April 2026

MaVen

MOUNTAIN VENTURES
Scaling New Heights, Together

PAKISTAN DOWNSTREAM INTELLIGENCE

Hormuz Watch
The Lost Inventory

World Rankings
The Cushion Gone

The Billion Dollar Windfall

PDC Payments
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Paid for Waiting

MOUNTAIN
VENTURES
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April 2026

Issued on 1 May 2026

MaVen

Contents

This edition marks a deliberate change. Our monthly analytical report on Pakistan's oil marketing sector has been formally rebranded as **MaVen**. The name reflects what we have always aimed to produce, market-facing analysis grounded in data, written with conviction, and useful to practitioners. MaVen will continue to be issued monthly, covering OMC sales performance, pricing dynamics, regulatory developments, and the structural evolution of Pakistan's downstream petroleum market.

Executive Summary

April 2026 closes a cycle that began with the Hormuz disruption in late February and ends with a Pakistani fuel pricing system that has fundamentally changed.

Volumes collapsed. Global supply contracted by c.10 mb/d. Pakistan industry sales for Gasoline, Hi Octane, and Gasoil, fell to **1.2 M MT, down 10% MoM, 12% YoY**. Gasoline demand fell 8% MoM & YoY. Gasoil demand fell 8% MoM, 13% YoY. Hi-Octane, at 3k MT, is effectively dead as a category, a 90% collapse following the Rs 200/L levy increase.

10.1mb/d
GLOBAL SUPPLY CONTRACTION - MARCH

$1Billion
EST. INDUSTRY WINDFALL

c12%Decline
GASOLINE, HOBC & GASOIL VOLUMES (YOY)

The windfall was real and is now being clipped. Refinery super-profits and inventory gains across March and April reached an estimated US$1 billion. The new Gasoil pricing formula, agreed voluntarily between the Petroleum Division and refineries and endorsed by the IMF, caps the crack spread and prevents a recurrence. Diesel would have been Rs 480/L this cycle without the change. It landed at Rs 380/L.

The conversation has moved. The Petroleum Minister has, in three public statements, named full deregulation as the policy destination. Mountain Ventures' Special Edition this month sets out the path: petrol first, diesel when the bridge holds, on an eighteen-month statutory roadmap.

Pakistan's global price ranking has slid 40 places on petrol and 19 on diesel since January. The "cheaper than the world" framing no longer holds. India, Bangladesh, USA, Japan and the Gulf are now all cheaper than Pakistan on both products.

OMCs are navigating an unusual simultaneous burden. They are chasing PDC reimbursements from a Rs 125 billion pool, of which 40% has been disbursed and the remainder is pending independent audit, while absorbing Rs 72 billion in unadjusted sales tax claims, preparing forensic-standard documentation for OGRA, implementing ATG and digitisation mandates, and standing up the Digital Subsidy System.

The crisis is not winding down. The world has lost an estimated one billion barrels of inventory it will not get back. The **prices are climbing again**. The next twelve months will be **priced off destroyed inventory, not replenished inventory**.

Pakistan sits downstream of all of it.

c90%Decline
HOBC April 2026 VOLUMES YOY - EFFECTIVE COLLAPSE

Rs72 Billion
INDUSTRY UNADJUSTED SALES TAX CLAIMS PENDING REIMBURSEMENT

Outlook
& Watchpoints

The diesel formula trial, the bridge or the destination

The new HSD pricing formula runs three months in the first instance, extendable by consent. Whether it is allowed to expire on schedule, or hardened into a permanent regime, is the single most important regulatory decision of H2. Mountain Ventures' Special Edition position is unambiguous: the formula is the bridge, not the destination. The three month trial is the test bench.

SPR committee recommendations and the funding question

The 8 May deadline for SPR committee recommendations lands inside the window of the May edition. Whether the proposed Rs 10/L PDL is accepted, modified, or deferred will determine the pace of strategic reserve construction.

Hormuz normalisation and freight reversion

War-risk premiums and freight rates are the bellwether for when import arbitrage reopens for non-refinery-backed OMCs. Sustained elevated freight compresses the discounter toolkit; normalisation restores it. The OCAC's CIF extension request, expiring 10 May, is a leading indicator of how far from normal the market still is.

Digitisation enforcement vs OMAP pushback

The OMAP letter to the PM is the first organised political resistance to the digitisation agenda. Whether the Petroleum Division and OGRA hold the line on ATG enforcement, station-level reconciliation, and PDC audit standards, or accept dilution, will shape consolidation outcomes through H2.

Consolidation conditions forming

Working capital stress at the tail, capital availability at the top tier, the PDC audit framework, and digitisation pressure together create the structural preconditions for consolidation. H2 2026 is likely to see at least some activity, whether through acquisitions or operational abandonments.

News in Brief
Stories shaping 2026

Pakistan moves on Strategic Petroleum Reserves

Petroleum Minister Ali Pervaiz Malik has constituted a high-level committee to design a 90-day Strategic Petroleum Reserve, with recommendations due 8 May. The funding mechanism under discussion is a Rs 10/L PDL on petrol and diesel, projected to mobilise Rs 600 bn (~US$2 bn) over three years. Pakistan currently holds 24–28 days of cover versus the IEA standard of 90, India 75, and China 120. The committee includes OGRA, NCMC, Joint Staff HQ, PSO, ISGS, PIDE, and Hubco. Third-country storage models are being reviewed.

