

Sector Update

OMC Sales Data for Feb-21

MS Volumes (000' tons)

	Feb-21	YoY	8MFY21	YoY
PSO	259.6	34%	2,236.6	15%
APL	50.2	-9%	403.9	-11%
HASCOL	23.8	-44%	335.9	-4%
SHEL	69.9	9%	567.5	-3%
Industry	626.5	14%	5,373.8	8%

HSD Volumes (000' tons)

	Feb-21	YoY	8MFY21	YoY
PSO	259.3	80%	2,303.4	24%
APL	42.0	-15%	351.3	-20%
HASCOL	17.9	-34%	249.5	-20%
SHEL	49.0	58%	384.8	18%
Industry	550.2	47%	4,841.2	16%

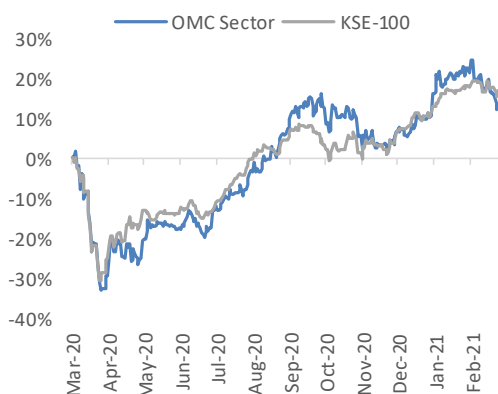
FO Volumes (000' tons)

	Feb-21	YoY	8MFY21	YoY
PSO	90.5	196%	1,063.2	44%
APL	21.4	-34%	362.8	29%
HASCOL	-	-100%	4.7	-91%
SHEL	-	n/m	-	-100%
Industry	175.6	22%	2,090.3	36%

Others Volumes (000' tons)

	Feb-21	YoY	8MFY21	YoY
PSO	31.8	-13%	241.3	-45%
APL	3.6	10%	34.0	35%
HASCOL	1.1	414%	6.2	150%
SHEL	4.3	200%	31.2	155%
Industry	45.9	7%	438.9	-27%

Relative Performance to KSE 100



Source: Bloomberg, PSX & IGI Research

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Oil & Gas Marketing Companies

Feb-21: Recovery in retail segment and healthy FO demand lifts growth in to double digit

- Industry volumes for oil marketing companies for the month of Feb-21 witnessed a growth of +26% YoY to 1.40mn ton bringing industry volumes for 8MFY21 to 12.67mn ton up by +13% YoY.
- High Speed Diesel (HSD) / Furnace Oil (FO) / Motor Spirit (MS) sales were up by +47%/+22%/+14% YoY during Feb-21. On a monthly basis, industry volumes are down by 8% MoM in Feb-21 on the back of 40%/2% MoM decline in FO/MS sales despite +1% MoM increase in HSD volumes.
- For 8MFY21, volumes increased owing to +36%/+16%/+8% YoY incline in FO/HSD/MS sales. To highlight, during 8MFY21 PSO/SHEL led the charts by posting +18%/+7% YoY incline in total sales while HASCOL/APL witnessed 17%/4% YoY plunge in total volumes with market share for APL and HASCOL dropping by 2% each to 9% and 5% respectively whereas PSO's market share increased by 2% to 46%.

Volumes depict +26% YoY growth in Feb-21 to 1.40mn ton

Industry volumes for oil marketing companies for the month of Feb-21 witnessed a growth of +26% YoY to 1.40mn ton bringing industry volumes for 8MFY21 to 12.67mn ton up by +13% YoY. High Speed Diesel (HSD) / Furnace Oil (FO) / Motor Spirit (MS) sales were up by +47%/+22%/+14% YoY during Feb-21. On a monthly basis, industry volumes are down by 8% MoM in Feb-21 on the back of 40%/2% MoM decline in FO/MS sales despite +1% MoM increase in HSD volumes. For 8MFY21, volumes increased owing to +36%/+16%/+8% YoY incline in FO/HSD/MS sales. To highlight, during 8MFY21 PSO/SHEL led the charts by posting +18%/+7% YoY incline in total sales while HASCOL/APL witnessed 17%/4% YoY plunge in total volumes with market share for APL and HASCOL dropping by 2% each to 9% and 5% respectively whereas PSO's market share increased by 2% to 46%.

MS: Volumes up by +14% YoY during Feb-21

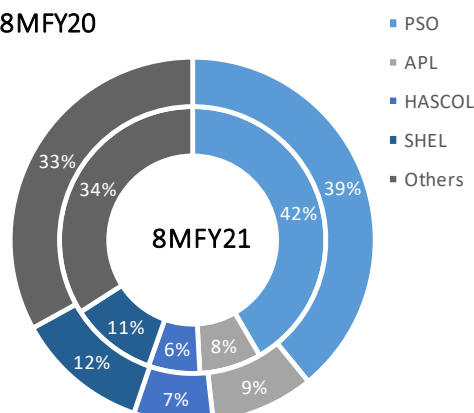
MS sales inclined by +14% YoY to 0.63mn ton in Feb-21, while on sequential basis, volumes are down by 2% MoM. PSO and SHEL posted +34% YoY and +9% YoY growth in volumes while HASCOL and APL reported 44% YoY and 9% YoY decline during Feb-21. For 8MFY21, MS volumes are up by +8% YoY to 5.37mn ton. During 8MFY21, PSO led the chart by posting +15% YoY rise in volumes with market share rising to 42%, while APL/HASCOL/SHEL registered 11%/4%/3% YoY decline in sales with market share dropping to 8%/6%/11% respectively.

