

**PRESS RELEASE**  
**NEW FUEL AND LPG PRICES**  
**WEDNESDAY, 30 JUNE 2021**

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

The new Fuel and LPG prices will come into effect from **Thursday, 1 July 2021** and are as follows:

**Retail Fuel Prices**

- Motor Spirit from \$2.36 to \$2.41 per litre, an increase of 5 cents per litre;
- Premix from \$1.97 to \$2.03 per litre, an increase of 6 cents per litre;
- Kerosene from \$1.43 to \$1.47 per litre, an increase of 4 cents per litre and;
- Diesel from \$1.89 to \$1.97 per litre, an increase of 8 cents per litre.

**Retail LPG Prices**

- 4.5kg Cylinder from \$13.81 to \$13.08, a decrease of 73 cents per 4.5kg Cylinder;
- 12kg Cylinder from \$36.83 to \$34.88, a decrease of \$1.95 per 12kg Cylinder;
- 13kg Cylinder from \$39.90 to \$37.79, a decrease of \$2.11 per 13kg Cylinder;
- Bulk Gas from \$2.60 to \$2.47, a decrease of 13 cents per kg and;
- Autogas from \$1.74 to \$1.65, a decrease of 9 cents per litre.

The Fuel and LPG price review implemented by FCCC follows a one-month lag period, as such the July 2021 Fuel and LPG regulated prices are based on importations made in May 2021 by Fuel 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), international freight rates, and foreign currency exchange rates. The fluctuations noted in local fuel prices for July 2021 are due to unfavourable movements noted in the international prices for Motor Spirit, Premix, Kerosene and Diesel and favourable movement in the international freight rates which were greater than the gains from a slight weakening of the US dollar against the FJ dollar as on May 2021 imports.

## **Crude Oil Market**

The increase in crude oil prices in May 2021 recorded six months of gains in the last seven months due to the following reasons:

1. Market participants turned more optimistic about a further recovery in oil demand and accelerating global oil market rebalancing and oil destocking.
2. Acceleration of the COVID-19 vaccination in the US and European Union countries, along with easing mobility restrictions which overshadowed the deteriorating COVID-19 situation in several Asian countries in May, specifically in India and to a lesser extent, in Japan.
3. The decision of OPEC and non-OPEC producers in the Declaration of Cooperation to gradually adjust their production from May 2021 to July 2021 also supported market confidence.
4. Positive market sentiment on economic recovery in the US and Europe in addition to growing signs of strengthening oil demand led by the US, China and Western Europe.
5. A cyberattack on the Colonial Pipeline also added support to oil prices.

Major European countries relaxed travel restrictions in May 2021 and this showed continued recovery in road and air transportation. Positive COVID-19 vaccination rates in Western countries, a decline in COVID-19 infections in India, a weaker US dollar, and a rally in US equities added support to the crude oil prices in May 2021. These global economic factors in May 2021 contributed to the change in the local Fijian prices for refined oil products, which will be effective from 1 July 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 rates, and foreign currency exchange rates.

The major reasons for the movement in prices for all LPG products in July 2021 in Fiji are due to the favourable movement of Saudi Aramco Butane CP and a slight unfavourable movement in the international freight rates. Favourable movement in Saudi Aramco Butane CP was further supported by the slight weakening of the US dollar against the FJ dollar based on May 2021 imports.

The May 2021 butane price is the second consecutive decline after eight consecutive rises for butane. The latest drop in prices was due to a healthy supply from the Middle East, whereby Saudi

Arabia and Qatar accepted May loading term cargo nominations in May 2021 with no delays. Saudi Arabia also restored crude production to meet the Organisation of the Petroleum Exporting Countries (OPEC) plus commitments and refineries in Vietnam offered pressurized LPG cargoes to international buyers via tenders to clear surplus amid tepid domestic take-up.

On the demand side, India is projected to surpass China in residential/commercial LPG demand, with consumption expected to grow to near 31 million metric tons by end-2025, despite demand-side barriers and the possibility of further subsidy reduction as noted by S&P Global Platts Analytics. These international market forces impacted the price of LPG products in July 2021 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. The FCCC will conduct the next Fuel and LPG price review on 1 August 2021.

**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](http://www.fccc.gov.fj) or call 8921991.**

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