Mountain Ventures view: the right initiative at the right moment. The funding mechanism, layered on top of an already historic PDL, is the question parliament should debate before May. ***We also believe that the Custom Bonded Warehouse Policy should also be re-evaluated in light of SPR deliberations.***

OGRA to hire independent auditor for PDC verification

OGRA has communicated to the Senate Standing Committee on Cabinet Secretariat that several OMCs submitted false PDC claims. 40% of the Rs 125 bn payable has been disbursed; the remainder is pending audit. The Senate committee directed completion within two weeks. The decision to bring in an independent audit firm is a first for the PDC mechanism and signals that OGRA's enforcement posture is shifting.

Mountain Ventures view: The allegation of false claims is serious and hopefully, has not been made lightly. The audit is overdue. The Long Run section in this edition reads differently with this news in mind, the documentation standard is not bureaucratic, it is forensic, and for cause.

OGRA Chairmanship vacant

The position remains unfilled. The incoming appointee will set the regulatory pace on digitisation, ATG enforcement, and compliance-led oversight at the most consequential moment for the sector in two decades. The Special Edition this month sets out the deregulation roadmap; an OGRA Chairman aligned with that direction will accelerate it. One who is not, will not.

Mountain Ventures view: OGRA needs a Chairman who will lead on Digitisation, Compliance led oversight, and Deregulation, and it needs it fast.

News in Brief
Stories (Cont'd)

PSO MD assumes charge ahead of schedule

The incoming PSO Managing Director, originally scheduled to take charge on 18 May, has joined early. The timing coincides with PSO's designation as sole HSD importer under the new pricing formula, its lead inventory position during the Hormuz windfall cycle, and its participation in the SPR committee.

Mountain Ventures view: the early start is not coincidental. PSO is being asked to carry an unusual operational load — sole HSD importer, dominant inventory holder, SPR participant, and the leadership transition has been compressed accordingly.

UAE exits OPEC and OPEC+ effective 1 May

After six decades, the second-largest OPEC producer has chosen unconstrained production policy. Plans gradual additional production. The UAE positioned the move as a response to "evolving demand" and a pivot toward "cost-competitive and lower-carbon barrels."

Mountain Ventures view: not an immediate Pakistan story, but a structural one. The OPEC framework that managed price volatility for sixty years is fragmenting at exactly the moment Pakistan needs the most predictable supply environment it has ever asked for. Watch UAE crude flows into Pakistan in H2.

OCAC requests CIF extension; OMAP writes to PM

The Oil Companies Advisory Council has asked the State Bank of Pakistan to extend by two months, the CIF-import permission expiring 10 May, citing persistent war-risk insurance constraints. Separately, OMAP has written to the Prime Minister seeking relief on pending PDCs, sales tax adjustments, and foreign exchange losses.

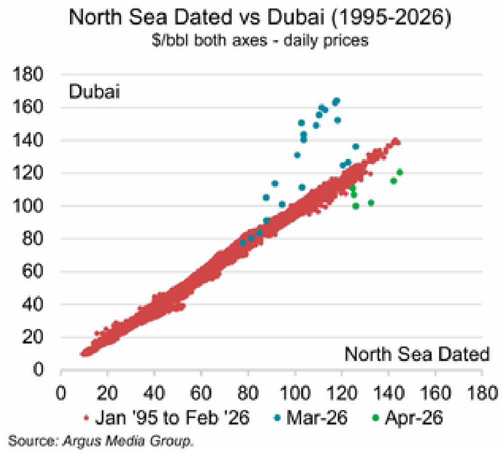
Mountain Ventures view: the CIF request directly corroborates this edition's Hormuz Watch thesis. The OMAP letter is the first organised pushback against the digitisation agenda, a watchpoint for May.

Sources: The News · Business Recorder · Express Tribune · UAE government announcement · Mountain Ventures Analysis

Hormuz Watch

The Lost Inventory

The IEA has framed the Hormuz disruption as the **largest oil supply shock in history**. Global supply plunged 10.1 mb/d in March to 97 mb/d, with OPEC+ output collapsing 9.4 mb/d. The Agency's protracted scenario builds an untenable 2 billion barrel shortfall by year-end. Pakistan sits squarely in the transmission path of either scenario.



The traders agree, with sharper language. At the FT Commodities Global Summit in late April, the heads of three of the world's largest physical traders converged on the same uncomfortable number. Russell Hardy, CEO of Vitol, said the world has lost 600 to 700 million barrels of inventory, and that the full destruction is "baked" at close to one billion. Gary Pedersen, CEO of Gunvor, put the figure at 800 to 900 million.

Two of the world's most informed physical positions, arriving at the same answer independently. This is not a forecast. It is a settlement.

The damage extends beyond crude. Pablo Galante Escobar, Vitol's Global Head of LNG, said the world is losing seven million tonnes a month of LNG while the Strait remains closed. **"Every day we have the Strait closed, we are building a problem for the future."**

Dubai traded at a **$50/bbl premium against its 30-year average $2/bbl discount.** Platts' methodological interventions have kept it functional, but Asian refiners are openly asking Aramco to reprice term supply against ICE Brent instead. Freight is the silent tax: **VLCC Mideast-Asia rates** averaged $12.86/bbl in March, roughly **600% above the five-year norm**, with 9% of the global VLCC fleet stranded inside the Gulf at peak.

Hardy's qualifier was the line worth pausing on: "by the time things get moving again, if they get moving again, it takes time to bring all the shut or damaged infrastructure back." The "if" is doing the work in that sentence.

