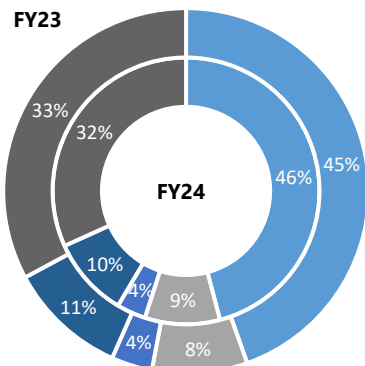
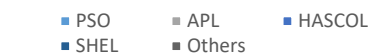


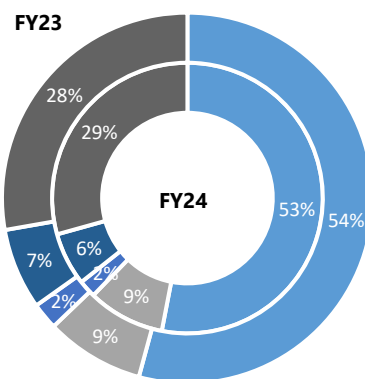
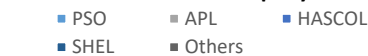
# Day Break

Tuesday, July 2, 2024

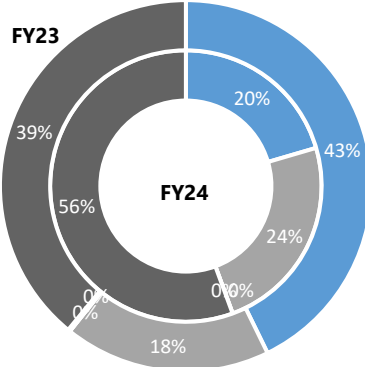
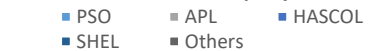
## MS Market Share – Company wise



## HSD Market Share – Company wise



## FO Market Share – Company wise



## Analyst

Abdullah Farhan  
[Abdullah.farhan@igi.com.pk](mailto:Abdullah.farhan@igi.com.pk)

## Oil & Gas Marketing Companies

### Jun-24: Volumes Depict a Growth of +8%/y; Down by 8%/y in FY24

- Industry volumes for oil marketing companies for the month of Jun-24 increased by +7.6%/y to 1.45mn ton bringing industry volumes for FY24 to 15.28mn ton down by 8%/y. Motor Spirit (MS) / Furnace Oil (FO) / High Speed Diesel (HSD) sales were up by +9%/+6%/+5%/y during Jun-24. On a monthly basis, industry volumes are up by +4%/m to 1.45mn ton during Jun-24 on the back of +54%/+15%/m increase in FO/MS sales.
- During the FY24, MS/HSD sales declined by 4%/2%/y while FO sales plummeted by 49%/y. Company wise SHEL/PSO/HASCOL/APL witnessed 12%/9%/8%/5%/y decline in total sales. Market share for PSO, dropped by 0.6% to 49% during FY24 against 50% in the same period last year, while APL reported 0.4% incline in market share during FY24. Market share for SHEL dropped by 0.3% to 7%.
- Lower automobile sales and relatively higher prices are likely to keep demand growth restricted. Recent downward revision in price by few automobile assemblers and cut in interest rate by SBP is likely to give slight push to passenger car sales. Higher OMC margins are likely to support earnings amid depressed demand. Increase in power tariff and hike in gas prices would improve cash flow for PSO going forward and may unlock valuations.

### Jun-24: POL sales increased by +8%/y to 1.45mn ton

Industry volumes for oil marketing companies for the month of Jun-24 increased by +7.6%/y to 1.45mn ton bringing industry volumes for FY24 to 15.28mn ton down by 8%/y. Motor Spirit (MS) / Furnace Oil (FO) / High Speed Diesel (HSD) sales were up by +9%/+6%/+5%/y during Jun-24. On a monthly basis, industry volumes are up by +4%/m to 1.45mn ton during Jun-24 on the back of +54%/+15%/m increase in FO/MS sales.

During the FY24, MS/HSD sales declined by 4%/2%/y while FO sales plummeted by 49%/y. Company wise SHEL/PSO/HASCOL/APL witnessed 12%/9%/8%/5%/y decline in total sales. Market share for PSO, dropped by 0.6% to 49% during FY24 against 50% in the same period last year, while APL reported 0.4% incline in market share during FY24. Market share for SHEL dropped by 0.3% to 7%.

