



mineral resources & energy

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT

MINISTER OF MINERAL RESOURCES AND ENERGY, MR GWEDE MANTASHE, ANNOUNCES ADJUSTMENT OF FUEL PRICES EFFECTIVE FROM THE 7th OF JULY 2021

The Minister of Mineral Resources and Energy, Mr Gwede Mantashe, announces the adjustment of fuel prices based on current local and international factors with effect from the 7th of July 2021.

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. Crude oil prices

The average Brent Crude oil price increased from 66.00USD to 73.00USD per barrel during the period under review. The higher oil prices are mainly due inventory decline as reported by the International Energy Agency and concerns about the spread of the latest coronavirus variant globally. However, the market is optimistic that OPEC may decide to ease the oil production cuts during its next meeting.

2. International petroleum product prices

The movement in international refined petroleum product prices followed the increasing trend in crude oil prices. This led to higher contributions to the Basic Fuel Price of petrol by 36.74 c/l and 39.81 c/l, diesel by 52.33 c/l and 51.63 c/l and illuminating paraffin by 45.76 c/l.

3. Rand/US Dollar exchange rate

The Rand appreciated slightly, on average, against the US Dollar (from 14.11 to 13.92 Rand per USD) during the period under review when compared to the previous one. This led to lower contributions to the Basic Fuel Prices of petrol, diesel and illuminating paraffin by about 10.00 cents per litre.

Based on current local and international factors, the fuel prices for July 2021 will be adjusted as follows:

- ❖ Petrol (both 93 ULP and LRP): twenty nine cents per litre (29.00 c/l) **increase**
- ❖ Petrol (both 95 ULP and LRP): twenty six cents per litre (26.00 c/l) **increase;**
- ❖ Diesel (0.05% sulphur): forty two cents per litre (42.00 c/l) **increase;**
- ❖ Diesel (0.005% sulphur): forty one cents per litre (41.00 c/l) **increase;**
- ❖ Illuminating Paraffin (wholesale): thirty six cents per litre (36.00 c/l) **increase;**
- ❖ SMNRP for IP: forty eight cents per litre (48.00 c/l) **increase;**
- ❖ Maximum LPGas Retail Price: sixty three cents per kilogram (63.00 c/kg) **increase; and**

The fuel prices schedule for the different zones will be published on Tuesday, the 6th of July 2021.

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