



MEDIA RELEASE

New Fuel and LPG Prices for February 2024

Wednesday, 31 January 2024

In collaboration with the Ministry of Trade, Co-operatives, Small and Medium Enterprises and Communications, the Fijian Competition and Consumer Commission (FCCC) has determined the new regulated price for Unleaded Petrol (Motor Spirit), Premix, Kerosene, Diesel and LPG products for February 2024.

Acting Prime Minister and Minister for Trade, Co-operatives, Small and Medium Enterprises and Communications, Hon. Manoa Kamikamica said, "We are pleased to note that the prices of fuel and LPG for the month of February are reducing further. This essentially reflects our commitment to minimize the financial burden and provide relief to all Fijian families. The Ministry will continue to work closely with FCCC to monitor international movements for fuel prices hoping to provide more financial relief to consumers."

The new prices come into effect from **Thursday, 1 February 2024** and are as follows:

Table 1: New Approved Retail Fuel Price

Product	Current Price (until 31 January 2024)	New Approved Price (from 1 February 2024)	Price Change (Decrease)	
			(\$)	(%)
Motor Spirit	\$2.92 (VIP)	\$2.80 (VIP)	(\$0.12)	(4.11)%
Premix	\$2.73 (VIP)	\$2.62 (VIP)	(\$0.11)	(4.03)%
Kerosene*	\$2.04 (VAT exempt)	\$1.96 (VAT exempt)	(\$0.08)	(3.92)%
Diesel	\$2.61 (VIP)	\$2.50 (VIP)	(\$0.11)	(4.21)%
Note: *Kerosene price is the VAT exempt price.				

Table 2: New Approved Retail LPG Prices

Product	Current Price (until 31 January 2024)	New Approved Price (from 1 February 2024)	Price Change (Decrease)	
			(\$)	(%)
4.5 Kg Cylinder*	\$15.60 (VAT exempt)	\$15.58 (VAT exempt)	(\$0.02)	(0.13)%
12 Kg Cylinder*	\$41.60 (VAT exempt)	\$41.55 (VAT exempt)	(\$0.05)	(0.12)%
Bulk** (Kg)	\$3.21 (VEP)	\$3.21 (VEP)	(\$0.00)	(0.00)%

Autogas*** (Litre)	\$2.25 (VIP)	\$2.25 (VIP)	(\$0.00)	(0.00)%
Note: <i>* Cylinder price is VAT exempt price.</i> <i>**Bulk price is Wholesale VAT exclusive price (VEP).</i> <i>*** Autogas retail price is VAT inclusive price (VIP).</i>				

The fuel price review in Fiji follows a one-month lag period. Therefore, the local fuel prices for January 2024 are based on refined fuel imports made by fuel companies in December 2023. The FCCC used the January 2024 Saudi Aramco Butane Contract Price (CP) and December 2023 international freight rates and foreign exchange rate to determine the local LPG product prices for February 2024.

Fuel Price Change Factors

Fuel prices in Fiji are impacted by movements in the Means of Platts Singapore (MOPS), international freight rates and foreign exchange rates. The major reason(s) for the decrease noted in the prices of refined fuel products in the Fijian market in February 2024 based on December 2023 imports is due to the following reasons:

A. Motor Spirit and Premix

The price of motor spirit and premix is based on same international refined price and international freight benchmarks. FCCC's independent analysis revealed that price of motor spirit and premix will decrease in February 2024 due to following factors:

- Favourable movement was noted in the international refined fuel price of motor spirit, that is the cost price of refined motor spirit decreased compared to last month's review.
- Unfavourable movement was noted in the international freight rate marker for motor spirit, that is international freight rate marker decreased when compared to last month's review.
- The US dollar weakened against the Fijian dollar for motor spirit and premix.

B. Kerosene and Diesel

The price for kerosene and diesel will also decrease in February 2024, and this has been attributed to following factors:

- Favourable movement was noted in the international refined fuel price of kerosene and diesel, that is, the cost price of refined kerosene and diesel decreased compared to last month's review.
- Unfavourable movement was noted in the international freight rate marker for kerosene and diesel, that is international freight rate marker decreased when compared to last month's review.
- The US dollar weakened against the Fijian dollar for kerosene and diesel.