## MS

MS sales increased by +9%/y to 0.70mn ton during Jun-24 while on sequential basis volumes are up by +15%/m. APL, PSO and SHEL recorded +7%/y, +7%/y and +6%/y incline in volumes respectively

during Jun-24. For FY24, MS volumes are down by 4%/y to 7.14mn ton. During FY24, APL posted +4%/y growth in volumes respectively, whereas, SHEL, HASCOL and PSO recorded 11%/y, 6%/y and 1%/y drop in total MS sales. PSO's market share increased to 45.9% during FY24 from 44.6% in the same period last year. SHEL and HASCOL witnessed slight decline in market share to 3.5% and 9.7% respectively while APL's market share declined by 0.7% to 9.1%.

### HSD

HSD sales increased by +5%/y to 0.57mn ton in Jun-24 and on monthly basis volumes depicted a decline of 11%/m. HASCOL, APL and PSO reported 54%/y, 10%/y and 1%/y decline in sales whereas, SHEL registered +21%/y incline in HSD volumes during Jun-24. This brings total FY24 sales at 6.26mn ton down by 2%/y. For FY24, APL posted +5%/y incline in sales with market share for APL increasing to 9.2%. Market share for PSO, SHEL and HASCOL dropped by 1.2%, 0.7% and 0.2% respectively.

### FO

FO volumes improved by +6%/y during Jun-24 to 0.11mn ton likely attributable to higher demand from IPPs compared to last year. Volumes are up substantially by +54%/m during Jun-24. Total FO volumes are down by 49%/y during FY24 to 1.04mn ton. For FY24, PSO and APL reported 76%/y and 32%/y decline in sales with PSO's market share dropping to 20.5% compared to 42.8% in FY23, whereas, APL's market share improved to 23.9% from 18.0% in the same period last year.

### Outlook

Lower automobile sales and relatively higher prices are likely to keep demand growth restricted. Recent downward revision in price by few automobile assemblers and cut in interest rate by SBP is likely to give slight push to passenger car sales. Higher OMC margins are likely to support earnings amid depressed demand. Increase in power tariff and hike in gas prices would improve cash flow for PSO going forward and may unlock valuations.

**Exhibit: OMC's Monthly Sales Volume (Jun-24)**

000'tons	Jun-24	May-24	MoM	Jun-23	YoY	1HCY24	1HCY23	YoY	FY24	FY23	YoY
<b>Industry</b>											
MS	700.2	606.6	15%	642.4	9%	3,568.8	3,583.5	0%	7,136.7	7,418.1	-4%
HSD	569.7	642.8	-11%	544.4	5%	3,103.7	3,009.2	3%	6,262.4	6,372.5	-2%
FO	105.7	68.8	54%	99.6	6%	482.1	609.3	-21%	1,043.7	2,055.8	-49%
Others	71.3	71.0	0%	58.7	22%	438.4	375.8	17%	835.3	764.8	9%
Total	1,446.8	1,389.3	4%	1,345.0	8%	7,593.0	7,577.9	0%	15,278.0	16,611.2	-8%
<b>PSO</b>											
MS	309.2	265.6	16%	290.1	7%	1,634.5	1,642.9	-1%	3,276.1	3,306.2	-1%
HSD	265.7	320.6	-17%	295.6	-10%	1,575.3	1,606.5	-2%	3,321.6	3,455.5	-4%
FO	14.0	18.5	-24%	9.4	48%	99.9	77.8	28%	213.5	879.1	-76%
Others	60.4	60.3	0%	50.9	19%	382.3	331.6	15%	732.7	662.4	11%
Total	649.3	665.1	-2%	646.1	0%	3,692.1	3,658.9	1%	7,544.0	8,303.1	-9%
<b>APL</b>											
MS	59.5	57.1	4%	55.7	7%	328.5	306.4	7%	649.4	626.1	4%
HSD	49.1	62.8	-22%	49.3	-1%	280.1	263.1	6%	576.3	548.7	5%
FO	16.4	16.1	2%	41.6	-61%	107.5	172.5	-38%	249.9	369.6	-32%
Others	4.3	4.0	7%	3.3	29%	21.2	18.7	14%	40.4	45.1	-10%
Total	129.2	140.0	-8%	150.0	-14%	737.3	760.7	-3%	1,516.0	1,589.4	-5%
<b>HASCOL</b>											
MS	26.7	24.0	11%	36.5	-27%	113.5	159.8	-29%	251.7	269.0	-6%
HSD	10.8	16.8	-36%	23.6	-54%	67.1	98.1	-32%	131.7	148.8	-11%
FO	-	-	0%	-	0%	-	-	0%	-	-	0%
Others	0.2	0.1	115%	0.0	2045%	0.4	0.2	138%	0.7	0.7	2%
Total	37.8	40.9	-8%	60.2	-37%	181.1	258.1	-30%	384.2	418.5	-8%
<b>SHEL</b>											
MS	65.3	60.2	8%	61.4	6%	354.8	367.1	-3%	693.0	780.1	-11%
HSD	39.0	37.3	4%	32.3	21%	201.1	199.6	1%	396.9	450.8	-12%
FO	-	-	0%	-	n/m	-	3.7	-100%	-	3.7	-100%
Others	2.4	2.8	-13%	1.6	48%	14.0	10.9	28%	24.7	24.8	-1%
Total	106.7	100.3	6%	95.3	12%	569.9	581.4	-2%	1,114.6	1,259.4	-12%

