

Sector Update

OMC Sales Data for Nov-20

MS Volumes (000' tons)

| | Nov-20 | YoY | 5MFY21 | YoY |
|----------|--------|------|---------|------|
| PSO | 282.7 | 30% | 1,436.6 | 13% |
| APL | 50.5 | -9% | 250.2 | -12% |
| HASCOL | 43.1 | -10% | 226.1 | 15% |
| SHEL | 70.1 | 14% | 355.4 | -6% |
| Industry | 693.2 | 20% | 3,436.9 | 8% |

HSD Volumes (000' tons)

| | Nov-20 | YoY | 5MFY21 | YoY |
|----------|--------|------|---------|------|
| PSO | 390.1 | 35% | 1,498.7 | 19% |
| APL | 50.8 | -20% | 220.1 | -23% |
| HASCOL | 50.3 | -1% | 180.1 | -8% |
| SHEL | 62.4 | 56% | 235.1 | 7% |
| Industry | 802.5 | 29% | 3,124.7 | 13% |

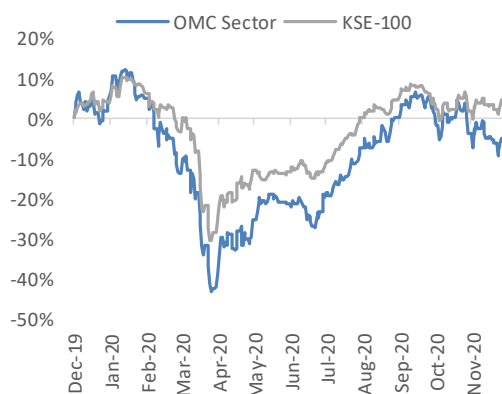
FO Volumes (000' tons)

| | Nov-20 | YoY | 5MFY21 | YoY |
|----------|--------|-------|---------|------|
| PSO | 54.3 | -38% | 710.9 | 18% |
| APL | 37.7 | 44% | 280.4 | 56% |
| HASCOL | - | -100% | 4.7 | -85% |
| SHEL | - | n/m | - | 0% |
| Industry | 170.3 | 18% | 1,384.5 | 31% |

Others Volumes (000' tons)

| | Nov-20 | YoY | 5MFY21 | YoY |
|----------|--------|------|--------|------|
| PSO | 35.1 | -50% | 142.7 | -53% |
| APL | 3.2 | -13% | 23.1 | 48% |
| HASCOL | 0.4 | 33% | 1.5 | -11% |
| SHEL | 4.8 | 165% | 17.1 | 110% |
| Industry | 49.5 | -37% | 277.7 | -38% |

Relative Performance to KSE 100



Source: Bloomberg, PSX & IGI Research

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Oil & Gas Marketing Companies

Nov-20: Sales continue to post healthy growth on strong retail volumes and FO demand

- Industry volumes for oil marketing companies for the month of Nov-20 witnessed a growth of +21% YoY to 1.72mn ton bringing industry volumes for 5MFY21 to 8.16mn ton up by +11% YoY.
- High Speed Diesel (HSD) / Motor Spirit (MS) / Furnace Oil (FO) sales were up by +29%/+20%/+18% YoY during Nov-20. On a monthly basis, industry volumes are up by +1% MoM in Nov-20 on the back of +20/+1% MoM incline in HSD/MS sales despite 41% MoM decline in FO volumes.
- For 5MFY21, volumes increased owing to +31%/+13%/+8% YoY incline in FO/HSD/MS sales. To highlight, during 5MFY21 PSO/APL led the charts by posting only +10%/+1% YoY incline in total sales while HASCOL witnessed 1% YoY plunge in total volumes with market share for PSO, APL, SHEL and HASCOL dropping by 1% each to 46%, 9%, 7% and 5% respectively.

