



energy

Department:
Energy
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT
MINISTER OF MINERAL RESOURCES AND ENERGY, MR GWEDE
MANTASHE, ANNOUNCES ADJUSTMENT OF FUEL PRICES
EFFECTIVE FROM THE 3rd OF JULY 2019

The Minister of Mineral Resources and Energy, Mr Gwede Mantashe, announces the adjustment of fuel prices for July 2019 based on current local and international factors with effect from the 3rd of July 2019.

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 during the period under review include local and international factors.

On the international front, during the period under review, the Rand depreciated on average against the US Dollar from 14.41 to 14.62 Rand per dollar during the period under review compared to the previous one. This led to a higher contribution to the Basic Fuel Prices on petrol by ten comma six cents per litre (10.60 c/l), diesel and illuminating paraffin by eleven comma six cents per litre (11.60 c/l).

The main reason for the decrease was the fact that the Brent Crude Oil Price decreased from 71.29 US dollars (USD) per barrel to 63.60 USD per barrel during the period under review. The drop in the oil prices were due to the high level of U.S. stock inventories which resulted in more supply in the markets and uncertainty surrounding

the conclusion of trade deal between the United State of America and China. This led to lower prices of all the petroleum products in the international markets.

The Slate Levy will be reduced by eight comma seven eight cents per litre (8.78 c/l) from thirteen comma one six cents per litre (13.16 c/l) to four comma three eight cents per litre (4.38 c/l) in line with the **Self-Adjusting Slate Levy Mechanism Rules**. Effective from 3 July 2019, the Slate Levy on Petrol and Diesel will be four comma three eight cents per litre (4.38 c/l) cents per litre. At the end of May 2019, the combined cumulative Slate Balance on Petrol and Diesel amounted to minus R555.90 million.

Based on current local and international factors, the fuel prices for July 2019 will be adjusted as follows:

- ❖ Petrol (93 ULP and LRP): ninety six cents per litre (96.00 c/l) decrease;
- ❖ Petrol (95 ULP and LRP): ninety five cents per litre (95.00 c/l) decrease;
- ❖ Diesel (0.05% sulphur): seventy four comma seven eight cents per litre (74.78 c/l) decrease;
- ❖ Diesel (0.005% sulphur): seventy five comma seven eight cents per litre (75.78 c/l) decrease;
- ❖ Illuminating Paraffin (wholesale): fifty seven cents per litre (57.00 c/l) decrease;
- ❖ SMNRP for IP: seventy six cents per litre (76.00 c/l) decrease;
- ❖ Maximum LPGas Retail Price: one hundred and thirty three cents per kilogram (133.00 c/kg) decrease.

The fuel prices schedule for the different zones will be published on Tuesday, 2 July 2019.

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