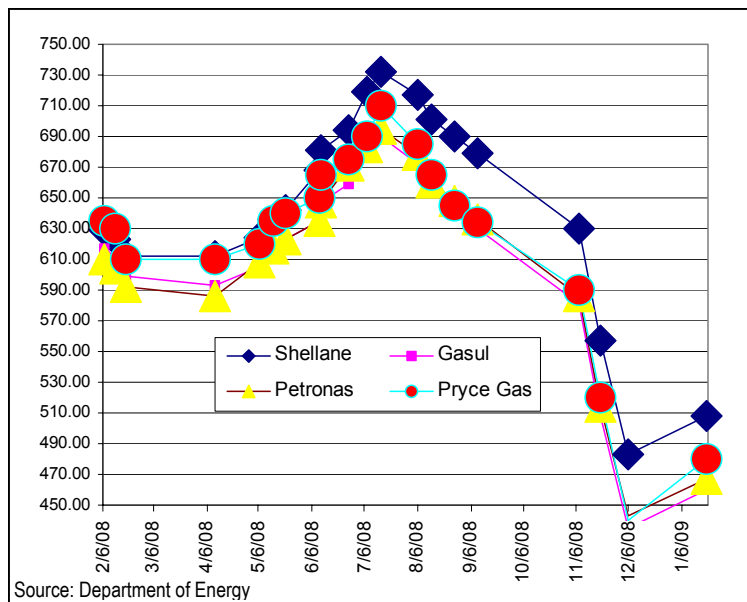




## LPG retail price in General Santos City cheaper than in Cotabato City

As of January 20, 2009, retail prices monitored by the Department of Energy (DoE) in Cotabato City showed that an 11-kg tank of Liquefied Petroleum Gas (LPG) was retailed at an average of ₱499.50 in Cotabato City. This is about P20.75 more than the retail price in General Santos City. The LPG tanks under the Petron Gasul brand were priced at P460.00 and P487.00 in General Santos City and Cotabato City respectively. Gasul posted the lowest retail price among the four major LPG retailing brands in the region. The highest retail price was posted by Shellane, at ₱517.00 in Cotabato City and ₱508.00 in General Santos City. Shellane, Gasul, Petronas and Pryce Gas are the four major LPG brands in the country. Retail price of LPG in General Santos City is lower than in Cotabato City due to the existence of two refilling LPG stations under Petron and Petronas Gas in General Santos City. Pryce Gas and the General Santos Industrial Compressed Gas Corporation are the two other refilling stations situated in Polomolok, South Cotabato. These refilling depots supply LPG to South Cotabato, Sultan Kudarat, Sarangani, General Santos City, Koronadal City and Tacurong City. Cotabato City gets its supply of LPG from Davao City which is about 226 kilometers away. General Santos City is about 200 kilometers from Cotabato City.

**RETAIL PRICE OF AN 11-KG LPG TANK IN COTABATO CITY AND GENERAL SANTOS CITY**  
February 6, 2008 to January 20, 2009



Source: Department of Energy

Overall, ten price rollbacks were recorded in the said cities, based on the monthly LPG price monitoring activities conducted from February 6, 2008 until January 20, 2009. Three price rollbacks were noted from February 6, 2008 until April 10, 2008 and four more rollbacks were effected from July 15, 2008 until December 5, 2008. The highest average rollback of LPG prices in Cotabato City was recorded at ₱6.59/kg for the period November 7, 2008 to November 19, 2008 while a ₱6.77/kg rollback on the average was effected in General Santos City from November 19, 2008 to December 5, 2008. Retail price of Shellane in Cotabato City was cut by ₱6.73/kg from November 7, 2008 to November 19, 2008. The same amount of rollback was noted in General Santos City, from November 19, 2008 to December 5, 2008. The price cutback was triggered by the continued decline in of contract prices in the world market.

From February 6, 2008 until January 20, 2009, the highest retail price of LPG was noted in July 15, 2008 after oil prices in the world market peaked at \$936.50 per metric ton during the month. LPG retail price rose from an average of ₱640.00 to ₱724.63 in Cotabato City and ₱622.75 to ₱706.75 in General Santos City, respectively. Shellane's retail cost of the 11-kg LPG tank is the most expensive among the four LPG brands sold in the two cities as supplies are sourced from Davao City. During this period, Shellane cost ₱742.50 in Cotabato City, ₱86.50 more than its selling price in February 6, 2008. In General Santos City, the same LPG brand was sold at ₱732.00 from ₱629.00. Petron Gasul, the cheapest of the four LPG brands due to the presence of a Petron depot in General Santos City, surged to ₱713.00 from ₱633 in Cotabato City and from ₱617.00 to ₱690.00 in General Santos City. The LPGs from Petronas and Pryce Gas cost more than Petron Gasul but less than that of Shellane.

From July 15 until December 5, 2008, the cost of LPG rolled back by as much as ₱250.13 in Cotabato City and ₱256.50 in General Santos City as oil prices in the world market nose-dived to a record low in December after the global financial crisis stifled demand from large economies, particularly the United States. Figures from DoE showed that the average contract price of LPG dropped to \$336.50 per metric ton in December 2008 from \$490 per metric ton in October of the same year. The contract price of LPG was highest in July but has declined since then.

