



PRESS RELEASE

New Fuel and LPG Price

Friday 26 February 2021

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

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

Retail Fuel Prices

- Motor Spirit from \$1.99 to \$2.13 per litre, an increase of 14 cents per litre;
- Premix from \$1.61 to \$1.75 per litre, an increase of 14 cents per litre;
- Kerosene from \$1.08 to \$1.28 per litre, an increase of 20 cents per litre; and
- Diesel from \$1.68 to \$1.75 per litre, an increase of 7 cents per litre.

Retail LPG Prices

- 4.5kg Cylinder from \$12.52 to \$13.53, an increase of \$1.01 per 4.5kg Cylinder;
- 12kg Cylinder from \$33.39 to \$36.07, an increase of \$2.68 per 12kg Cylinder;
- 13kg Cylinder from \$36.17 to \$39.08, an increase of \$2.91 per 13kg Cylinder;
- Bulk Gas from \$2.33 to \$2.51, an increase of 18 cents per kg; and
- Autogas from \$1.56 to \$1.68, an increase of 12 cents per litre.

The Fuel and LPG price review implemented by FCCC follows a one-month lag period, as such the March 2021 Fuel and LPG regulated prices are based on the importations made in January 2021 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 March 2021 are due to unfavourable movements noted in the international prices for Motor

Spirit, Premix, Kerosene and Diesel and unfavourable movement in the international freight rates which were greater than the gains from the slight weakening of the USD dollar against the Fijian dollar based on January 2021 imports.

The price of kerosene had remained relatively consistent, as none of the fuel companies imported kerosene in December 2019, however importation of Kerosene in January 2021 has also contributed to the increase in price of kerosene products.

Crude Oil Market

The major physical crude benchmarks rose firmly in January 2021 due to following reasons:

1. Declining global oil stocks as a result of increased heating oil demand following cold waves in North America, Europe and Asia.
2. Rollout of COVID-19 vaccines and increasing confidence in the markets and overall increase in industrial activities sustained efforts by OPEC and non-OPEC participating countries in the Declaration of Cooperation (DoC) to voluntarily adjust their production.
3. Continuing improvements noted in prospects for tighter crude supply.
4. Crude future prices rose to their highest levels in 11 months and extended gains in January 2021, increasing for the third consecutive month on tightening outlooks of supply/demand fundamentals and expectations of accelerating oil market rebalancing and global oil destocking.

These global economic factors in January 2021 contributed to the change in the local Fijian prices for refined oil products, which will be effective from 1 March 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 March 2021 in Fiji are due to increase in butane price and strengthening of the US dollar against the FJ dollar. This is the seventh consecutive monthly increase in the butane contract price (CP), which was slightly above trader's expectations.

The Saudi Aramco's Contract Prices (CPs) were higher in January 2021 due to healthy heating demand in North Asia amid a harsh winter and recovering requirements from Propane Dehydrogenation (PDH) plants. According to Platts, Asia's LPG demand in 2021 will again be led by China, driven by additional processing capacity at three new Propane Dehydrogenation (PDH) 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.

These international market forces impacted the price of LPG products in the Fijian market.

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.

FCCC will conduct the next Fuel and LPG price review in March 1 2021 to determine regulated prices for the month of April 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 or call 8921991.

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