For Pakistan, the implication is clean. The refining super-profits, the inventory windfalls, and the price volatility of March and April were not anomalies of a single crisis. They are the early signal of a **structurally tighter global supply environment** in which Pakistan sits downstream. Every imported cargo now carries a freight premium that will not normalise the moment Hormuz reopens. The Dubai benchmark distortion will quietly reshape OMC and refinery landed costs long after headline Brent settles.

The crisis is not winding down. The arithmetic has changed.

Source: IEA Oil Market Report, 14 April 2026 · FT Commodities Global Summit, April 2026 · Argus Media Group · Mountain Ventures Analysis

World Rankings

The Cushion Gone

Pakistan has **slid 40 places on petrol** and **19 on diesel in four months** as the Hormuz pass-through took local prices up to Rs 393/L and Rs 380/L for gasoline and gasoil respectively. India, Bangladesh, USA, Japan and most of the Gulf are now cheaper than Pakistan on both products. The "cheaper than the world" framing no longer holds.

GASOLINE

#80 of 170

PKR 393/L · 47th percentile

↓ 40 places since Jan 2026

price +55% (#40 → #80)

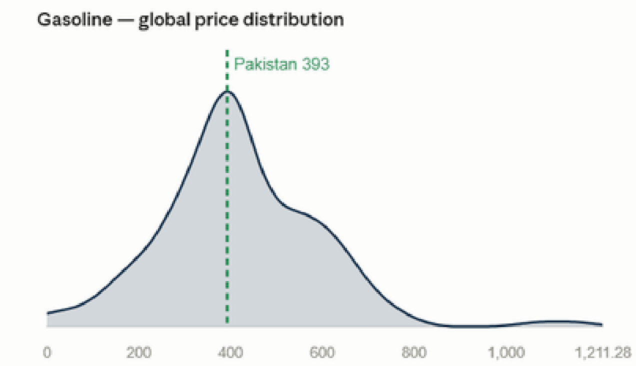
GASOIL

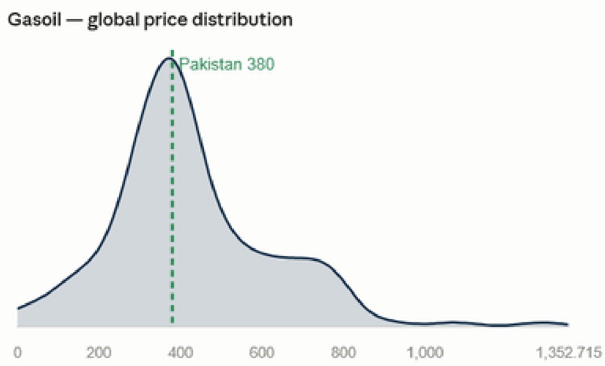
#66 of 169

PKR 380/L · 39th percentile

↓ 19 places since Jan 2026

price +48% (#47 → #66)





GASOLINE — KEY COUNTRIES (PKR/L)	
Hong Kong	1,154
Germany	671
UK	594
Sri Lanka	401
Pakistan	**393**
Turkey	390
USA	323
Bangladesh	318
India	301
Japan	293
UAE	249
Saudi Arabia	173

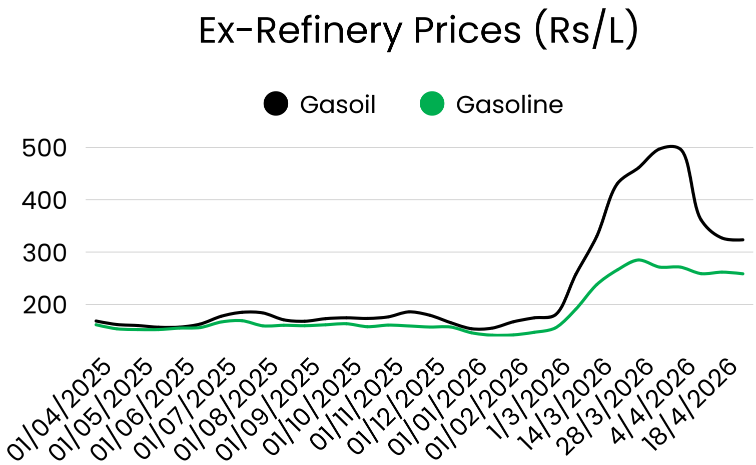
GASOIL — KEY COUNTRIES (PKR/L)	
Hong Kong	1,288
Singapore	911
UK	720
Sri Lanka	390
Pakistan	**380**
China	351
Vietnam	298
Japan	274
India	270
Bangladesh	261
Indonesia	238
Saudi Arabia	133

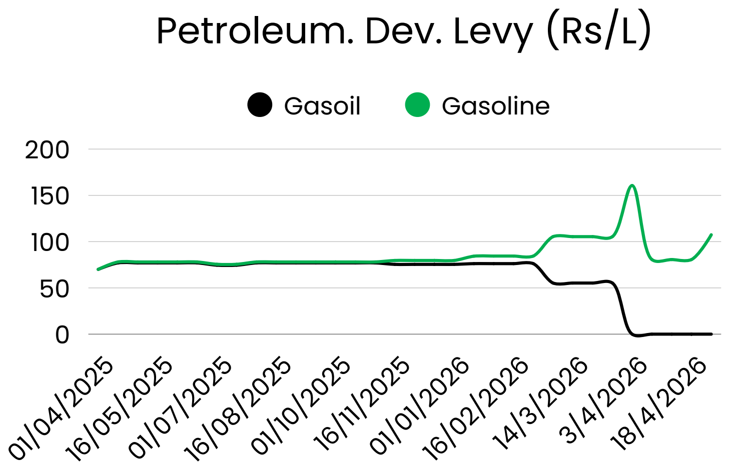
170 countries surveyed (gasoline) · 169 (gasoil)