Crude Oil Market

The crude oil prices extended their decline in December 2023, reaching their lowest levels since late June 2023. Buying interest in the spot market slowed ahead of the end-year amid a decline in refining margins, specifically in Europe and the US Gulf Coast (USGC), and the seasonal maintenance in the 1st Quarter of 2024 that likely reduced refiners' appetite for prompt loading volumes. The fluctuation in crude oil price in December 2023 were attributed to the following factors:

1. The availability of prompt loading cargoes pushed the crude oil prices lower in December 2023.
2. Light sweet crude in the Atlantic Basin was undermined by a sharp decline in fuel transportation margins in Europe and the USGC.
3. In December 2023, refinery margins declined in the Atlantic Basin, weighed down by higher refinery product output levels and rising product availability, in line with seasonal trends.
4. Medium sour crude in the East of Suez market was also under pressure from ample supply of prompt loading cargoes in the spot market and the availability of alternative crude in Latin America, despite renewed demand from some Asia-Pacific refiners in the second half of the month. However, the price decline of the spot price was limited by tensions on key trading routes.

The crude oil spot prices declined more than the crude oil futures prices in a sign of a well-supplied crude market, specifically for prompt loading volumes in December 2023. These global economic factors in December 2023 contributed to the changes in the local Fijian prices for refined fuel products for which the prices will be effective from 1 February 2024.

LPG Price Change Factors

The price for Cylinder products will decrease in February 2024, while price of Bulk and Autogas will remain the same in the Fijian market. FCCC's independent assessment revealed following findings on major contributors of LPG product price changes as follows:

- a. Slight increase noted in the Butane Contract Price (CP) compared to last review, from USD 620MT to USD 630MT, an increase of USD 10MT or 1.61%,
- b. Decrease noted in the average international freight compared to last review; and
- c. Weakening of the USD against the Fijian dollar.

Butane Contract Price Movement

Saudi Arabia's state-controlled Saudi Aramco raised the January 2024 Propane Contract Prices (CP) by USD 10.00MT from a month ago to USD 620.00MT in view of the shortest haul to Asian importers by freight calculations. Its butane counterpart also rose by USD 10.00MT to USD 630.00MT, keeping the premium over propane at USD 10MT to reflect regional buyer's preference of evenly split ratio cargoes.

Chinese Propane Dehydrogenation Plant (PDH) production margins worsened to USD 150.00MT in losses at the start of January 2024 because of firm propane prices and weak propylene prices. Operating rates at Chinese PDH plants stood at almost 70 percent in early January 2024, up by 5 percent from mid December 2023, amid expectations of further run rate increases in the wake of continued propane price falls.

Asia-Pacific propane prices lost nearly 1 percent in December 2023, lagging a 7.6 percent drop in front-month Brent values. Elevated delivered prices reflected higher costs of shipping US products to key Asian markets via the Cape of Good Hope or Suez Canal after transits at the Panama Canal fell owing to weather-related issues.


Poor petrochemical downstream yields forced Chinese petrochemical makers to lower operating rates which curbed propane feedstock demand. Spot demand from Japan and Korea to meet winter heating demand was limited owing to high inventory levels and mild weather so cash differentials on 23,000MT propane cargoes for January delivery to Chiba were driven lower to minus USD 33M.00MT against the January Argus Far East Index (AFEI). These international market forces impacted the price of Butane and Propane Contract Price in January 2024 and LPG products in the Fijian market in February 2024.

Enforcement and Compliance

As part of the FCCC's enforcement and compliance of fuel prices, our Enforcement Team will conduct inspections at wholesale / retail outlets and service stations to ensure prices of authorised petroleum and LPG products comply with the allowable maximum prices. The following FCCC officers will conduct inspections in various divisions:

- **Central team** can be reached via mobile phone number 9984035.
- **Western Team** can be reached via mobile phone number 8911623.
- **Northern Team** can be reached via mobile phone number 9984003.

The prices issued by FCCC are maximum wholesale and retail prices, and the wholesalers and retailers can sell the refined fuel products on the maximum wholesale and retail prices or



below the authorised prices. The inspectors will continue to conduct checks during the coming weeks to ensure ongoing compliance.

Consumers are advised to report any instances of unfair trading practice, such as hoarding and overcharging by traders to the FCCC enforcement team via mobile phone 8921991 or via email at helpdesk@fccc.gov.fj. Our regional offices, located in the Western Division and Northern Division, can be contacted via mobile phone numbers 8911623 and 8911624.

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