



energy

Department:
Energy
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT ISSUED BY THE DEPARTMENT OF ENERGY ON THE ADJUSTMENT OF FUEL PRICES EFFECTIVE FROM 02 AUGUST 2017

DATE: 28 JULY 2017

The Department of Energy informs the public of the fuel price adjustments for August 2017. 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 shipping costs.

The main reasons for the fuel price adjustments in August 2017 are:

(a) Rand/US Dollar Exchange rate

The Rand depreciated slightly, on average, against the US Dollar during the period under review. This led to higher contribution to the Basic Fuel Price on petrol, diesel and illuminating paraffin by 11.15c/l, 10.93c/l and 10.88c/l, respectively.

(b) The prices of Petroleum Products in the International Markets

The prices of petroleum products increased, on average, in the international markets in line with the higher crude oil prices. The Crude oil prices rose, partly on drawdowns of global inventories including in the closely watched US market. The market has been anticipating a return to balance at some point this year and there are signs now that it is happening. The current expectations are that the

rising crude oil prices will hit a ceiling as higher prices may tempt OPEC members to start producing above the output cuts agreed late last year and reconfirmed in June this year.

Based on current local and international factors, the fuel prices for August 2017 will be adjusted as follows:

- ❖ Petrol (95 Octane, ULP and LRP): 19.00 c/l **increase**;
- ❖ Petrol (93 Octane, ULP and LRP): 19.00 c/l **increase**
- ❖ Diesel (0.05% sulphur): 29.00 c/l **increase**;
- ❖ Diesel (0.005% sulphur): 30.00 c/l **increase**;
- ❖ Illuminating Paraffin (wholesale): 26.00 c/l **increase**;
- ❖ SMNRP for IP: 35.00 c/l **increase**;
- ❖ Maximum LPGas Retail Price: 40.00 c/kg **increase**

The fuel pricing schedule for the different zones will be published on Tuesday, 01 August 2017.

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