



energy

Department:
Energy
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT ISSUED BY THE DEPARTMENT OF ENERGY ON THE ADJUSTMENT OF FUEL PRICES EFFECTIVE FROM 05 JULY 2017

DATE: 01 July 2017

The Department of Energy informs the public of the fuel price adjustments for July 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 July 2017 are:

(a) Rand/US Dollar Exchange rate

The Rand strengthened against the US Dollar during the period under review;

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

The prices of petroleum products decreased, on average, in the international markets in line with the lower crude oil prices. Oil Prices have reached their lowest point for the year as light sweet crude supplies particularly from the US as well as Libya and Nigeria (unbound by the Organisation of Petroleum Exporting Countries (OPEC) cut agreement) continue to rise. Brent Crude Oil prices declined to a seven-month low and the U.S. crude settled at its cheapest level since September 2016, after increased supply from several key producers overshadowed compliance by OPEC and non-OPEC oil producers with a deal to cut global output; and

(c) **The adjustment to the Octane differentials between 95 and 93 petrol grades**

In line with the Working Rules to determine the Basic Fuels Prices (BFP), the 95 octane (unleaded) grade is the price-marker grade and the BFP-differentials between 95 and 93 Octanes will be adjusted on the first Wednesday of each quarter. The 95/93 octane price differential will be adjusted with effect from 05 July 2017.

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

- ❖ Petrol (95 Octane, ULP and LRP): 68.00 c/l **decrease**;
- ❖ Petrol (93 Octane, ULP and LRP): 69.00 c/l **decrease**
- ❖ Diesel (0.05% sulphur): 60.00 c/l **decrease**;
- ❖ Diesel (0.005% sulphur): 60.00 c/l **decrease**;
- ❖ Illuminating Paraffin (wholesale): 57.00 c/l **decrease**;
- ❖ SMNRP for IP: 76.00 c/l **decrease**;
- ❖ Maximum LPGas Retail Price: 92.00 c/kg **decrease**

The fuel pricing schedule for the different zones will be published on Tuesday, 04 July 2017.

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