From December 5, 2008 until January 20, 2009, however, the average cost of an 11-kg LPG tank in Cotabato City rose again by ₱25.00 and ₱28.50 in General Santos City as the international contract price for the commodity increased by \$50 per metric ton in January. The country was forced to turn to more expensive suppliers in Europe as tight supply were experienced from major sources such as China, Taiwan and the Middle East, as a result of seasonal high sales during peak winter heating season, lower LPG production from refinery shutdowns in China and the indirect effect of the Russia-Ukraine gas dispute. LPG retail price is expected to further increase in February 2009 as the Organization of Petroleum Exporting Countries (OPEC) had agreed to slash production output by about 2 million barrels a day, in a move designed to perk up world oil prices unless interventions are put in place by government and LPG players in the country to oversee normal supply and control overpricing nationwide.

### The LPG and Its Uses

LPG is a mixture of 30% Propane (C<sub>3</sub>H<sub>8</sub>) and 70% Butane (C<sub>4</sub>H<sub>10</sub>). Both Propane and Butane are easily liquefied and stored in pressure containers. These properties make the fuel highly portable, and hence, can be easily transported in cylinders or tanks to end-users.

About 60% of the LPG in the world today are obtained from the refining of crude oil where it is generally in pressurized form while 40% are extracted from natural gas or crude oil streams coming from underground reservoirs.

LPG is used as a fuel for domestic (cooking), industrial, horticultural, agricultural, heating and drying processes. LPG can be used as an automotive fuel or as a propellant for aerosols, in addition to other specialized applications. LPG can also be used to provide lighting through the use of pressure lanterns.



# NSCB *Fact Sheet*



NATIONAL STATISTICAL COORDINATION BOARD - RD XII

28 February 2009

2006-02-R12-01

## MONTHLY MONITORING OF THE RETAIL PRICE OF AN 11-KG LPG TANK IN COTABATO CITY AND GENERAL SANTOS CITY

February 6, 2008 to January 20, 2009

### General Santos City

LPG Brands	2/6/2008	2/13/2008	2/19/2008	4/10/2008	5/6/2008	5/14/2008	5/21/2008	6/10/2008	6/11/2008	6/27/2008	7/7/2008	7/15/2008	8/6/2008	8/14/2008	8/27/2008	9/9/2008	11/7/2008	11/19/2008	12/5/2008	1/20/2009
Shellane	629.00	623.00	612.00	612.00	624.00	636.00	642.00	668.00	681.00	694.00	719.00	732.00	717.00	701.00	690.00	679.00	630.00	557.00	483.00	508.00
Gasul	617.00	611.00	599.00	593.00	605.00	617.00	623.00	635.00	647.00	659.00	677.50	690.00	672.00	654.00	642.00	630.00	581.00	508.00	435.00	460.00
Petronas	610.00	604.00	592.00	586.00	608.00	617.00	623.00	635.00	647.00	671.00	683.00	695.00	678.00	660.00	648.00	636.00	585.75	514.00	443.00	467.00
Pryce Gas	635.00	630.00	610.00	610.00	620.00	635.00	640.00	650.00	665.00	675.00	690.00	710.00	685.00	665.00	645.00	634.00	590.00	520.00	440.00	480.00
	622.75	617.00	603.25	600.25	614.25	626.25	632.00	647.00	660.00	674.75	692.38	706.75	688.00	670.00	656.25	644.75	596.69	524.75	450.25	478.75

### Cotabato City

LPG Brands	2/6/2008	2/13/2008	2/19/2008	4/10/2008	5/6/2008	5/14/2008	5/21/2008	6/10/2008	6/11/2008	6/27/2008	7/7/2008	7/15/2008	8/6/2008	8/14/2008	8/27/2008	9/9/2008	11/7/2008	11/19/2008	12/5/2008	1/20/2009
Shellane	656.00	651.00	640.00	630.50	643.00	655.50	662.00	687.00	705.00	711.50	730.00	742.50	728.00	713.50	701.00	688.50	639.50	565.50	492.00	517.00
Gasul	633.00	627.00	615.00	609.00	621.00	633.00	640.00	653.00	665.00	679.00	699.00	713.00	696.00	679.00	668.00	656.00	606.00	534.00	462.00	487.00
Petronas	636.00	630.00	618.00	612.00	624.00	636.00	643.00	658.00	672.00	699.00	712.00	726.00	709.00	692.00	679.00	667.00	617.00	545.00	476.00	501.00
Pryce Gas	635.00	630.00	619.00	613.00	625.00	637.00	644.00	657.00	670.00	683.00	703.00	717.00	700.00	683.00	672.00	660.00	612.00	540.00	468.00	493.00
	640.00	634.50	623.00	616.13	628.25	640.38	647.25	663.75	678.00	693.13	711.00	724.63	708.25	691.88	680.00	667.88	618.63	546.13	474.50	499.50

Source: Department of Energy