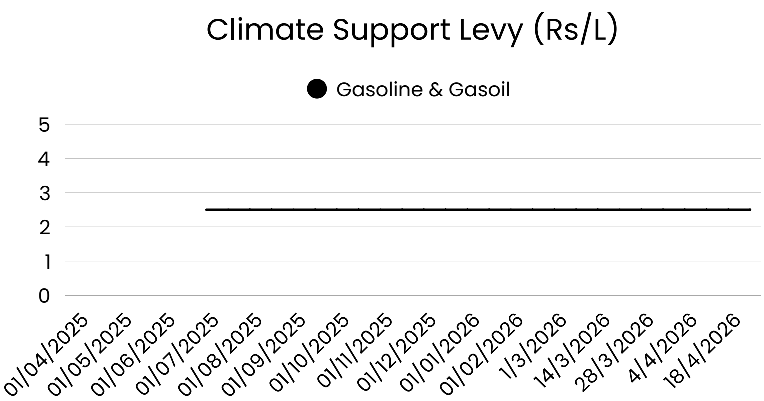
Source: GlobalPetrolPrices.com, week of 27 April 2026 · Mountain Ventures Analysis

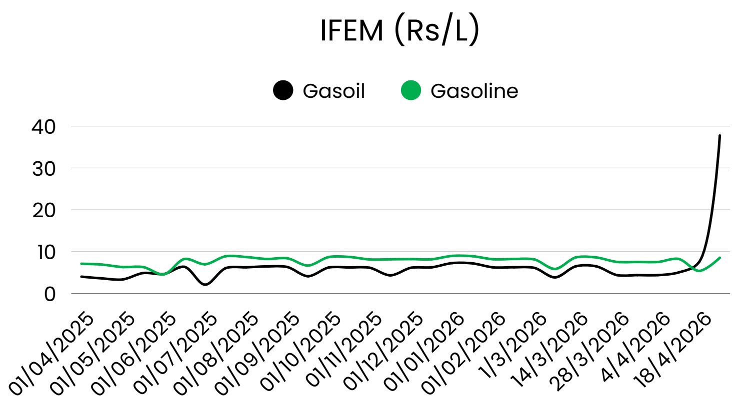
Price Trends

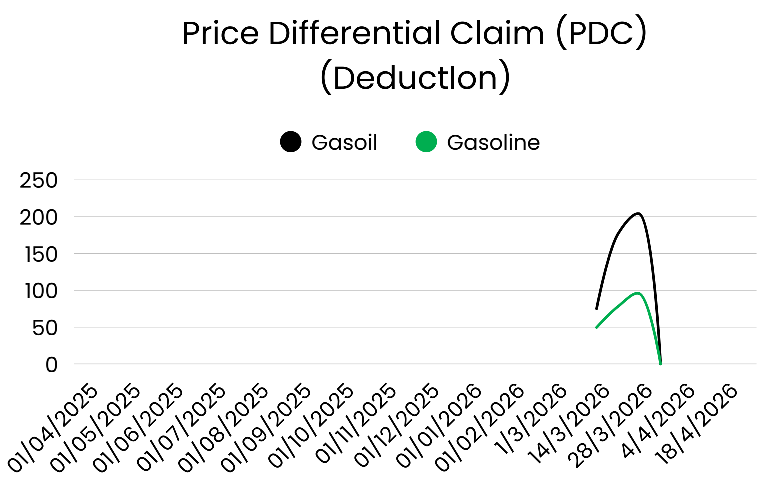
Gasoline was priced at PKR 393/L and Gasoil at PKR 380/L in the last week of April 2026. The month saw a drop in international prices, a drop attributable to the new gasoil formula, the PDC removal, a massive increase in IFEM to account for PSO's cost on gasoil, and adjustments to PDL by the Government.

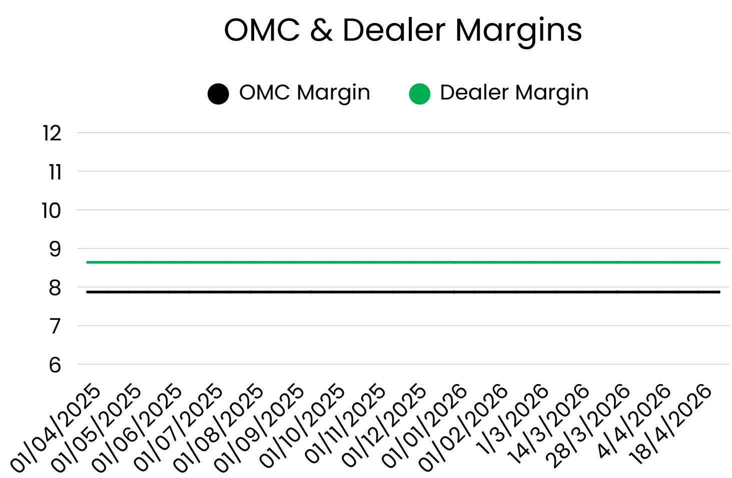












Source: OGRA Notifications · Mountain Ventures Analysis

Deregulation Watch

Tracking Pakistan's progress on Deregulation.

