



energy

Department:
Energy
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT

MINISTER OF ENERGY, MR JEFF RADEBE, ANNOUNCES ADJUSTMENT OF FUEL PRICES EFFECTIVE FROM 03 OCTOBER 2018

The Minister of Energy, Mr. Jeff Radebe, announces the adjustment of fuel prices for October based on the current international factors with effect from 03 October 2018.

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 depreciated, on average, against the US Dollar (from 13.90 to 14.90 Rand per USD) during the period under review when compared to the previous one. This led to a higher contribution to the Basic Fuel Prices (BFP) on petrol by about 50.00c/l and diesel and illuminating paraffin by about 52.00c/l.

(2) The increase in the prices crude oil

The average Brent Crude oil price increased from 74.25USD to 78.25USD per barrel during the period under review. The main contributing factors were the (a) unwillingness by Organisation of Petroleum Exporting Countries (OPEC) to increase their production outputs; and (b) negative impact of the hurricanes on petroleum infrastructure in the USA during the period under review. Furthermore, the looming sanctions against Iran oil exports by the USA will put more pressure on the crude oil prices

(3) Import prices of Petroleum Products

The international prices of petroleum products increased on average during the period under review. This was in line with the higher crude oil prices and the weaker Rand against the US Dollar.

The current fuel price adjustments are due mainly to the international factors, namely, the weaker Rand and higher crude oil prices. Geopolitical tensions are having a very negative impact on crude oil prices and consequently refined product prices globally.

Based on current local and international factors, the fuel prices for October 2018 will be adjusted as follows:

- ❖ Petrol (93 Octane, ULP and LRP): 99.00 c/l **increase**;
- ❖ Petrol (95 Octane, ULP and LRP): 100.00 c/l **increase**;
- ❖ Diesel (0.05% sulphur): 124.00 c/l **increase**;
- ❖ Diesel (0.005% sulphur): 124.00 c/l **increase**;
- ❖ Illuminating Paraffin (wholesale): 104.00 c/l **increase**;
- ❖ SMNRP for IP: 139.00 c/l **increase**;
- ❖ Maximum LPGas Retail Price: 179.00 c/kg **increase**

The fuel prices schedule for the different zones will be published on Tuesday, 02 October 2018.

Enquiries: mediadesk@energy.gov.za

Lerato Ntsoko

Email: lerato.ntsoko@energy.gov.za

Tel: 012 406 7799 or Cell: 082 459 2788

Johannes Mokobane

Email: johannes.mokobane@energy.gov.za

Tel: 012 406 7481 or Cell: 082 766 3674