

Wednesday, 13 July 2011 13:54

Brent Crude Oil is currently trading at almost USD 118 per bbl while WTI is posting about USD 97 per bbl.

The Refined product prices have dropped in June 2011 and are posting an average decrease since May 2011, of approx. US\$ 17 per MT (approx.1.7%).

The June 2011 Official ADNOC Selling Price for Murban Crude Oil, which is the Crude Oil refined locally, has been set at USD 112.150 per barrel. This is a decrease of USD 1.45 per bbl (1.28%) over the May 2011 price.

The shilling has however weakened significantly against the dollar. This high exchange rate coupled with high demurrage costs incurred by the Industry has eroded the benefit of lower International prices during the month of June 2011. The combination of these factors alongside the reimbursement of margins reduced by ERC during the June 2011 price review will result in an increase in the local pump prices by an estimated Kshs. 2.46 per litre in mid-July 2011 when the next price adjustment is expected.

David Ohana

GENERAL MANAGER, KENYA