Where the destination has been named
Petroleum Minister Ali Pervaiz Malik has, in three public statements during April 2026, named full deregulation as the policy destination. The IMF has endorsed the new HSD pricing formula and called for the removal of petroleum pricing distortions as a matter of urgency. The Petroleum Division and the country's refineries have demonstrated, in real time, that pricing reform can be done by agreement.

This is the most significant softening of institutional resistance in two decades.

Where the bridge is being built
The new HSD pricing formula, effective 18 April, runs three months in the first instance. Crack capped at $41.89/bbl, floor at $11.33/bbl, anchored to a five-year weighted average of $6.16/bbl. PSO is sole HSD importer for the trial period. The formula is the bridge, not the destination, and the minister has said as much in his own words.

What April 2026 has not yet delivered
A statutory roadmap legislated through parliament. Margin deregulation. The IFEM schedule. The long-term offtake framework with refineries. Each of these remains an opportunity, not yet an achievement.

What we are watching for in May
Whether the FY27 budget fixes petroleum levies as per-litre amounts. Whether the SPR funding mechanism creates a fresh PDL on top of the existing structure, or replaces existing levies. Whether the OMAP pushback against digitisation gains traction. Whether the diesel formula trial extension by ECC review produces a permanent framework or reverts to the previous regime.

The minister has named the destination. The bridge is being built. The only question now is whether parliament will write the route into law before the political cycle takes the moment back. — Mountain Ventures Special Edition: Deregulation, April 2026

Read the full Special Edition at MVGlobal.net


GASOLINE
GASOIL

OMCs

The April Floor

April closes 10% below March and 12% below April 2025.
Gasoil contracted 8% MoM. Hi-Octane, at 3k MT, is effectively dead.
YTD remains 6% above 2025 — the Hormuz cycle is a single-month event, not a structural decline.

GASOLINE	HI-OCTANE	GASOIL	COMBINED
620 k	**3** k	**550** k	**1,173** k
'000 MT · April 2026	'000 MT · April 2026	'000 MT · April 2026	'000 MT · April 2026
−8% MoM · −8% YoY	**−88% MoM · −90% YoY**	**−8% MoM · −13% YoY**	**−10% MoM · −12% YoY**

MONTH-ON-MONTH AND YEAR-ON-YEAR · '000 MT

	APR 2025	MAR 2026	APR 2026	MoM	YoY
Gasoline	675	675	**620**	**−8%**	**−8%**
Hi-Octane	31	25	**3**	**−88%**	**−90%**
Gasoil	630	600	**550**	**−8%**	**−13%**
Combined	**1,336**	**1,300**	**1,173**	**−10%**	**−12%**

A Single Bad Month Inside a Strong Year

YTD volumes through April 2026 sit 6% above the same period in 2025.
Gasoil is up 9%; gasoline up 5%. Hi-Octane down 23% YoY, and that gap will widen.
The Hormuz crisis pulled forward demand into March and broke April — but the four-month picture remains structurally positive.

YTD JAN–APR 2025		YTD JAN–APR 2026	YEAR-ON-YEAR
4,767 k	→	**5,061** k	**+6%**
'000 MT		'000 MT	+294k MT

BY PRODUCT · '000 MT

	JAN–APR 2025	JAN–APR 2026	DELTA	YoY
Gasoline	2,470	**2,590**	**+120**	**+5%**
Hi-Octane	132	**101**	**−31**	**−23%**
Gasoil	2,165	**2,370**	**+205**	**+9%**
Combined	**4,767**	**5,061**	**+294**	**+6%**

Source: OCAC & OGRA Data · Mountain Ventures Analysis · Estimates used for smaller OMCs, estimates used for last 2 days of April 2026.

Top 10

The Month and the Year, Together

The top ten OMCs took 91% of April. PSO alone took 41%.
Each lane shows two views: where the company landed in April,
and how the year has gone for them. The two stories often disagree.

OMC · YTD SHARE	APR 2026	MoM	APRIL VOLUME	YTD VOLUME	YTD	YoY
PSO YTD SHARE · 40.2% **+6% YoY GROWTH**	**485 k**	−9%			**2,037 k**	+6%
GO-Aramco 12.2%	**135 k**	−21%			**616 k**	+3%
ParcoGunvor-Total 10.5%	**120 k**	−8%			**531 k**	+41%
Wafi-Shell 8.6%	**100 k**	−3%			**434 k**	+16%
Attock 8.2%	**90 k**	−13%			**413 k**	0%
Hascol 3.5%	**36 k**	−20%			**175 k**	−10%
BE-Caltex 2.3%	**28 k**	0%			**115 k**	+5%
Cnergyico 2.1%	**28 k**	0%			**104 k**	+16%
Taj 2.4%	**28 k**	−10%			**123 k**	+19%
Puma 1.5%	**21 k**	+5%			**77 k**	+57%
Others 8.6%	**102 k**	−3%			**436 k**	−18%
Industry	**1,173 k**	−10%			**5,061 k**	+6%

Eight of ten grew on the year. Hascol shrank 10%, Attock held flat.
PSO consolidated its lead. Puma and ParcoGunvor led growth. The long tail fell 18%.
The market is concentrating, in a single direction.

Source: OCAC & OGRA Data · Mountain Ventures Analysis and Estimates

Inventories

Days of Cover, by Product

Industry stocks at the end of April: 627k MT motor spirit, 583k MT gasoil, 45k MT hi-octane. Days of cover sits comfortably for petrol and diesel — but the hi-octane overhang is staggering. The category is dead and the inventory hasn't yet caught up.