Source: IGI Research, OCAC

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IGI Finex Securities Limited

Research Analyst(s)

Research Identity Number: BRP009

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# Contact Details

## Equity Sales

Zaeem Haider Khan	Head of Equities	Tel: (+92-42) 35301405	zaeem.haider@igi.com.pk
Muhammad Naveed	Regional Manager (Islamabad & Upper North)	Tel: (+92-51) 2604861-62	muhammad.naveed@igi.com.pk
Syeda Mahrukh Hameed	Branch Manager (Lahore)	Tel: (+92-42) 38303564	mahrukh.hameed@igi.com.pk
Shakeel Ahmad	Branch Manager (Faisalabad)	Tel: (+92-41) 2540843-45	shakeel.ahmad1@igi.com.pk
Asif Saleem	Equity Sales (RY Khan)	Tel: (+92-68) 5871652-56	asif.saleem@igi.com.pk
Mehtab Ali	Equity Sales (Multan)	Tel: (+92-61) 4512003	mahtab.ali@igi.com.pk

## Research Team

Abdullah Farhan	Head of Research	Tel: (+92-21) 111-234-234 Ext: 912	abdullah.farhan@igi.com.pk
Sakina Makati	Research Analyst	Tel: (+92-21) 111-234-234 Ext: 810	sakina.makati@igi.com.pk
Laraib Nisar	Research Analyst	Tel: (+92-21) 111-234-234 Ext: 974	laraib.nisar@igi.com.pk

## IGI Finex Securities Limited

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Website: [www.igisecurities.com.pk](http://www.igisecurities.com.pk)

### Head Office

Suite No 701-713, 7th Floor, The Forum, G-20,  
 Khayaban-e-Jami Block-09, Clifton, Karachi-75600  
 UAN: (+92-21) 111-444-001 | (+92-21) 111-234-234  
 Fax: (+92-21) 35309169, 35301780

### Lahore Office

Shop # G-009, Ground Floor,  
 Packages Mall  
 Tel: (+92-42) 38303560-69  
 Fax: (+92-42) 38303559

### Islamabad Office

Mezzanine Floor, Office 5, 6 & 7, Kashmir Plaza,  
 Block- B, Jinnah Avenue, Blue Area  
 Tel: (+92-51) 2604861-2, 2604864, 2273439  
 Fax: (+92-51) 2273861

### Faisalabad Office

Office No. 2, 5 & 8, Ground Floor, The  
 Regency International 949, The Mall  
 Faisalabad  
 Tel: (+92-41) 2540843-45

### Rahim Yar Khan Office

Plot # 12, Basement of Khalid Market,  
 Model Town, Town Hall Road  
 Tel: (+92-68) 5871652-3  
 Fax: (+92-68) 5871651

### Multan Office

Mezzanine Floor, Abdali Tower,  
 Abdali Road  
 Tel: (92-61) 4512003, 4571183

IGI Finex Securities Limited

Research Analyst(s)

Research Identity Number: BRP009

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