



energy

Department:
Energy
REPUBLIC OF SOUTH AFRICA

FUEL PRICE CHANGES TO BE EFFECTED ON 01 JANUARY 2014

The retail prices of all grades of petrol, the wholesale prices of both grades of diesel, illuminating paraffin and the maximum retail prices of LPGas will increase with effect from **Wednesday, 01 January 2014**.

1. Crude oil prices:

The Brent crude oil prices increased on average by around U\$3.0/bbl from U\$107.0/bbl to U\$110.0/bbl, since the start of the current fuel price review period (29 November 2013 to 26 December 2013). In early December crude prices hit their highest levels since September 2013, as supplies to key Northern Hemisphere refining centres were constrained by continued reductions of Libyan production, storms in the North Sea and delays to pipeline connections to the US Gulf refineries. Also many US buyers that had run down inventories ahead of the year-end for tax purposes were looking to restock for January.

2. International petroleum product prices

The international petroleum product prices increased on average compared to the previous pricing review period. The increase in the product prices are mainly due to (a) weak regional demand for petrol in the Arab Gulf; (b) and refineries in Europe operating at about 78% of their capacity, recovering from worst levels in 30 years, and (c) poor refining margins for petrol.

3. Rand/US Dollar exchange rate

The average Rand/US Dollar exchange rate increased from USD R10.21 to USD R10.36 during the current fuel price review period (29 November 2013 to 26 December 2013). The Rand weakened against the US Dollar due mainly to falling commodity prices.

4. Self-adjusting Slate Levy Mechanism Rules

In line with the Self-Adjusting Slate Levy Mechanism Rules, the Slate Levy on petrol and diesel will increase by 2.18 c/l from 8.78 c/l to 10.96 c/l effective from 01 January 2013.

5. Anticipated fuel price changes

The fuel price increases to be effected on 06 November 2013 are as follows:

Petrol (93 Octane): 39.0 c/l **increase**

Petrol (95 Octane): 38.0 c/l **increase**

Diesel (both grades); 32.18 c/l **increase**

IP wholesale: 39.0 c/l **increase**

SMNRP for IP: 52.0 c/l **increase**

Maximum LPGas Retail Price: 56.0 c/kg **increase**