DAYS OF COVER · INDUSTRY · 30 APRIL 2026

GASOLINE · MS

32
days of cover
627k MT total · normal range

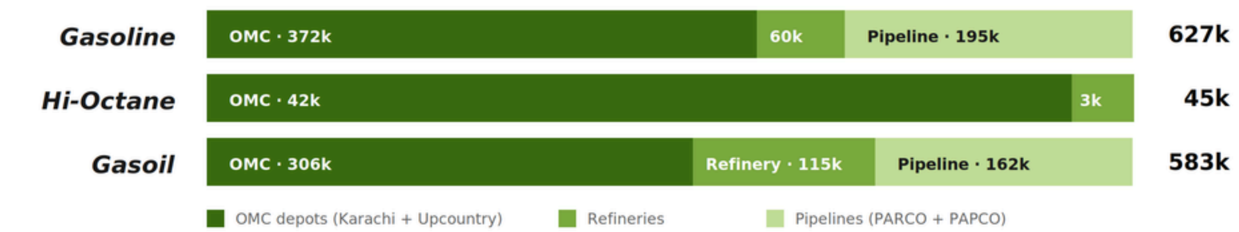
HI-OCTANE · HOBC

400
days of cover
45k MT · category collapse, inventory pending

GASOIL · HSD

34
days of cover
583k MT total · comfortable

WHO HOLDS THE STOCKS · '000 MT



TOP OMC STOCK HOLDERS · '000 MT

	GASOLINE	HI-OCTANE	GASOIL	TOTAL
PSO	160k	14k	174k	348k
GO-Aramco	70k	9k	27k	106k
Wafi-Shell	26k	10k	37k	73k
ParcoGunvor-Total	23k	2k	15k	40k
Attock	20k	6k	27k	53k
Hascol	15k	—	3k	18k
BE-Caltex	11k	—	4k	15k
Taj	10k	—	2k	12k
Cnergyico	6k	—	4k	10k
Puma	6k	—	5k	11k
Others	25k	—	8k	34k
OMC Total	372k	42k	306k	720k

Source: OCAC & OGRA Data · Mountain Ventures Analysis · Only Gasoline, Hi Octane, and Gasoil shown.

A New Formula

Crack Corridors & Crisis Allowances

On 17 April 2026, the Petroleum Division notified a substantially revised pricing mechanism for Gasoil. The changes represent the most significant structural revision to diesel pricing in recent memory, a framework being rewritten mid-crisis.

What Has Changed

Diesel now anchors to a crude-based formula: last week's Dubai Crude plus Aramco's monthly Arab Extra Light premium. Onto this base sits a crack spread corridor, bounded between US$11.33/bbl and US$41.89/bbl, derived from the weighted average of the last four years and nine months. The long-term historical average of US$6.16/bbl is the internal reference point. Furthermore, US$10/bbl for crude sourced from outside the Gulf, US$8/bbl for freight and insurance on Gulf-region imports, and US$5/bbl for non-Gulf freight subject to NCMC approval. All three flow through IFEM.

PSO as Sole Importer, For Now

The most consequential operational change is that **no OMC other than PSO is permitted to import Gasoil**. Any other OMC requiring imports must secure NCMC approval case by case.

Mountain Ventures View

This is a formula built for a specific moment, and in that context it works.

The crack corridor is the headline reform. It caps the refinery super-profit windfall — Mountain Ventures estimates Rs 140+ billion was earned in March-April alone from cracks running at multiples of historical norms, and protects refineries from downside when spreads collapse. A symmetric ceiling and floor is the right design.

The crisis allowances are an improvement on silent absorption. Each is named, quantified, and visible on the price build-up. Better to legislate the crisis premium than to bury it through PDL revisions or PDC accruals that surface months later.

The designation of **PSO as sole importer** is the **right call for now**. PSO is the one OMC with the working capital, banking relationships, and refinery offtake agreements to execute at scale under duress.

But this must be temporary. A **single-importer regime** appropriate for a crisis becomes **anti-competitive the moment the crisis ends**. Without a clear sunset, a crisis measure hardens into structural entrenchment.

The formula is the bridge. It is not the destination.

Source: OGRA Notifications · Mountain Ventures Analysis

Demurrage Drain

Paid for Waiting

While the Hormuz crisis delivered a billion-dollar inventory windfall to refineries and OMCs, a quieter drain has been running in the opposite direction at Port Qasim.

According to reports from FOTCO, OMCs are collectively losing an estimated US$20 million per annum in avoidable demurrage, paid in foreign exchange, on top of the product cost they were already remitting abroad.

The Data

FOTCO handled **6.8 million MT in FY 2024–25 at 83% berth occupancy**. **Historically**, the same terminal handled **9.8 million MT at just 64% occupancy**. Average vessel flow rate stands at 1,600 TPH against a vessel pumping capacity of 4,000 TPH and a terminal design rate of 5,000 TPH — **less than half of what the infrastructure can deliver**. Seven additional vessels could have berthed in March 2026 alone.

> **Vessels promise 2,500 TPH and deliver 1,600. That is not an operational quirk, it is a *commercial default*.**

Why It's Happening

The jetty works. The pipeline works. What does not work is everything between the vessel and the tank. Cargo is routed to **multiple terminals**, stops repeatedly for **LC documentation**, **ullage constraints**, **switches between pipelines**, gets **sampled and re-sampled**. Vessels sit alongside for more than 48 hours to deliver what they could pump in 29.

