

Day Break

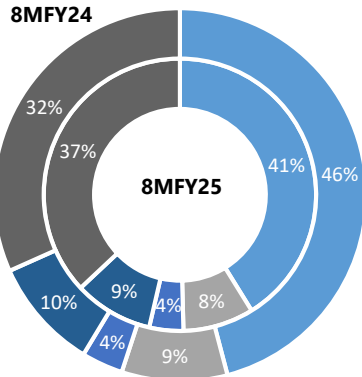
Wednesday, March 5, 2025



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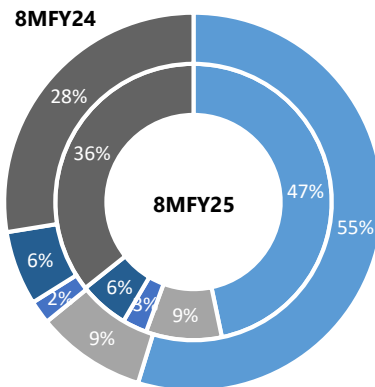
MS Market Share – Company wise

■ PSO ■ APL ■ HASCOL
■ SHEL ■ Others



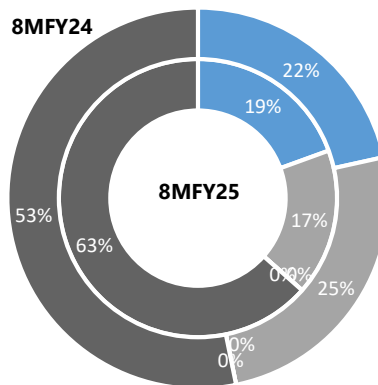
HSD Market Share – Company wise

■ PSO ■ APL ■ HASCOL
■ SHEL ■ Others



FO Market Share – Company wise

■ PSO ■ APL ■ HASCOL
■ SHEL ■ Others



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Oil & Gas Marketing Companies

Feb-25: Volumes Inch up by +2%/y/y to 1.14 mntons; Down by 18%/m/m

- Industry volumes for oil marketing companies for the month of Feb-25 remained flat at 1.14mn ton bringing industry volumes for 8MFY25 to 10.55mn ton up by +4%Y/y. Furnace Oil (FO) / Motor Spirit (MS) sales were up by +7%/+2%/y/y during Feb-25 while High Speed Diesel (HSD) sales were down by 4%/y/y. On a monthly basis, industry volumes plummeted by 18%/m/m to 1.14mn ton during Feb-25 on the back of 29%/11%/9%/m/m decline in HSD/MS/FO sales.
- During the 8MFY25, HSD/MS sales increased by +9%/+4%/y/y while FO sales declined by 42%/y/y. Company wise APL/PSO witnessed 11%/6%/y/y decline in total sales while HASCOL/SHEL reported +34%/+4%/y/y growth during 8MFY25. Market share for PSO and APL dropped by 4.8% and 1.5% to 45% and 9% respectively during 8MFY25 against 50% and 10% in the same period last year, while SHEL and HASCOL reported 0.1% and 0.7% growth in market share during 8MFY25 respectively.
- Cut in interest rate by SBP is likely to give slight push to passenger car sales. However, rise in HEV sales and potential launch of EV cars are also likely to restrict demand growth of petrol engines going forward. Potential hike in OMC margins are likely to support earnings amid depressed demand. Continued improvement in cash collection is likely to keep cash flows strong for PSO going forward and may unlock valuations.

Feb-25: POL sales inched up by 2%/y/y to 1.14mn ton

Industry volumes for oil marketing companies for the month of Feb-25 remained flat at 1.14mn ton bringing industry volumes for 8MFY25 to 10.55mn ton up by +4%Y/y. Furnace Oil (FO) / Motor Spirit (MS) sales were up by +7%/+2%/y/y during Feb-25 while High Speed Diesel (HSD) sales were down by 4%/y/y. On a monthly basis, industry volumes plummeted by 18%/m/m to 1.14mn ton during Feb-25 on the back of 29%/11%/9%/m/m decline in HSD/MS/FO sales.

During the 8MFY25, HSD/MS sales increased by +9%/+4%/y/y while FO sales declined by 42%/y/y. Company wise APL/PSO witnessed 11%/6%/y/y decline in total sales while HASCOL/SHEL reported +34%/+4%/y/y growth during 8MFY25. Market share for PSO and APL dropped by 4.8% and 1.5% to 45% and 9% respectively during 8MFY25 against 50% and 10% in the same period last year, while SHEL and HASCOL reported 0.1% and 0.7% growth in market share during 8MFY25 respectively.

MS

MS sales inched up by +2%/y/y to 0.56mn ton during Feb-25 while on sequential basis volumes dropped by 11%/m/m. PSO, SHEL, APL and HASCOL recorded 14%/y/y, 14%/y/y, 13%/y/y and 8%/y/y decline in volumes respectively during Feb-25. For 8MFY25, MS volumes increased by +4%/y/y to 4.93mn ton. During 8MFY25, HASCOL and SHEL posted +17%/y/y and +1%/y/y growth in volumes respectively, whereas, PSO and APL recorded 6%/y/y and 4%/y/y drop in total MS sales. PSO, APL and SHEL's market share dropped to 41.2%, 8.4% and 9.4% during 8MFY25 from 45.9%, 9.2% and 9.7% respectively in the same period last year. HASCOL's market share increased to 4.0% during 8MFY25 from 3.6% in the similar period last year.

