An ITP Business Portal arabianOilandGas.com

HOME
NEWS
ANALYSIS
PEOPLE
COMMENT
SPECIAL REPORTS
IN PICTURES
PRODUCTS & SERVICES
ADVERTISE
RSS FEEDS
CONTACT
SIGN IN/REGISTER

TENDERS EVENTS DIRECTORY MAGAZINES Search

HOME / OMAN FUEL MARKETING FIRMS GAIN FROM PRICE REFORMS

Oman fuel marketing firms gain from price reforms

by Indrajit Sen on Aug 7, 2016

3

Be the first to comment

Deregulated fuel prices that came into force with effect from January 15, 2016 have boosted the gross earnings of three major fuel marketing companies in Oman, the Oman Daily Observer has reported.

Shell Oman Marketing has reported a 10.7% jump in gross revenues.

Shell Oman Marketing Company SAOG, Oman Oil Marketing Company SAOG and Al Maha Petroleum Products Marketing Co SAOG – licensed by the Ministry of Oil and Gas to distribute and supply automotive fuels across the Sultanate – reported earnings growth averaging around 9% for the first half of this year.

All three firms attributed the uptick in sales revenues primarily to fuel price reform adopted by the Omani government as part of a raft of measures designed to cushion the effects of the global oil price downturn on national revenues. [OMR 1 = $2.59]

The Oman Oil Marketing Company reported gross earnings of OMR199.466mn for the six months ended on June 30, 2016, versus OMR192.939mn posted for the corresponding period of 2015, entailing an increase of 9%.
Company chairman Salim Abdullah al Rawas ascribed the increase to 'deregulation' of fuel prices.

On the flip side, the scrapping of subsidy on fuel prices did contribute to a 'notional drop' in retail business sales, the chairman noted.
Profit after tax declined 9% to OMR5.022mn this year, down from OMR5.528mn for the corresponding period of 2015, he said.

Shell Oman Marketing reported a 10.7% jump in gross revenues, which climbed to OMR183.4mn during the first six months of this year, the company said in the Directors' Report for H1 2016.

Net earnings rose 28% to RO 8.8%, aided in part by a 'significant non-recurring item' coupled with business growth and efficient cost management, the report added.

Al Maha Petroleum Products saw its gross sales climb 8% to OMR186.3mn for the January-June 2016 period, up from OMR172.9mn for the corresponding period of 2015.

"Retail sales increased during the period solely on account of the increase in (fuel) selling rates from mid-January 2016, despite a drop in product demand mainly in the border areas," said Gamal Ali al Ghamal, deputy chairman.

The price of Mogas Super (M95) rose almost 50% to 180 baisas (1,000 baisas = OMR1) per litre last month in the highest it has ever reached since tariffs were linked to the international price of crude earlier this year. The pump price of M95 has since declined to 166 baisas per litre.

Page: 1

RELATED ARTICLES

Oman to cut fuel subsidy in 2016 amidst oil slump

Oman considers cutting energy subsidies

NEWSLETTER SUBSCRIPTION
Email:
Daily Update
Subscribe

FEATURED COMMENT

Please click here to comment on this article

COMMENTS

Name *
Email *
City
Country - select
Subject: *
Comments: *
Math Question: *
Solve this simple math problem and enter the result. E.g. for 1+3, enter 4.
3+7 Refresh the image if not clear
Remember me on this computer
submit

LATEST INDUSTRY TRENDS /

- Thailand's PTTEP to sell Oman 44 project: Report
- Oman fuel marketing firms gain from price reforms
- Musandam's 1st gas-fired power plant to start 2017
- PDO successfully raises $4bn funding for expansion
- Moody's lowers credit ratings for GCC states
- PDO eyes $900mn savings over next 5 years: Report
- Iran, Oman mull building oil terminal at Jask port
- Oman LNG 2015 revenues down at $2.6bn
- Omani oil majors seek combined loans worth $4.35bn
- Oman LNG, Oman Oil join hands to aid 'Omanisation'

More..

Oil&Gas Utilities Petrochemicals

Site Map