



energy

Department:
Energy
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT

MINISTER OF ENERGY, MR JEFF RADEBE, ANNOUNCES ADJUSTMENT OF FUEL PRICES EFFECTIVE FROM THE 1ST OF MAY 2019

The Minister of Energy, Mr. Jeff Radebe, announces the adjustment of fuel prices for May 2019 based on current local and international factors with effect from the 1st of May 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 international factors amounted to about 54.00c/l on petrol and 1.00c/l on diesel and 3.00 c/l IP.

In more details, the main reasons for the fuel price adjustments are due to:

A: International Factors:

(1) The contribution of the Rand/US Dollar exchange rate

The rand on average has strengthened slightly against the US dollar from 14.3871 to 14.1401 rand per dollar. The settling of contagion risks from emerging markets provided a foundation for the rand's strengthening trend. This decreased the contribution on the Basic Fuel Price of petrol, diesel and illuminating paraffin by about 13.00c/l.

(2) The increase in the prices crude oil

The average Brent Crude oil price increased from 66.03 US dollars (USD) per barrel to 70.82 USD per barrel during the period under review. The Oil prices rose to the highest level in almost six (6) months as the US government decided to eliminate sanction waivers that allowed buyers to import Iranian crude oil. Geopolitical issues in the Middle East and Venezuela have provided added upward impetus to oil as output curbs by the Organization of Petroleum Exporting Countries (OPEC) and its allies to keep supplies in check. This led to adjustments the contribution on the Basic Fuel Price of petrol, diesel and illuminating paraffin by about 53.00c/l, 1.0c/l and 2.0 c/l respectively.

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

- ❖ Petrol (93 and 95 Octane, ULP and LRP): 54.00 c/l **increase**;
- ❖ Diesel (0.05% sulphur): 1.00 c/l **increase**;
- ❖ Diesel (0.005% sulphur): **unchanged**;
- ❖ Illuminating Paraffin (wholesale): 3.00 c/l **increase**;
- ❖ SMNRP for IP: 4.00 c/l **increase**;
- ❖ Maximum LPGas Retail Price: 84.00 c/kg **increase**.

The fuel prices schedule for the different zones will be published on Tuesday, 30 April 2019.

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