

July 2, 2021

Monthly POL Sales

June 2021: Growth rebounded +20%y/y to 1.93mn tons led by growth in FO sales

Industry volumes for oil marketing companies for the month of Jun-21 witnessed a growth of +20%YoY to 1.93mn ton bringing industry volumes for FY21 to 19.45mn ton up by +19%YoY. Furnace Oil (FO) / Motor Spirit (MS) / High Speed Diesel (HSD) sales were up by +3.0x/+7%/+3%YoY during Jun-21. On a monthly basis, industry volumes are up by +14%MoM in Jun-21 on the back of +2x/+6%/+2%MoM incline in FO/MS/HSD sales.

- During the FY21, FO/HSD/MS sales increased by +55%/+18%/+13%YoY. Company wise PSO/SHEL/APL led the charts by posting +25%/+18%/+1%YoY incline in total sales while HASCOL witnessed 25%YoY plunge in total volumes with market share for APL and HASCOL dropping by 2% each to 9% and 4% respectively. However PSO's market share increased by 2% to 46%.
- **MS:** MS sales inclined by +7%YoY to 0.78mn ton in Jun-21, while on sequential basis, volumes are up by +6%MoM. SHEL, APL and HASCOL posted +19%YoY, +7%YoY and +2%YoY growth in volumes respectively, while PSO reported 10%YoY during Jun-21. For FY21, MS volumes are up by +13%YoY to 8.24mn ton. During FY21, PSO and SHEL led the chart by posting +20%YoY and +7%YoY rise in volumes with PSO's market share rising to 42% and SHEL retained its market share, while HASCOL/APL registered 17%/6%YoY decline in sales with market share dropping to 5%/7% respectively.

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- **HSD:** HSD sales increased by +3%YoY to 0.76mn ton in Jun-21, while on monthly basis volumes are up by +2%MoM. This brings total FY21 sales at 7.70mn ton up by +18%YoY. For FY21, SHEL and PSO led the charts with +30%YoY and +20%YoY growth in sales with market share increasing to 8% and 47% respectively. HASCOL/APL registered 27%/11%YoY decline in volumes during FY21 with HASCOL/APL market share coming down to 4% and 7% from 7% and 10% in FY20.
- **FO:** FO volumes increased by +3.0xYoY during Jun-21 to 0.34mn ton likely attributable to higher demand from IPPs compared to last year. Volumes are up by +2.0xMoM in Jun-21. As a result, total FO volumes are up by +55%YoY in FY21 to 3.0mn ton. For FY21, PSO and APL reported +91%YoY and +32%YoY incline in sales with PSO and APL's market share standing at 51% and 17% respectively.

Outlook: MS sales are likely to remain strong during 2HFY21 as automobile sales pick up along with introduction of new vehicles by new entrants such as KIA & Hyundai. 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 remain strong in coming months.

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BRP 009

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

INDUSTRY											
000'tons	Jun-21	Apr-21	MoM	Jun-20	YoY	6MCY21	6MCY20	YoY	FY21	FY20	YoY
MS	776.1	730.7	6%	725.8	7%	4,126.5	3,501.5	18%	8,236.9	7,315.6	13%
HSD	775.9	761.4	2%	753.0	3%	3,952.0	3,224.7	23%	7,698.8	6,546.4	18%
FO	339.1	168.1	102%	114.2	197%	1,363.3	752.7	81%	2,987.5	1,925.9	55%
Others	41.0	32.0	28%	22.5	82%	254.9	167.8	52%	526.1	573.6	-8%
Total	1,932.0	1,692.2	14%	1,615.4	20%	9,696.7	7,646.8	27%	19,449.3	16,361.5	19%

PSO											
000'tons	Jun-21	Apr-21	MoM	Jun-20	YoY	6MCY21	6MCY20	YoY	FY21	FY20	YoY
MS	321.8	311.3	3%	356.2	-10%	1,738.4	1,374.2	26%	3,459.2	2,892.7	20%
HSD	354.9	373.1	-5%	441.5	-20%	1,853.6	1,521.6	22%	3,649.2	3,028.4	20%
FO	212.4	53.0	300%	31.2	581%	706.9	152.0	365%	1,522.8	798.4	91%
Others	28.4	20.8	36%	13.5	110%	182.7	128.4	42%	360.4	491.2	-27%
Total	917.5	758.3	21%	842.4	9%	4,481.6	3,176.2	41%	8,991.5	7,210.7	25%

APL											
000'tons	Jun-21	Apr-21	MoM	Jun-20	YoY	6MCY21	6MCY20	YoY	FY21	FY20	YoY
MS	56.5	49.3	15%	52.7	7%	308.9	307.7	0%	610.9	652.1	-6%
HSD	58.4	54.0	8%	54.9	6%	287.8	281.4	2%	553.7	625.0	-11%
FO	44.1	36.2	22%	45.5	-3%	201.7	173.2	16%	507.7	385.0	32%
Others	3.9	3.7	7%	2.3	70%	21.1	18.6	14%	48.1	36.9	31%
Total	162.9	143.2	14%	155.3	5%	819.5	780.9	5%	1,720.4	1,698.9	1%

