

High Octane fuel sales hit record high in February amid price discounts

By Monitoring Desk



ISLAMABAD: The sale of High Octane Blending Component (HOBC) in Pakistan reached a record high in February 2025, with around 33,000 metric tons sold. This surge was driven by price discounts introduced by oil marketing companies (OMCs), making HOBC an attractive alternative to the comparatively cheaper MS petrol.

According to data from the Oil Companies Advisory Council (OCAC) cited by Optimus Capital Management (OCM), HOBC sales stood at just 15,000 metric tons in September 2024. Since then, sales have continued to rise steadily, culminating in a record high in February 2025.

HOBC is commonly used by luxury and imported cars due to its benefits in improving mileage and engine performance. Unlike regular petrol, HOBC is not regulated by the Oil and Gas Regulatory Authority (Ogra), and its price is set by the OMCs, which can vary between different petrol pumps within a city.

Despite the surge in HOBC sales, overall petroleum product sales, including petrol and diesel, fell by 18% month-on-month in February 2025, dropping to 1.14 million tons. This decline was attributed to the higher prices of petroleum products, as well as fewer days in February compared to January.

According to local research houses, the total oil consumption in January 2025 was 1.38 million tons. Analysts from Arif Habib Limited (AHL) explained that the rise in petrol and diesel prices, alongside a reduction in furnace oil-based power generation, led to the decrease in demand.



In February, the price of motor spirit (MS/petrol) rose by Rs2.23 per litre to Rs256.3, while high-speed diesel (HSD) saw an increase of Rs6.3 per litre to Rs267.0, due to rising Brent crude prices and exchange rate adjustments.

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The breakdown of sales data showed that petrol sales fell by 11% to 0.56 million tons, while high-speed diesel sales plummeted by 29% to 0.43 million tons. Furnace oil sales also decreased by 9% to 0.05 million tons compared to January.

On a year-on-year basis, petroleum product demand improved by 2% in February 2025 compared to the same month in 2024. The surge in sales was attributed to a resurgence in MS demand due to lower petrol prices, curbs on smuggling from Iran, a jump in automobile sales, and higher demand for furnace oil-based power generation.

Despite the overall dip in sales, the demand for HSD dropped by 4% compared to February 2024, likely due to reduced demand from the agricultural sector following lower rainfall during the rabi harvest. In contrast, MS dispatches saw a 2% increase, while furnace oil sales grew by 7% year-on-year in February.

Cumulatively, total petroleum product sales for the first eight months of the fiscal year 2024-25 rose by 4%, increasing to 10.55 million tons compared to 10.18 million tons during the same period last year. Petrol and high-speed diesel sales saw growth, while furnace oil sales declined.

The positive growth in petrol and diesel consumption is expected to continue, as the country recovers from recent economic challenges and efforts to stabilize the energy sector begin to yield results.

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