Mountain Ventures Position

Vessels waste substantial time switching between terminals, stop repeatedly for LC issues, and consistently pump below the rates they committed to. The proposed solution, using FOTCO's buffer storage with instant transfer to downstream terminals within 24 - 36 hours, is structurally sound. Fauji Foundation ownership of both FOTCO and FTTL is a positive: a national bottleneck solved by an operator with no stake in the oil marketing business.

Vessels must be contracted to deliver a minimum flow rate, with penalties triggered automatically below threshold. If vessels promise 2,500 TPH and deliver 1,600, that is a commercial default, not an operational footnote. Price the underperformance, and the market will correct itself. Leave it unpriced, and the bill keeps landing on the desk.

The infrastructure exists. The coordination does not. US$20 million a year is leaving the country for no reason other than inertia.

Source: FOTCO Report · Mountain Ventures Analysis

Underused, *Overdue*

Pipeline Transportation

The Status Quo Is Not Neutral

Pakistan's petroleum supply chain carries a structural inefficiency that has been ***tolerated for so long it has come to resemble policy***. Of the gasoline imported and destined for upcountry markets, current regulation mandates that just 60% move via the White Oil Pipeline, the remaining 40% travels by road.

The 60% mandate was meant for the project's infancy, calibrated to the operational realities of a system finding its feet. ***The system has grown up. The policy has not.***

The cost of inaction is paid every day, in road accidents, in adulteration losses, in demurrage, in port congestion, and in the chronic under-utilisation of an asset built at enormous national cost.

What the Road Really Costs

The road versus pipeline debate is framed as a logistics question. It is not. It is simultaneously a fiscal, safety, environmental, and energy security question — and on all four counts, the road tanker loses.

Pipeline tariff for gasoline runs at a fraction of equivalent road haulage cost per kilometre. Every ton moved by road instead of pipeline is a deadweight cost absorbed into product economics and socialised, through IFEM adjustments, across the entire industry, ultimately landing on the consumer. Safety compounds the case, tanker fires over the years, with people dead and injured, were ***not an anomaly***. They were ***a statistical inevitability*** on a corridor that routes thousands of tanker movements annually. Pipeline transport eliminates this exposure almost entirely.

Road movement also enables adulteration and theft, vulnerabilities the pipeline simply does not have, at least not at the same scale. And critically, every road tanker loading at the ports competes for the same jetty-side infrastructure that constrains vessel discharge. The road and the port are not separate problems. They are the same problem.

Our view

Mountain Ventures' position is to mandate to 100% for all imported gasoline immediately. A phased step, 80% within three months, 100% within six, if transition creates genuine short-term difficulty. Continued drift is not. In addition, the strategic road tanker buffer could be introduced, with narrow, specific triggers to protect supply security without preserving road movement as a commercial channel.

Pakistan needs to use what it has already built. The White Oil Pipeline is there. It is paid for. It is ready. The decision is all that remains.

Industry Gains

The Billion Dollar Windfall

Refinery Super-Profits

The Hormuz disruption fundamentally altered refinery economics. As crack spreads widened to multiples of their peacetime norms, Mountain Ventures estimates that Pakistan's refineries collectively earned an **estimated Rs 140+ billion in super-profits** in March-April 2026, driven almost entirely by gasoil, where the spread over crude ballooned to more than six times its normal level. **PARCO**, the country's largest refiner by throughput, was the **single biggest beneficiary**.

Inventory Gains

The same price volatility delivered **substantial paper gains to holders of physical inventory**. Cumulative industry inventory gains peaked at an estimated Rs 281 billion by 3 April, driven by successive upward price revisions that revalued stock purchased at lower prices. Successive revisions have reversed a significant portion, but the net outcome for the period remained positive at **Rs 140+ billion**, with **gasoil** again **accounting for the dominant share**.

Rs140+ Billion

MOUNTAIN VENTURES ESTIMATE:
REFINERY SUPER PROFITS IN MAR-APR 2026

>40% PARCO

MOUNTAIN VENTURES ESTIMATE OF SUPER PROFITS SHARE

Rs140+ Billion

MOUNTAIN VENTURES ESTIMATE:
INVENTORY GAINS TO OMCs (& Refineries) IN MAR-APR 2026

>40% PSO

MOUNTAIN VENTURES ESTIMATE OF INVENTORY GAIN SHARE

The Combined Windfall

Together, Mountain Ventures estimates that refinery super-profits and inventory gains represent a **combined windfall conservatively exceeding US$ 1 billion during the Hormuz Crisis,** flowing to refineries and OMCs. **None of it was earned through efficiency or risk-taking**; all of it was generated mechanically by a **pricing formula designed for stable markets**.

If the Hormuz disruption has a lasting policy lesson, it is that Pakistan's pricing framework needs not recalibration but **a fundamental rethink of how windfall gains are distributed**.

Source: OCAC & OGRA Data · Mountain Ventures Analysis

PDC Payments

The Long Run

On 16 April 2026, OGRA issued a circular to licensed OMCs, establishing a **structured disbursement schedule for Price Differential Claims** arising from the Hormuz disruption period.

The first **40%** is paid upon submission of an interim claim supported by CEO/CFO and auditor-verified documents covering refinery purchases, vessel landings, sales invoices, and stock positions. A further **25%** follows on submission of a 'complete claim' , requiring daily stock movement records, outlet-level bank statements, delivery documentation, and fortnightly retail sales reconciled with FBR returns. Another **25%** is released after verification by OGRA-appointed auditors. The final **10%** is withheld pending post-audit by the Auditor General of Pakistan and clearance from any investigation agencies.

