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NEW FUEL AND LPG PRICES
PRESS RELEASE

The Fijian Competition and Consumer Commission (FCCC) has determined the new regulated prices of Unleaded Petrol, Premix, Kerosene, Diesel and LPG for September 2020.

The new Fuel and LPG prices comes into effect from **Tuesday, 1 September 2020** and are as follows:

Retail Fuel Prices

- Motor Spirit from \$1.96 to \$1.95 per litre, a decrease of 1 cent per litre;
- Premix from \$1.61 to \$1.58 per litre, a decrease of 3 cents per litre;
- Kerosene from \$0.91 to \$1.05 per litre, an increase of 14 cents per litre; and
- Diesel from \$1.63 to \$1.64 per litre, an increase of 1 cent per litre.

Retail LPG Prices

- 4.5kg Cylinder from \$11.54 to \$11.41, a decrease of 13 cents per 4.5kg Cylinder;
- 12kg Cylinder from \$30.79 to \$30.42, a decrease of 37 cents per 12kg Cylinder;
- 13kg Cylinder from \$33.35 to \$32.95, a decrease of 40 cents per 13kg Cylinder;
- Bulk Gas price remains the same as \$2.13 per kg; and
- Autogas price remains the same as \$1.43 per litre.

The Fuel and LPG price review implemented by FCCC follows a one-month lag period, as such the September 2020 Fuel and LPG regulated prices are based on the importations made in July 2020 by the Fuel Companies and LPG Companies in Fiji.

Fuel Price Change Reasons

The Fuel price in Fiji is impacted by the movement in Means of Platts Singapore (MOPS), the international freight rate and the exchange rate. The fluctuations noted in local Fuel price for September 2020 are due to unfavourable movement in the international prices for Kerosene and Diesel (MOPS) while favourable movement were noted in international price for Motor

Spirit and Premix; favourable movement in the international freight rates; and further weakening of the USD dollar against the Fijian dollar based on July 2020 imports.

The crude oil prices continued to rise in July for the third consecutive month as gradual improvement were noted in the demand for oil products as more countries lifted lockdown measures and the onset of the driving season that gave some support to transportation fuels. Crude oil prices were also affected in July 2020 due to continued improvement noted on sustained demand from refiners, reduced crude overhang and low loading programmes. According to OPEC, an increase in refining activities were noted in China, India and the US in July 2020. These global economic factors in June 2020 contributed to the significant change in the local Fijian prices for refined oil products which will be effective from 1 September 2020.

LPG Price Change Reasons

The LPG price in Fiji is impacted by the movement in Saudi Aramco Butane Contract Price (CP), the international freight rate and the exchange rate. The major reasons for the decrease noted in prices for LPG products (Cylinder) in September 2020 are due to reductions noted in freight cost and further weakening of USD against the FJD, although the butane contract price for July 2020 slightly increased.

The butane contract price is slightly up for the month of July 2020 from June CP as sustained moderate demand was noted from the largest LPG consumers, that is, India and Indonesia, despite China's gradual return from lockdown measures. Ample supply from the US and Middle East also helped to stabilise prices. Global LPG export is estimated to slow by 3.2% in 2020 at 112 million metric tonnes. This market imbalance led to increase in butane contract price for July 2020.

Fiji is directly impacted by the world market prices for both refined oils and LPG. As such, any changes to the world market prices will be reflected in Fuel and LPG prices in Fiji.

The FCCC will conduct the next Fuel and LPG price review on 1 October 2020.

For more information/details on this please contact the FCCC at their Facebook page: <https://www.facebook.com/FijianCCC/>, on their website: www.fccc.gov.fj or call 8921991.

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