pricing, reducing operational costs.

Financing Solutions: Sterling Bank shared insights into financing challenges within the alternative energy sector and presented its financing solutions to support the growth and development of alternative energy projects and initiatives.

Entrepreneurship Opportunities: The forum also highlighted the promising entrepreneurship opportunities associated with supporting small and medium-scale enterprises (SMEs) within the alternative energy sector. These opportunities have the potential to stimulate economic growth and job creation.

The Filling Station of the Future: It was discussed that the filling station of the future will transcend its traditional role as a refueling point for vehicles. Instead, it will evolve into a dynamic hub offering a diverse range of cleaner energy options. These stations will no longer rely solely on traditional fossil fuels but will provide consumers with a wide array of sustainable energy choices.

In conclusion, the BusinessDay Policy Intervention Series on Alternative Fuel underscored the pivotal juncture at which our nation's energy sector stands. Removing subsidies, coupled with strategic policy interventions and industry collaboration, has the potential to reshape our energy landscape into a more sustainable and prosperous future for all. The development of Nigeria's alternative energy sector is essential for the country's long-term economic and social development. The government and the private sector must work together to create a supportive policy environment and attract investment.

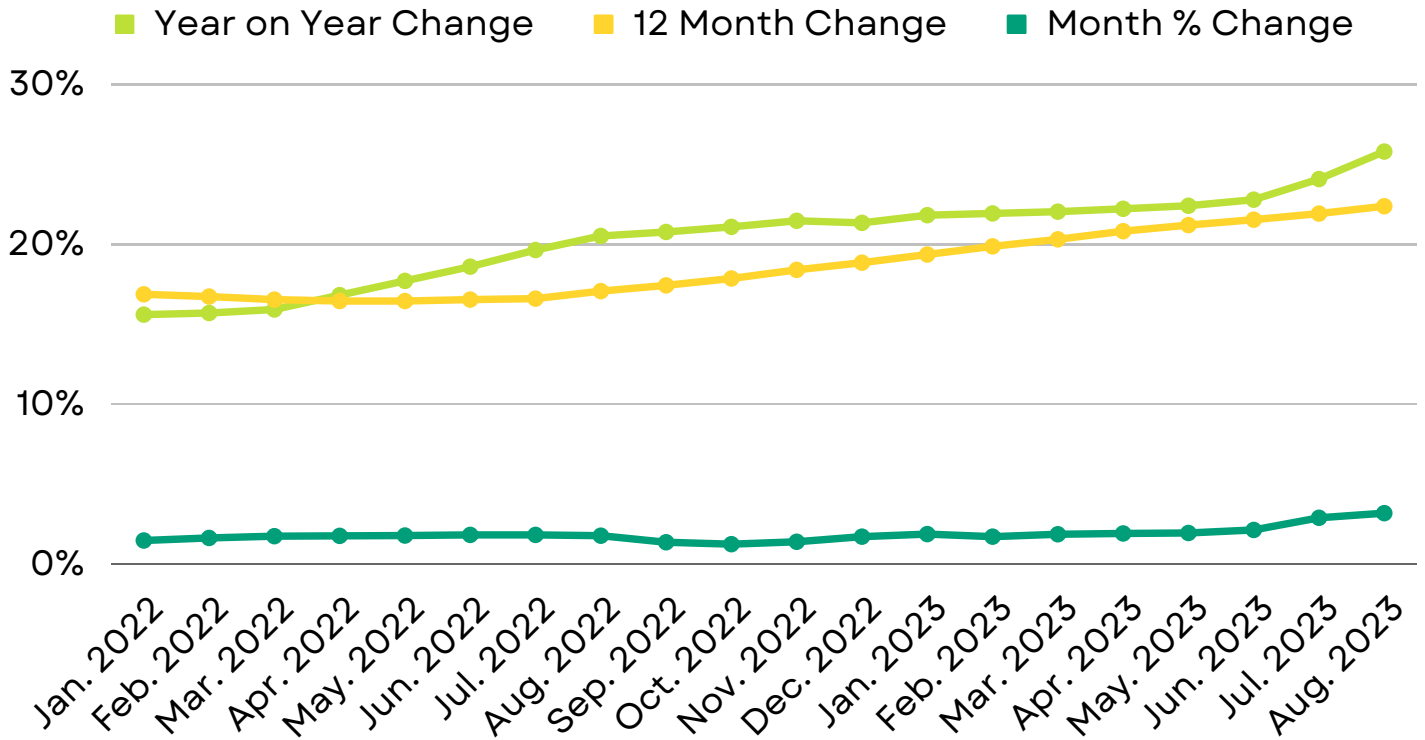
OPINIONS

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MARKETS WATCH



INFLATION



EQUITIES MARKET UPDATE

SECTOR	Sep. 29	Oct. 6	Weekly Change	WTD	MTD	QTD	YTD
NSE 30	2442.11	2443.91	1.80	0.07	0.07%	0.07%	32.64%
Consumer Goods	1132.38	1134.31	1.93	0.17	0.17%	0.17%	92.61%
Oil & Gas	914.02	914.02	0.00	0.00	0.00%	0.00%	97.63%
Banking	666.22	675.77	9.55	1.43	1.43%	1.43%	61.86%
Industrial	2662.86	2626.23	-36.63	-1.38	-1.38%	-1.38%	9.28%
