

Byco on the growth trajectory

Since FY15, Byco Petroleum Pakistan Limited (PSX: BYCO) has been seen improving profitability amid rising petroleum volumes sold and its expanding retail outreach. In its latest full year performance (i.e. FY17), BYCO's earnings went up by over 50 percent. It has been investing in not only its retail expansion like other OMCs, but also in reviving its 120,000 bpd refinery back into operations.

The oil company's financial perfor-

mance for the first three months of FY18, announced only yesterday on the stock exchange, is another depiction of the company's improving fundamentals – though it is still too early to predict what route the earnings would take in the overall fiscal year. The firm's net revenues were up by almost 90 percent year-on-year in 1QFY18, and while the similar period last year also witnessed rising volumes, the current quarter benefited from rising oil prices as well – some-

thing that was missing in the previous year.

The quarter saw a staggering improvement in gross margins, while the net margin increase was somewhat affected by higher exchange losses and lower other income during the quarter.

The company has also been working on modernizing its logistic operations, for which it is inducting new oil tankers and lorries for safe transportation across the country.