



**PRESS RELEASE**  
**New Fuel & LPG Price**  
**Friday 29 January 2021**

The Fijian Competition and Consumer Commission (FCCC) has determined the new regulated prices of Unleaded Petrol, Premix, Kerosene, Diesel and LPG for February 2021.

The new Fuel and LPG prices come into effect from Monday, 1 February 2021 and are as follows:

**Retail Fuel Prices**

- Motor Spirit from \$1.94 to \$1.99 per litre, an increase of 5 cents per litre;
- Premix from \$1.57 to \$1.61 per litre, an increase of 4 cents per litre;
- Kerosene remains the same at \$1.08 per litre; and
- Diesel from \$1.61 to \$1.68 per litre, an increase of 7 cents per litre.

**Retail LPG Prices**

- 4.5kg Cylinder from \$12.57 to \$12.52, a decrease of 5 cents per 4.5kg Cylinder;
- 12kg Cylinder from \$33.53 to \$33.39, a decrease of 14 cents per 12kg Cylinder;
- 13kg Cylinder from \$36.32 to \$36.17, a decrease of 15 cents per 13kg Cylinder;
- Bulk Gas remains the same at \$2.33 per kg; and
- Autogas remains the same at \$1.56 cents per litre.

The Fuel and LPG price review implemented by FCCC follows a one-month lag period, and as such, the February 2021 Fuel and LPG regulated prices are based on the importations made in December 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 prices for February 2021 are due to unfavourable movements noted in the international prices for Motor Spirit, Premix and Diesel; and unfavourable movement in international freight rates; which were greater than gains from the weakening of the US Dollar against the Fijian dollar based on December 2020 imports.

**Crude Oil Market**

The crude oil prices settled sharply in December 2020 due to the following;

1. Increased demand due to strong crude buying from Asia Pacific refiners.
2. Expectations of a gradual lifting of mobility restrictions and accelerating demand recovery also contributed to the rebound.
3. Strong conformity to production adjustments from the Declaration of Cooperation (DoC) producers added further support to the market. DoC constitutes an unprecedented milestone in

the history of the Organization of the Petroleum Exporting Countries (OPEC) to stabilize the global oil market. The crude oil futures prices extended their surge in December and rose sharply on both sides of the Atlantic to reach their highest levels since last February. Investors turned more positive about an economic rebound and a rapid recovery of oil demand following the rollout of COVID-19 vaccines in several countries.

Future prices rose alongside equities following the approval of additional economic stimulus packages in the US and in Europe. Market optimism strengthened amid the brightening outlook for the global oil market balance after DoC producers decided in early December to voluntarily adjust their production modestly from January and agreed to extend the compensation period. These global economic factors in December 2020 contributed to the change in the local Fijian prices for refined oil products for which regulated prices will be effective from 1 February 2021.

### **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 movement in prices for all LPG products in February 2021 in Fiji are due to the weakening of the US dollar against the Fijian dollar and the reduction of international freight costs compared to the last review, which eclipsed the increase noted in butane contract price.

The Contract Price has risen on the back of firmer crude benchmarks as North Asia demand was supported by forecasts of a severe winter. Platts noted Asia's LPG demand in 2021 will again be led by China, driven by additional capacity at three new processing plants and recovering post-COVID economic growth, while South Korean domestic sales are set to sustain this year's uptrend to meet petrochemical requirements for medical goods production. Southeast Asia's dependence on import is estimated to increase further due to COVID-19.

Fiji is directly impacted by 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. FCCC will conduct the next Fuel and LPG price review on 1 March 2021.

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

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