Volumes depict +21% YoY growth in Nov-20 to 1.72mn ton

Industry volumes for oil marketing companies for the month of Nov-20 witnessed a growth of +21% YoY to 1.72mn ton bringing industry volumes for 5MFY21 to 8.16mn ton up by +11% YoY. High Speed Diesel (HSD) / Motor Spirit (MS) / Furnace Oil (FO) sales were up by +29%/+20%/+18% YoY during Nov-20. On a monthly basis, industry volumes are up by +1% MoM in Nov-20 on the back of +20/+1% MoM incline in HSD/MS sales despite 41% MoM decline in FO volumes. For 5MFY21, volumes increased owing to +31%/+13%/+8% YoY incline in FO/HSD/MS sales. To highlight, during 5MFY21 PSO/APL led the charts by posting only +10%/+1% YoY incline in total sales while HASCOL witnessed 1% YoY plunge in total volumes with market share for PSO, APL, SHEL and HASCOL dropping by 1% each to 46%, 9%, 7% and 5% respectively.

MS: Volumes up by +20% YoY during Nov-20

MS sales inclined by +20% YoY to 0.69mn ton in Nov-20, while on sequential basis, volumes are up by +1% MoM. PSO and SHEL posted +30% YoY and +14% YoY growth in volumes while HASCOL and APL reported 10% YoY and 9% YoY decline during Nov-20. For 5MFY21, MS volumes are up by +8% YoY to 3.44mn ton. During 5MFY21, HASCOL/PSO led the chart by posting +15%/+13% YoY rise in volumes with market share rising to 42%/7%, while APL/SHEL registered 12%/6% YoY decline in sales with market share dropping to 7%/10% respectively.

HSD: Sales up by +29% YoY during Nov-20

HSD sales increased by +3% YoY to 0.80mn ton in Nov-20, while on monthly basis volumes are up by +20% MoM. This brings total 5MFY21 sales at 3.12mn ton up by +13% YoY. For 5MFY21, PSO and SHEL led the charts with +19% YoY and +7% YoY growth in sales with market share increasing to 48%. and 8% respectively

Exhibit: MS Market Share - Company wise

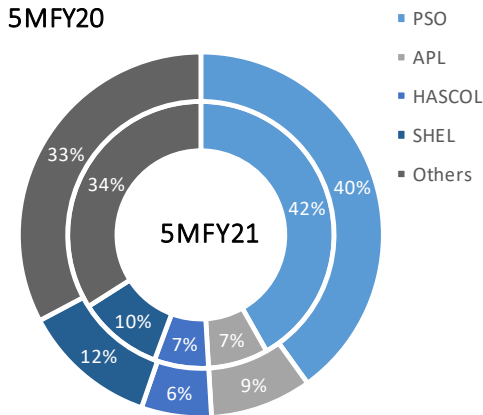


Exhibit: HSD Market Share - Company wise

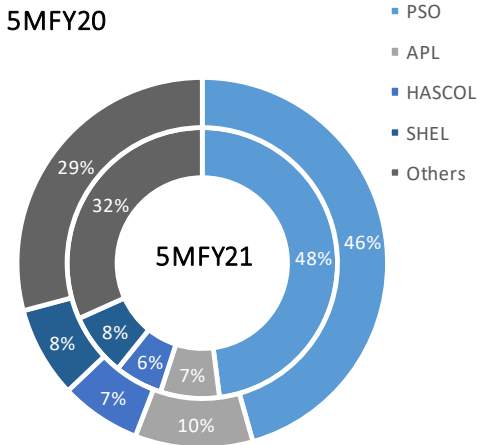
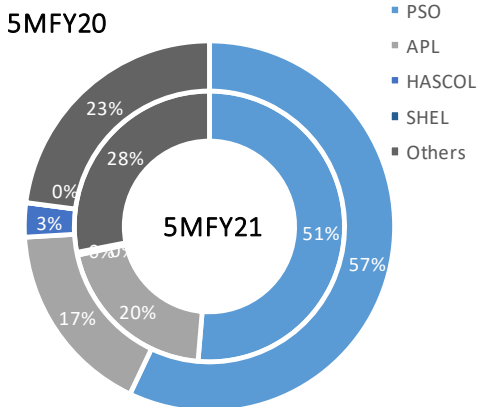


Exhibit: FO Market Share - Company wise



Source: Company Financials, IGI Research

APL/HASCOL registered 23%/8% YoY decline in volumes during 5MFY21 with APL/HASCOL market share coming down to 7%/6% from 10%/7% in 5MFY20.