The 10% final withholding, conditional on investigation outcomes, introduces a degree of uncertainty that will weigh on OMC working capital planning, particularly for smaller players among the 39 addressees. The **documentation standard required**, including bank statements and **monthly electricity bills per outlet**, is **effectively a forensic audit of the disruption period**. OMCs that have not maintained clean, digitised records will find both the assembly and the audit process considerably more demanding.

The framework sends a clear signal: PDC recovery and supply chain digitisation are now directly linked. **Companies that invested in data integrity will move through the tranches faster**.

Source: OCAC & OGRA · Mountain Ventures Analysis

The Lions, *& The Cats*

The discounting practices that have built share for most players is not arbitrage. It is structural. These are not corporates with shareholders demanding margin discipline; they are operators content to live on thinner economics, supported by revolving working-capital facilities that compel them to keep product moving regardless of profitability.

In some cases, the OMC licence sits alongside other commercial activities whose economics may not bear the same level of scrutiny. The discount is the mechanism through which product gets shifted, regardless of what the headline number on a delivery order says. This works while things are normal, and the regulator is looking elsewhere. None of those conditions hold any longer.

What wins from here is unglamorous and difficult to fake.

Quality retail, sites in the **right catchments**, **disciplined dealers**, **networks that do not let product leak from someone else's pump**. Reliable supply, the ability to land a cargo, and to lift from local refineries. A **balance sheet** that can carry inventory through a sharp move in either direction **without requiring the discount to fund itself**.

The headwinds for the discounters compound. Retail networks that were never the basis of the business cannot defend share when the arbitrage narrows. Margins given away in H1 cannot be recovered when prices rise. Working-capital facilities that financed the discount become the bottleneck for replacement cargos. Any tightening from OGRA, banks, would compound an already brittle position.

A cat that dreams of becoming a lion must lose its appetite for rats.
African Proverb

The digitisation push deserves its own line. ATGs, real-time connectivity to OGRA, and station-level reconciliation are reshaping what is possible at the pump. **Volume that historically moved through retail networks the seller did not own is about to become traceable.** For OMCs whose reported sales depend on that channel, the story the data tells is about to change.

The disciplined players will be fine. The rest will give back what they took, and faster than they took it.

Fuel Retail

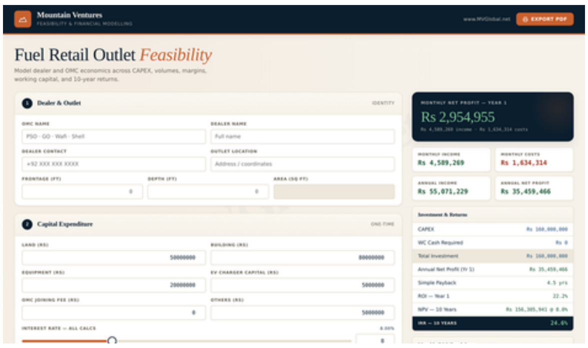
Feasibility Calculator

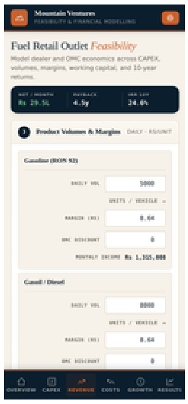
Mountain Ventures has released a **Fuel Retail Feasibility Calculator** that models ten years of CAPEX, margins, working capital and returns for fuel retail outlets — across Gasoline, Diesel, Hi-Octane, Lubricants and EV charging. The tool runs in any browser, adapts to mobile, and exports a clean two-page PDF.

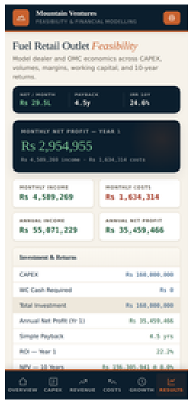
www.MVGlobal.net/Fuel-Retail

01 **Dealer economics** Joining fees, rentals and franchise fees flow automatically to calculate profits.	**02** **Working capital by product** Per-product cycle days and credit days drive the cash requirement — and the interest cost or benefit flows straight into the monthly P&L.
03 **Ten-year NPV & IRR** Independent growth rates on volumes, margins, salaries and costs feed a 10-year cashflow, with NPV, IRR, payback and ROI computed live.	**04** **Mobile-first, print-ready** Tab navigation and adjustable sliders on phones; a clean two-page A4 landscape PDF on desktop. One file, three form-factors, zero installs.

Desktop & Mobile Friendly Versions







This calculator is provided by Mountain Ventures for indicative feasibility modelling only. All figures are user-entered estimates; **results are not investment, legal or financial advice**. Mountain Ventures accepts no responsibility for decisions made using this tool.

The calculator runs entirely in your browser — no data is collected, stored or transmitted.

More Information?

Mountain Ventures

Mountain Ventures is an investment and advisory practice with offices in Dubai, Lahore, and London, founded by experienced partners with deep expertise in oil & gas, energy transition, and technology. The firm has executed landmark transactions in Pakistan's downstream sector and operates across three divisions: Energy (oil marketing, EV charging, renewables), Technology (AI, analytics, computer vision), and Advisory (M&A, corporate finance, strategy). Mountain Ventures combines hands-on execution experience with global partnerships, bridging the gap between policy, capital, and technology to help clients and investors capture opportunities in high-growth markets.

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Timing is Everything
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