

MEDIA STATEMENT

**MINISTER OF MINERAL RESOURCES AND ENERGY, MR GWEDE
MANTASHE, ANNOUNCES ADJUSTMENT OF FUEL PRICES
EFFECTIVE FROM THE 7TH OF OCTOBER 2020**

The Minister of Mineral Resources and Energy, Mr Gwede Mantashe, announces the adjustment of fuel prices based on current local and international factors with effect from the 7th of October 2020.

South Africa's fuel prices are adjusted on a monthly basis, informed by international and local factors. International factors include the fact that South Africa imports both crude oil and finished products at a price set at the international level, including importation costs, e.g. shipping costs.

The main reasons for the fuel price adjustments are due to:

(1) The contribution of the Rand/US Dollar exchange rate

The Rand appreciated, on average, against the US Dollar (from 17.28 to 16.72 Rand per USD) during the period under review when compared to the previous one. This led to lower contributions to the Basic Fuel Prices of petrol, diesel and illuminating paraffin of about 17.93 c/l, 16.42 c/l and 14.75 c/l respectively.

(2) The decrease in the prices crude oil

During the current fuel price review, the average Brent Crude oil price decreased from 44.78 USD/barrel to 40.82 USD/barrel.

(3) The Petroleum Products Prices

On the finished products, the movement in international prices of all refined petroleum products decreased resulting in average over recoveries of over of

13.81 c/l & 5.82 c/l on petrol and 73.414 c/l & 75.73 c/l on diesel and 60.87 c/l on Illuminating Paraffin.

(4) Quarterly Octane Adjustments

In line with the Working Rules to determine the Basic Fuels Prices (BFP), the BFP-differentials between 95 and 93 Octanes are adjusted on the first Wednesday of each quarter. The 95 octane (unleaded) grade is the price-marker grade and. The 95/93 octane price differential will be adjusted with effect from the 7th of October 2020.

Based on current local and international factors, the fuel prices for October 2020 will be adjusted as follows:

- ❖ Petrol (both 93 ULP and LRP): twenty three cents per litre (23.00 c/l) **decrease**
- ❖ Petrol (both 95 ULP and LRP): thirty two cents per litre (32.00 c/l) **decrease;**
- ❖ Diesel (0.05% sulphur): ninety cents per litre (90.00 c/l) **decrease;**
- ❖ Diesel (0.005% sulphur): ninety three cents per litre (93.00 c/l) **decrease;**
- ❖ Illuminating Paraffin (wholesale): seventy six cents per litre (76.00 c/l) **decrease;**
- ❖ SMNRP for IP: one hundred and one cents per litre (101.00 c/l) **decrease;**
- ❖ Maximum LPGas Retail Price: twenty cents per kilogram (20.00 c/kg) **decrease;** and

The fuel prices schedule for the different zones will be published on Tuesday, the 6th of October 2020.

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