

OIL AND GAS REGULATORY AUTHORITY

Plot #54, Fazal-e-Haq Road, Near PIA Building, Blue Area, Islamabad, Pakistan.

PRESS RELEASE

Islamabad, December 31, 2010. The Oil and Gas Regulatory Authority (OGRA) has announced new maximum ex-depot prices of petroleum products, based on import parity price formula approved by the Federal Government, effective **January 01, 2011** as follows:-

Rs/Litre

Product	Existing Price	Revised w.e.f Jan 01, 2011	Difference inc/(dec)	%age
Motor Spirit	72.96	79.67	6.71	9.2%
HOBC	86.67	94.36	7.69	8.9%
Kerosene Oil	70.95	74.99	4.04	5.7%
LDO	66.61	70.97	4.36	6.5%

This revision in prices was necessitated due to sharp increase in the Arab Gulf petroleum product prices over the past two months i.e. November & December 2010, which is evident from the following table;

Product		Unit	Effective November 01, 2010	Effective January 01, 2011	Difference inc/(dec)	%age
Motor Spirit 95 RON	C&F	\$ / BBL	88.55	99.80	11.25	12.7%
Kerosene Oil	C&F	\$ / BBL	93.60	101.85	8.25	8.8%
HSD	C&F	\$ / BBL	92.10	100.69	8.59	9.3%
Furnace Oil	C&F	\$ / MT	479.43	514.79	35.36	7.4%
Arab Light Crude Oil	FOB	\$ / BBL	79.71	88.94	9.23	11.6%
Exchange Rate		Rs/US\$	86.13	85.87	(0.26)	-0.3%

It is pertinent to note that local ex-depot prices effective December 01, 2010 were not increased despite increase in international prices. Therefore, the effective increase in international prices in the last two months has been passed on into the local prices effective January 01, 2011.

Detailed computations are available at OGRA's website (www.ogra.org.pk).