FO: Higher demand lifts volumes up by +18% YoY

FO volumes increased by +46% YoY during Nov-20 to 0.17mn ton likely attributable to higher demand from IPPs during summer season, however, volumes are down by 41% MoM in Nov-20. As a result, total FO volumes are up by +31% YoY in 5MFY21 to 1.38mn ton. For 5MFY21, APL and PSO reported +56% YoY and +18% YoY incline in sales respectively with market share for PSO dropping to 51%, while APL's market share increased to 20%.

Exhibit: OMC's Monthly Sales Volume (Nov-20)

| 000'tons | Nov-20 | Oct-20 | MoM | Nov-19 | YoY | 5MFY21 | 5MFY20 | YoY |
|-----------------|---------|---------|------|---------|------|---------|---------|------|
| Industry | | | | | | | | |
| MS | 693.2 | 686.6 | 1% | 579.0 | 20% | 3,436.9 | 3,171.2 | 8% |
| HSD | 802.5 | 669.3 | 20% | 621.3 | 29% | 3,124.7 | 2,771.3 | 13% |
| FO | 170.3 | 290.7 | -41% | 144.3 | 18% | 1,384.5 | 1,058.1 | 31% |
| Others | 49.5 | 52.4 | -6% | 78.4 | -37% | 211.9 | 341.2 | -38% |
| Total | 1,715.5 | 1,699.0 | 1% | 1,422.9 | 21% | 8,158.0 | 7,341.8 | 11% |
| PSO | | | | | | | | |
| MS | 282.7 | 267.6 | 6% | 217.9 | 30% | 1,436.6 | 1,270.2 | 13% |
| HSD | 390.1 | 303.7 | 28% | 288.5 | 35% | 1,498.7 | 1,263.5 | 19% |
| FO | 54.3 | 158.3 | -66% | 88.0 | -38% | 710.9 | 603.8 | 18% |
| Others | 35.1 | 37.7 | -7% | 70.4 | -50% | 142.7 | 305.0 | -53% |
| Total | 762.2 | 767.3 | -1% | 664.9 | 15% | 3,788.9 | 3,442.5 | 10% |
| APL | | | | | | | | |
| MS | 50.5 | 52.2 | -3% | 55.2 | -9% | 250.2 | 285.8 | -12% |
| HSD | 50.8 | 49.7 | 2% | 63.5 | -20% | 220.1 | 285.2 | -23% |
| FO | 37.7 | 63.4 | -41% | 26.1 | 44% | 280.4 | 180.1 | 56% |
| Others | 3.2 | 3.8 | -14% | 3.7 | -13% | 23.1 | 15.5 | 48% |
| Total | 142.2 | 169.1 | -16% | 148.5 | -4% | 773.8 | 766.7 | 1% |
| HASCOL | | | | | | | | |
| MS | 43.1 | 46.8 | -8% | 48.0 | -10% | 226.1 | 197.0 | 15% |
| HSD | 50.3 | 39.0 | 29% | 50.6 | -1% | 180.1 | 195.0 | -8% |
| FO | - | - | 0% | 4.8 | n.m | 4.7 | 31.5 | -85% |
| Others | 0.4 | 0.3 | 14% | 0.3 | 33% | 1.5 | 1.7 | -11% |
| Total | 93.7 | 86.1 | 9% | 103.6 | -10% | 412.4 | 425.2 | -3% |
| SHEL | | | | | | | | |
| MS | 70.1 | 73.4 | -4% | 61.2 | 14% | 355.4 | 379.2 | -6% |
| HSD | 62.4 | 52.8 | 18% | 40.1 | 56% | 235.1 | 220.2 | 7% |
| FO | - | - | 0% | - | n/m | - | - | 0% |
| Others | 4.8 | 4.8 | 0% | 1.8 | 165% | 17.1 | 8.1 | 110% |
| Total | 137.3 | 131.0 | 5% | 103.2 | 33% | 607.6 | 607.5 | 0% |

Source: IGI Research, OCAC

Outlook

MS sales are likely to remain strong during winter season as gas will be diverted to domestic consumers while expensive LNG will be supplied to CNG stations. 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 upbeat in the coming month due to higher demand from IPPs as Hydel generation slows down during winter season.

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