Insurance	283.00	274.21	-8.79	-3.11	-3.11%	-3.11%	57.27%



MARKETS WATCH



FOREX RATES - INTERBANK I & E MARKET

NGN	Oct. 2	Oct. 3	Oct. 4	Oct. 5	Oct. 6
Minimum	-	737.00	744.00	744.00	737.00
Maximum	-	791.00	799.00	799.00	799.90
Interbank Official Closing (FX Rate (\$/N))	-	765.47	767.34	770.51	771.33



CENTRAL BANK OF NIGERIA



FOREX RATES - PARALLEL MARKET

NGN	Oct. 2	Oct. 3	Oct. 4	Oct. 5	Oct. 6
USD					
GBP					
EURO					

abokiFX

INDUSTRY WATCH

AVERAGE EX-DEPOT PRICES (NAIRA/LITRE)

3-OCT-23

Product	Warri/Oghara Hub	Calabar Hub	PHC Hub	Satellite Hub	Ibafon/Tincan Hub	Apapa Hub
PMS	588.33	593.50	584.00	581.30	580.00	581.25
AGO	992.00	1,000.00	995.00	980.60	980.60	976.80
DPK	N/A	N/A	N/A	920.00	900.00	920.00

4-OCT-23

Product	Warri/Oghara Hub	Calabar Hub	PHC Hub	Satellite Hub	Ibafon/Tincan Hub	Apapa Hub
PMS	588.33	593.50	584.00	582.40	584.50	582.25
AGO	993.33	#DIV/0!	995.00	975.00	973.80	975.00
DPK	N/A	N/A	N/A	910.00	920.00	890.00

5-OCT-23

Product	Warri/Oghara Hub	Calabar Hub	PHC Hub	Satellite Hub	Ibafon/Tincan Hub	Apapa Hub
PMS	718.33	591.67	588.33	584.80	584.50	582.75
AGO	983.67	#DIV/0!	995.00	970.00	970.00	971.60
DPK	N/A	N/A	N/A	910.00	920.00	890.00

INDUSTRY WATCH

WEST AFRICAN PUMP PRICES

GlobalPetrolPrices.com



PMS		
Country	USD/Litre	Naira/Litre Exchange rate of 1USD = 1000.00 NGN)
Nigeria	0.57	568.00
Cameroon	1.18	1178.00
Benin	1.10	1097.00
Sierra Leone	1.52	1519.00
Togo	1.13	1130.00
Burkina Faso	1.37	1372.00
Ivory Coast	1.41	1412.00
Ghana	1.16	1155.00
Guinea	1.39	1387.00
Mali	1.39	1386.00
Senegal	1.60	1598.00
Liberia	0.94	936.00

AGO		
Country	USD/Litre	Naira/Litre (Exchange rate of 1USD = 1000.00 NGN)
Nigeria	1.05	1050.00
Cameroon	1.16	1162.00
Benin	1.13	1130.00
Sierra Leone	1.52	1519.00
Togo	1.37	1372.00
Burkina Faso	1.09	1089.00
Ivory Coast	1.15	1154.00
Ghana	1.19	1185.00
Guinea	1.39	1386.00
Mali	1.39	1394.00
Senegal	1.22	1219.00
Liberia	0.98	983.00

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 = 1,000NGN.

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 = 1,000NGN.