HSD: Sales up by +47% YoY during Feb-21

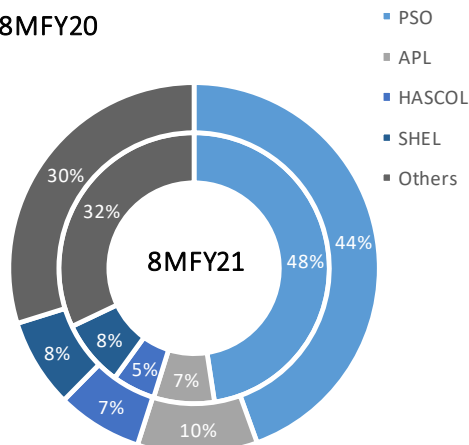
HSD sales increased by +47% YoY to 0.55mn ton in Feb-21, while on monthly basis volumes are up by +1% MoM. This brings total 8MFY21 sales at 4.84mn ton up by +16% YoY. For 8MFY21, PSO and SHEL led the charts with +24% YoY and +18% YoY growth in sales with market share increasing to 48% and 8% respectively. APL/HASCOL registered 20% YoY each decline in volumes during 8MFY21 with

Exhibit: MS Market Share - Company wise

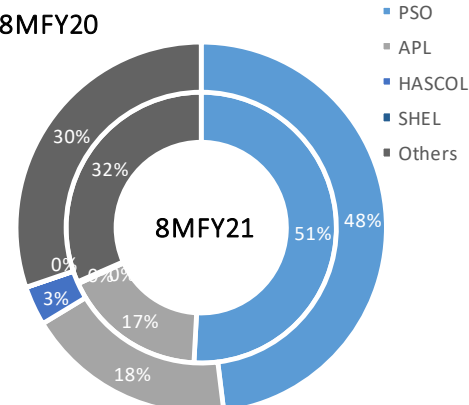
8MFY20

**Exhibit: HSD Market Share - Company wise**

8MFY20

**Exhibit: FO Market Share - Company wise**

8MFY20



Source: Company Financials, IGI Research

APL/HASCOL market share coming down to 7% and 5% each from 10%/7% in 8MFY20.

FO: Higher demand lifts volumes up by +22%YoY

FO volumes increased by +22% YoY during Feb-21 to 0.17mn ton likely attributable to higher demand from IPPs during winter season as hydel generation slows down. Volumes are down by 40%MoM in Feb-21. As a result, total FO volumes are up by +36% YoY in 8MFY21 to 2.09mn ton. For 8MFY21, APL and PSO reported +44% YoY and +29% YoY incline in sales with PSO and APL's market share standing at 51% and 17% respectively.

Exhibit: OMC's Monthly Sales Volume (Feb-21)

	000'tons	Feb-21	Feb-21	MoM	Feb-20	YoY	8MFY21	8MFY20	YoY
Industry									
MS	626.5	636.9	-2%	547.3	14%	5,373.8	4,972.1	8%	
HSD	550.2	544.1	1%	374.1	47%	4,841.2	4,173.4	16%	
FO	175.6	290.5	-40%	144.1	22%	2,090.3	1,533.8	36%	
Others	45.9	44.8	3%	43.1	7%	361.9	492.7	-27%	
Total	1,398.3	1,516.3	-8%	1,108.5	26%	12,667.2	11,172.0	13%	
PSO									
MS	259.6	256.2	1%	193.7	34%	2,236.6	1,942.8	15%	
HSD	259.3	248.5	4%	144.3	80%	2,303.4	1,855.9	24%	
FO	90.5	156.8	-42%	30.6	196%	1,063.2	737.0	44%	
Others	31.8	31.8	0%	36.6	-13%	241.3	435.0	-45%	
Total	641.3	693.3	-7%	405.1	58%	5,844.4	4,970.6	18%	
APL									
MS	50.2	51.7	-3%	55.1	-9%	403.9	453.2	-11%	
HSD	42.0	43.4	-3%	49.3	-15%	351.3	437.3	-20%	
FO	21.4	35.3	-39%	32.5	-34%	362.8	280.7	29%	
Others	3.6	3.4	5%	3.2	10%	34.0	25.1	35%	
Total	117.1	133.9	-12%	140.1	-16%	1,151.9	1,196.3	-4%	
HASCOL									
MS	23.8	43.5	-45%	42.8	-44%	335.9	349.7	-4%	
HSD	17.9	23.8	-25%	27.0	-34%	249.5	311.5	-20%	
FO	-	-	0%	7.5	-100%	4.7	52.6	-91%	
Others	1.1	0.8	29%	0.2	414%	6.2	2.5	150%	
Total	42.7	68.2	-37%	77.5	-45%	596.3	716.2	-17%	
SHEL									
MS	69.9	70.8	-1%	64.0	9%	567.5	586.0	-3%	
HSD	49.0	46.9	4%	31.1	58%	384.8	325.0	18%	
FO	-	-	0%	0.2	n/m	-	0.2	-100%	
Others	4.3	3.8	12%	1.4	200%	31.2	12.2	155%	
Total	123.2	121.6	1%	96.8	27%	983.5	923.5	7%	
Source: IGI Research, OCAC									

Source: IGI Research, OCAC

Outlook

MS sales are likely to remain strong during 2HFY21 as automobile sales picks up whereas. HSD sales are likely to remain elevated amid pick up in commercial activity however rise in grey market sales may likely hurt volumetric growth. FO sales are likely to slow down in coming months however expected to pick up during peak summer demand.

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