



energy

Department:
Energy
REPUBLIC OF SOUTH AFRICA

To All Media

Fuel adjustment for the month of March 2011

Pretoria, 25 February 2011 - Taking cognisance of the pricing information available as at 23 February 2011, it is anticipated that the following fuel price increases will be implemented with effect from 02 March 2011 as follows:

- Petrol (all grades): 41.0 c/l;
- Diesel (0.05% sulphur): 62.0 c/l;
- Diesel (0.005% sulphur): 61.0 c/l;
- IP (wholesale prices): 68.0 c/l;
- Single Maximum National Retail Price for IP: 90.0 c/l; and
- Maximum Retail Price for LPGas: 66.0 c/kg.

The sharp fuel price increases mainly culminates from:

- The sharp increase in international crude oil prices. Since the beginning of the current fuel price review period (28 January 2011 to 24 February 2011), Brent crude oil prices increased by USD 14.0 per barrel (R101.00 per barrel at an exchange rate of USD1=R7.23) from USD96 per barrel to USD 110.0 per barrel. This increase in international crude oil prices mainly culminates from the current political turmoil in the Middle East and North Africa which has a severe impact on crude oil supplies. International refined petroleum product prices followed the crude oil price trend. However, the product prices of diesel and illuminating paraffin increased substantially more than that of petrol (between 20.0 and 30.0 RSA cents/litre) due to the high demand for heating fuels in America and Europe and therefore the substantial higher anticipated increases in the prices of diesel and illuminating paraffin compared to that of petrol.
- In addition to the increases realised in international crude oil and petroleum product prices, The value of the Rand deteriorated sharply to the value of the US Dollar. In January 2011 the average Rand/US Dollar exchange rate was USD1=R6.89 and the average rand US Dollar exchange rate in February 2011 is USD1=R7.23. This weakening of the value of the Rand against the US Dollar contributed to about 26.0 c/l in the anticipated fuel price increases.

Enquiries

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