HSD

HSD sales declined up by 4%/y/y to 0.43mn ton in Feb-25 and on monthly basis volumes nosedived by 29%/m/m. APL, PSO, HASCOL and SHEL reported 38%/y/y, 31%/y/y, 28%/y/y and 27%/y/y drop in sales respectively during Feb-25. This brings total 8MFY25 sales at 4.49mn ton up by +9%/y/y. For 8MFY25, HASCOL, APL and SHEL posted +58%/y/y, +3%/y/y and +1%/y/y incline in sales with market share for HASCOL increasing to 2.9%. PSO reported 7%/y/y decline in total HSD sales during 8MFY25. Market share for PSO, APL and SHEL dropped by 8.0%, 0.5% and 0.5% respectively.

FO

FO volumes increased by +7%/y/y during Feb-25 to 0.05mn ton likely attributable to slightly higher demand from IPPs compared to last year. Volumes are down by 9%/m/m during Feb-25. Total FO volumes are down by 42%/y/y during 8MFY25 to 0.46mn ton. For 8MFY25, PSO and APL reported 48%/y/y and 61%/y/y decline in sales with PSO's market share declining to 19.5% compared to 21.5% in 8MFY24, whereas, APL's market share dropped to 17.1% from 25.2% in the same period last year.

Outlook

Cut in interest rate by SBP is likely to give slight push to passenger car sales. However, rise in HEV sales and potential launch of EV cars are also likely to restrict demand growth of petrol engines going forward. Potential hike in OMC margins are likely to support earnings amid depressed demand. Continued improvement in cash collection is likely to keep cash flows strong for PSO going forward and may unlock valuations.

Exhibit: OMC's Monthly Sales Volume (Feb-25)

000'tons	Feb-25	Jan-25	MoM	Feb-24	YoY	2MCY25	2MCY24	YoY	8MFY25	8MFY24	YoY
Industry											
MS	555.6	623.1	-11%	544.0	2%	1,178.7	1,158.9	2%	4,929.1	4,726.7	4%
HSD	428.5	599.8	-29%	446.2	-4%	1,028.3	959.2	7%	4,490.9	4,117.8	9%
FO	52.9	58.1	-9%	49.6	7%	111.1	233.5	-52%	458.2	795.0	-42%
Others	99.4	102.6	-3%	75.9	31%	202.0	146.5	38%	671.3	543.4	24%
Total	1,136.4	1,383.7	-18%	1,115.8	2%	2,520.1	2,498.1	1%	10,549.4	10,183.0	4%
PSO											
MS	214.6	249.4	-14%	247.7	-13%	464.0	527.6	-12%	2,029.5	2,169.2	-6%
HSD	178.2	259.8	-31%	234.2	-24%	438.0	507.7	-14%	2,097.6	2,254.0	-7%
FO	3.5	4.8	-27%	16.5	-79%	8.3	57.7	-86%	89.1	171.3	-48%
Others	73.3	78.1	-6%	68.3	7%	151.4	131.4	15%	535.2	481.8	11%
Total	469.6	592.0	-21%	566.7	-17%	1,061.6	1,224.4	-13%	4,751.4	5,076.3	-6%
APL											
MS	47.0	53.8	-13%	54.6	-14%	100.9	112.0	-10%	414.7	433.0	-4%
HSD	38.2	61.4	-38%	43.5	-12%	99.7	89.9	11%	398.5	386.0	3%
FO	10.8	10.8	0%	12.1	-11%	21.6	58.3	-63%	78.3	200.7	-61%
Others	5.8	5.6	4%	2.7	115%	11.4	5.8	97%	37.2	25.0	49%
Total	101.9	131.6	-23%	112.9	-10%	233.5	266.0	-12%	928.7	1,044.7	-11%
HASCOL											
MS	23.9	25.9	-8%	16.7	43%	49.8	32.1	55%	199.4	170.3	17%
HSD	16.1	22.3	-28%	10.1	60%	38.4	17.7	118%	129.6	82.3	58%
FO	-	-	0%	-	0%	-	-	0%	-	-	0%
Others	2.6	2.5	5%	0.1	2815%	5.1	0.1	5590%	9.7	0.4	2476%
Total	42.6	50.7	-16%	26.8	59%	93.3	49.8	87%	338.8	252.9	34%
SHEL											
MS	50.9	59.1	-14%	55.7	-9%	110.0	118.6	-7%	462.3	456.8	1%
HSD	26.1	35.9	-27%	31.9	-18%	61.9	65.3	-5%	262.6	261.1	1%
FO	-	-	0%	-	n/m	-	-	0%	-	-	0%
Others	6.9	6.4	8%	1.9	265%	13.3	3.5	282%	37.3	14.1	164%
Total	83.8	101.4	-17%	89.4	-6%	185.2	187.4	-1%	762.2	732.0	4%

Source: IGI Research, OCAC

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