



energy

Department:
Energy
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT ISSUED BY THE DEPARTMENT OF ENERGY ON THE ADJUSTMENT OF FUEL PRICES EFFECTIVE FROM 07 JUNE 2017

DATE: 02 JUNE 2017

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

- (a) The strengthening of the Rand against the US Dollar during the period under review, and
- (b) The average decrease in the prices of petroleum products in the international markets in line with the lower crude oil prices.

Oil prices declined after data showed an increase in U.S. crude inventories, fuelling concerns that markets remained oversupplied despite efforts by top producers Saudi Arabia and Russia to cut output. Furthermore, the Organisation of Oil Producers and Exporting Countries (OPEC) and some non-OPEC producers agreed to extend supply cuts of 1.8 million barrels per day until the end of March 2018 at a meeting in Vienna on 25th May 2017. While OPEC's decision was expected, some oil market investors had hoped that the oil producers would agree to longer or deeper cuts to drain a global glut of crude supplies.

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

- ❖ Petrol (95 Octane, ULP and LRP): 25.00 c/l **decrease**;
- ❖ Petrol (93 Octane, ULP and LRP): 25.00 c/l **decrease**
- ❖ Diesel (0.05% sulphur): 23.00 c/l **decrease**;
- ❖ Diesel (0.005% sulphur): 23.00 c/l **decrease**;
- ❖ Illuminating Paraffin (wholesale): 22.00 c/l **decrease**;
- ❖ SMNRP for IP: 30.00 c/l **decrease**;
- ❖ Maximum LPGas Retail Price: 77.00 c/kg **decrease**

The fuel pricing schedule for the different zones will be published on Tuesday, 06 June 2017.

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