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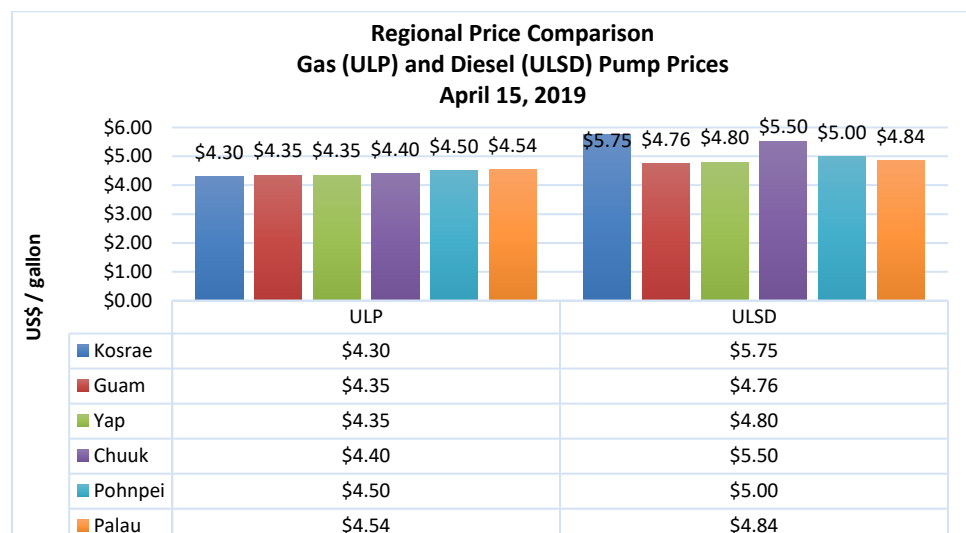
PRESS STATEMENT April 17, 2019

UPWARD TRENDS IN REGIONAL AND INTERNATIONAL MARKETS

Pohnpei, Federated States of Micronesia – On April 13, 2019, the Guam Pacific Daily News reported a ten cents per gallon (\$0.10cpg) price hike of pump prices at all Mobil Guam service stations, from \$4.25 to \$4.35.¹ This is the third consecutive price increase Guam motorists have seen since February 28, 2019, when pump prices began rising from \$3.90 per gallon.

Since January 2019, the cost of fuel has steadily increased throughout the Micronesian region as well as internationally. This directly correlates to decreasing supply and increasing demand of fuel products, according to an article published by the American Automobile Association on April 11, 2019. The article reported, “Demand skyrocketed to 9.8 million [barrels per day] last week...[this] high estimate likely signals that 2019 could bring the highest gasoline demand rates ever recorded by [the U.S. Energy Information Administration]...Shrinking supplies amid high demand will likely contribute to increased pump prices.”²

Vital Chairman of the Board of Directors Mr. Faustino Yangmog commented, that “while prices continue to rise elsewhere, wholesale prices for gasoline and diesel in the Federated States of Micronesia have been stable, and the FSM states have some of the lowest pump prices in the region.”



¹ “Mobil increases gas prices 10 cents, regular fuel now \$4.35 a gallon in Guam” *Guam Pacific Daily News*, April 13, 2019
<https://www.guampdn.com/story/news/local/2019/04/12/mobil-gas-prices-ten-cents-higher/3453933002/>

² “First week of April brings summer-like gas demand rate” *American Automobile Association*, April 11, 2019
<https://gasprices.aaa.com/first-week-of-april-brings-summer-like-gas-demand-rate/>

Figure 1: Regional price comparison of gasoline and diesel, based on pump prices at Fuel Land (Kosrae); Mobil (Guam); YCA (Yap); BS Distributing Co. (Chuuk); Pohnpei Service Station (Pohnpei); and Blue Bay (Palau) as of April 15, 2019.

Vital Chief Strategy & Investment Officer Mr. Mathias Lawrence advises customers to be prepared. He explained, “We advise our customers to prepare for a potential price increase because prices are rising so quickly. We will do our best to cushion as long as we can, while we continue to closely monitor international prices over the coming weeks.”

For inquiries, email info@fsmnpc.com.

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