



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 5TH OF MAY 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 5th of May 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 decreased from 65.14USD to 64.16USD per barrel during the period under review. The vessel that was stuck in the Suez Canal causing a delay for all cargo containers including oil tankers was freed easing fears regarding supply disruptions. The markets anticipate that OPEC and Russia will agree to ease production cuts from May 2021 during their next meeting.

2. International petroleum product prices

The movement in international refined petroleum product prices of diesel and illuminating paraffin followed the decreasing trend in crude oil prices. However, the movement in the Basic Fuel Price of petrol remained negative due the switch to summer grade gasoline in the northern hemisphere that has elevated the petrol prices over those of diesel. Furthermore, the strong demand for gasoline in the US has drawn volumes out of Europe and supported the market prices for petrol.

3. Rand/US Dollar exchange rate

The Rand appreciated slightly, on average, against the US Dollar (from 14.95 to 14.22 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 26.30 c/l, 24.20 c/l and 22.22 respectively.

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

- ❖ Petrol (both 93 ULP and LRP): nine cents per litre (9.00 c/l) **decrease**
- ❖ Petrol (both 95 ULP and LRP): nine cents per litre (9.00 c/l) **decrease**;
- ❖ Diesel (0.05% sulphur): thirty one cents per litre (31.00 c/l) **decrease**;
- ❖ Diesel (0.005% sulphur): thirty cents per litre (30.00 c/l) **decrease**;
- ❖ Illuminating Paraffin (wholesale): twenty three cents per litre (23.00 c/l) **decrease**;
- ❖ SMNRP for IP: thirty cents per litre (30.00 c/l) **decrease**;
- ❖ Maximum LPGas Retail Price: one hundred and seventy two cents per kilogram (172.00 c/kg) **decrease**; and

The fuel prices schedule for the different zones will be published on Tuesday, the 4th of May 2021.

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