



**PRESS RELEASE**  
**NEW FUEL AND LPG PRICES**  
**FRIDAY 29 OCTOBER 2021**

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

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

**Retail Fuel Prices**

- Motor Spirit from \$2.49 to \$2.53 per litre, an increase of 4 cents per litre;
- Premix from \$2.11 to \$2.14 per litre, an increase of 3 cents per litre;
- Kerosene from \$1.55 to \$1.57 per litre, an increase of 2 cents per litre; and
- Diesel from \$2.04 to \$2.10 per litre, an increase of 6 cents per litre.

**Retail LPG Prices**

- 4.5kg Cylinder from \$16.07 to \$16.86, an increase of 79 cents per 4.5kg Cylinder;
- 12kg Cylinder from \$42.84 to \$44.96, an increase of \$2.12 per 12kg Cylinder;
- 13kg Cylinder from \$46.41 to \$48.71, an increase of \$2.30 per 13kg Cylinder;
- Bulk Gas\* from \$3.03 to \$3.18, an increase of 15 cents per kg; and
- Autogas from \$2.03 to \$2.13, an increase of 10 cents per litre.

*\*Note: Bulk Gas price is Wholesale VAT Exclusive Price (VEP), while all other prices for Fuel and LPG products stated above is Retail VAT Inclusive Price (VIP).*

The Fuel and LPG price review implemented by FCCC follows a one-month lag period, as such the November 2021 Fuel and LPG prices are based on the importations made in September 2021 by Fuel and LPG Companies. FCCC has used average Saudi Aramco Butane Contract Price (CP) for September and October 2021 to determine the LPG price for November 2021.

### **Fuel Price Change Reasons**

Fuel price in Fiji is impacted by the movement of Means of Platts Singapore (MOPS), the international freight rate and the exchange rate. The fluctuations noted in the local fuel prices for November 2021 are due to unfavourable movements noted in the international prices for Motor and Diesel, while favourable movement was noted in the international price for kerosene and unfavourable movement in the international freight rate. These fluctuations in refined oil prices and international freight were further supported by strengthening of the USD against the Fijian dollar based on September 2021 imports.

### **Crude Oil Market**

The crude oil prices rebounded in September 2021 by five percent (5%) on a monthly average due to following reasons:

1. Strong oil demand from Asian countries in comparison to slow recovery of crude supply disruptions caused by Hurricane Ida in the United States Gulf of Mexico (GoM). According to the US Bureau of Safety and Environmental Enforcement data, Hurricane Ida caused cumulative losses of more than 30 million barrels.
2. Supply was also disrupted in other regions due to field maintenance, lower loading programs in several West African crudes, and temporary export disruptions in Libya.
3. Increased global oil demand due to easing of COVID-19 mobility restrictions in several Asian countries.
4. Risk of a natural gas and coal shortage in Europe and Asia boosted sentiment for higher oil demand in September 2021.

The return of buying interest from Asian refiners, including China, rising European refinery crude intakes in August 2021, and the sharp decline in US crude oil stocks in September 2021, contributed to support higher crude oil prices. These global economic factors in September 2021 contributed to the change in the local Fijian prices for refined oil products which will be effective from 1 November 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 local prices for all LPG products in November 2021 are due to unfavourable movement in Butane Contract Price (CP) and favourable movement

in international freight. Favourable movement in international freight was further supported by slight weakening of the US dollar against the FJ dollar based on September 2021 imports.

In September 2021, Platts reported that the US has been exporting more butane to Asia in recent years, adding to butane supply which normally comes from the Middle East. Supply from the Middle East had been at maximum at Ras Tanura refinery which returned to normal levels following disruptions after technical glitch since late-May. On demand side, sources revealed that Indian term lifters have largely dominated term supply from the Middle East to meet demand during the pandemic. LPG imports increased almost 10% month-on-month and India's Petroleum Planning and Analysis Cell (PPAC) showed an overall increase in consumption by 4.6% month-on-month. India is noted to be the world's second-largest LPG user after China.

The Saudi Aramco Butane CP increased further in October 2021 and increase noted in October 2021 was the fifth consecutive monthly increase in the Contract Prices and the highest since August 2014, as healthy demand has driven up the Asian LPG prices to more than seven-year high. October 2021 CP increased in anticipation of winter heating demand in North Asia and improving Chinese propane demand for Propane Dehydrogenation (PHD) plants in view of scheduled maintenance. Metrological agencies of Japan and South Korea have forecasted higher than average temperatures for October 2021. This had a positive bearing on increased demand of LPG in Asian market as China's LPG imports increased by 3.6% month on month in preparation for the winter supply season.

There is a global shortage of LPG that has increased LPG prices around the world. Demand has increased as major economies are returning to normalcy from the pandemic. Winter in Europe and Asia increased demand for heating and left many gas storage sites empty in September and October 2021. Gas used for power generation has also been stronger than usual, especially in Europe, because of low wind speeds. On the supply side, gas production in parts of the world, including in the British sections of the North Sea, has decreased because of disruptions caused by the pandemic. These international market forces impacted the price of LPG products in the Fijian market in November 2021.

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 December 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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