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

HASCOL											
000'tons	Jun-21	Apr-21	MoM	Jun-20	YoY	6M CY21	6M CY20	YoY	FY21	FY20	YoY
MS	39.3	32.1	22%	38.4	2%	177.0	284.4	-38%	445.6	533.8	-17%
HSD	32.8	26.3	25%	32.1	2%	135.0	233.2	-42%	342.8	471.2	-27%
FO	0.0	0.0	0%	0.0	0%	0.0	30.3	n/m	4.7	64.8	-93%
Others	0.4	0.3	39%	0.2	99%	3.4	1.1	210%	7.7	3.1	153%
Total	72.5	58.7	24%	70.7	2%	315.4	549.0	-43%	800.8	1,072.8	-25%

SHEL											
000'tons	Jun-21	Apr-21	MoM	Jun-20	YoY	6M CY21	6M CY20	YoY	FY21	FY20	YoY
MS	81.6	74.0	10%	68.4	19%	446.7	364.3	23%	873.5	814.8	7%
HSD	65.2	56.6	15%	37.6	73%	324.2	211.5	53%	613.0	472.6	30%
FO	0.0	0.0	0%	0.0	n/m	0.0	0.2	n/m	0.0	0.2	n/m
Others	5.2	3.9	35%	2.5	112%	24.3	7.6	220%	47.4	16.8	182%
Total	152.0	134.6	13%	108.5	40%	795.2	583.5	36%	1,533.9	1,304.4	18%

Source: OCAC, IGI Research

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Exhibit: MS Market Share

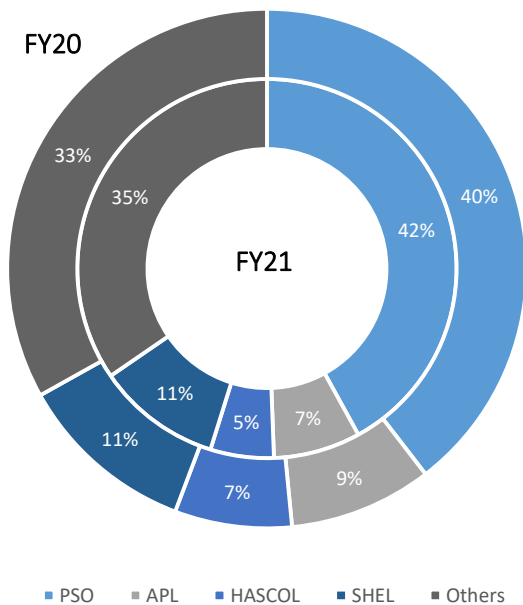


Exhibit: HSD Market Share

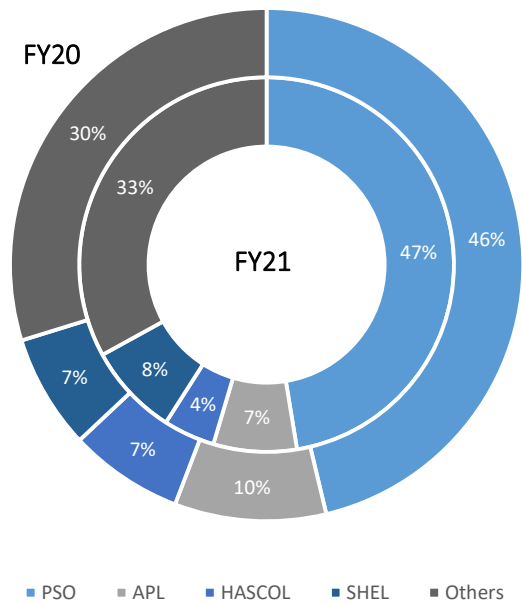
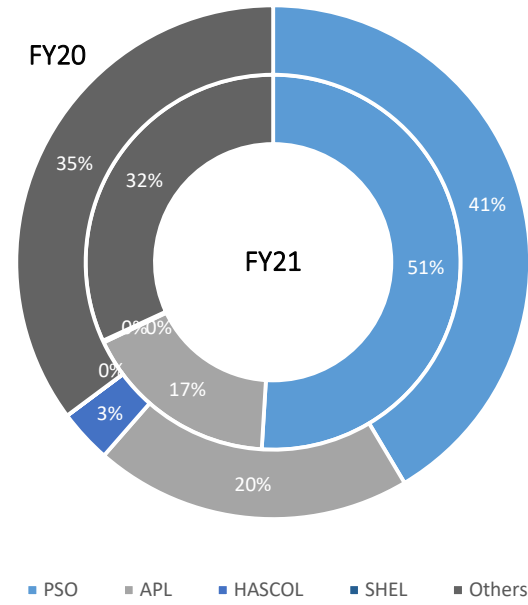


Exhibit: FO Market Share



Source: OCAC, IGI Research

Important Disclaimer and Disclosures

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Time Horizon: Dec – 2021

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RBDCF (Reserve Based DCF Valuation)

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