



## MEDIA RELEASE

### New Fuel and LPG Prices for November 2024

Thursday, 31 October 2024

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 November 2024.

Commenting on the fuel price reductions, FCCC CEO Joel Abraham said, “Ensuring affordability for Fijian families remains at the forefront of our efforts. This recent adjustment reflects our commitment to shielding consumers from the pressures of global market fluctuations. We recognize the impact of rising costs on everyday life, and through diligent monitoring and regulatory measures, FCCC aims to keep essential commodities like fuel within reach, particularly for those most vulnerable. By holding the line on prices, we are not only supporting household budgets but also reinforcing our commitment to consumer welfare and fair market practices”.

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

**Table 1: New Approved Retail Fuel Price for November 2024.**

Product	Current Price (Until 31 October 2024)	New Approved Price (Effective from 1 November 2024)	Price Change - (Decrease)	
			(\$)	(%)
Motor Spirit	\$2.73 (VIP)	<b>\$2.62 (VIP)</b>	(\$0.11)	(4.03) %
Premix	\$2.55 (VIP)	<b>\$2.43 (VIP)</b>	(\$0.12)	(4.71) %
Kerosene*	\$1.79 (VAT exempt)	<b>\$1.67 (VAT exempt)</b>	(\$0.12)	(6.70) %
Diesel	\$2.33 (VIP)	<b>\$2.18 (VIP)</b>	(\$0.15)	(6.44) %
<b>Note:</b> <i>*Kerosene price is the VAT exempt price and zero rated.</i>				

**Table 2: New Approved Retail LPG Prices for November 2024.**

Product	Current Price (Until 31 October 2024)	New Approved Price (Effective from 1 November 2024)	Price Change – (Increase)	
			(\$)	(%)
4.5 Kg Cylinder*	\$14.80 (VAT exempt)	<b>\$14.97 (VAT exempt)</b>	\$0.17	1.15%
12 Kg Cylinder*	\$39.46(VAT exempt)	<b>\$39.91 (VAT exempt)</b>	\$0.45	1.14%
Bulk** (Kg)	\$3.04 (VEP)	<b>\$3.08 (VEP)</b>	\$0.04	1.32%
Autogas*** (Litre)	\$2.14 (VIP)	<b>\$2.16 (VIP)</b>	\$0.02	0.93%

**Note:**

\* Cylinder price is VAT exempt price.

\*\*Bulk price is **Wholesale VAT exclusive price (VEP)**.

\*\*\* Autogas retail price is VAT inclusive price (VIP).

The Fuel and LPG product price review in Fiji follows a one-month lag period. Therefore, the local Fuel and LPG prices for November 2024 are based on Refined Fuel and Butane imports made by Fuel and LPG companies in September 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 November 2024 based on September 2024 imports are 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 November 2024 due to following factors:

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

**B. Kerosene and Diesel**

FCCC's independent analysis revealed that price of kerosene and diesel will also decrease in November 2024 due to following factors:

- a. 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 when compared to last month's review.
- b. Favourable movement was noted in the international freight rate market for kerosene and diesel, that is international freight rate market decreased when compared to last month's review.
- c. The US dollar weakened against the Fijian dollar for kerosene and diesel.

**Crude Oil Market**

The crude oil prices declined for a second consecutive month in September 2024, amid heightened market volatility. The global economic factors in September 2024 which contributed to changes in the prices of refined fuel products in the Fijian market in November 2024 are noted as follows:

- a. The crude oil spot prices came under pressure from lower refining margins in all markets due to refinery maintenance season. The drop in crude spot prices in September 2024 was particularly evident in light sweet benchmarks, specifically in the Brent Crude Oil.
- b. Lower refinery intakes and a sharp decline in gasoline crack spreads in Europe and the United States Gulf Coast (USGC) largely offset the supportive impact of declining US crude stock draws and oil supply disruptions in North Africa and the Gulf of Mexico (GoM) in September 2024.
- c. The crude oil price fell to multi-month lows, underpinned by a broader decline in financial markets. Uncertainty about the significance of the US interest rate cut dampened overall sentiments and economic optimism. The release of weak US manufacturing data for August 2024 heightened economic concerns.
- d. Market sentiment was also affected by concerns about China's economic outlook on worries of slowing demand in China, which persisted amid weak refining margins and the prospect of the Autumn refinery maintenance season.
- e. Unplanned supply outages in the Gulf of Mexico (GoM) and North Africa in September 2024 spurred demand for prompt loading of alternative crude oil grades, along with a decline in US crude oil stocks, and limited front-month contract declines compared to forward contracts.

Dubai also faced downward pressure in September 2024, driven by a decline in middle distillate margins in the Asia-Pacific region, along with the ongoing refinery maintenance season and a weaker front-month Brent/Dubai Exchange of Futures for Swaps (EFS). Geopolitical developments in the Middle East limited the price drop for sour crudes in September 2024.

### **LPG Price Change Factors**

FCCC used **straight average price** methodology to determine the LPG price for November 2024. The major reason for the increase noted in the proposed prices for all LPG products in November 2024 based on September 2024 imports for the Fijian economy are due to following reasons:

- a. Butane Contract Price (CP) increased when compared to the last review,
- b. The average international freight decreased when compared to the last review, and
- c. The exchange rate weakened against the USD dollar when compared to the last review.

### **Butane Contract Price Movement**

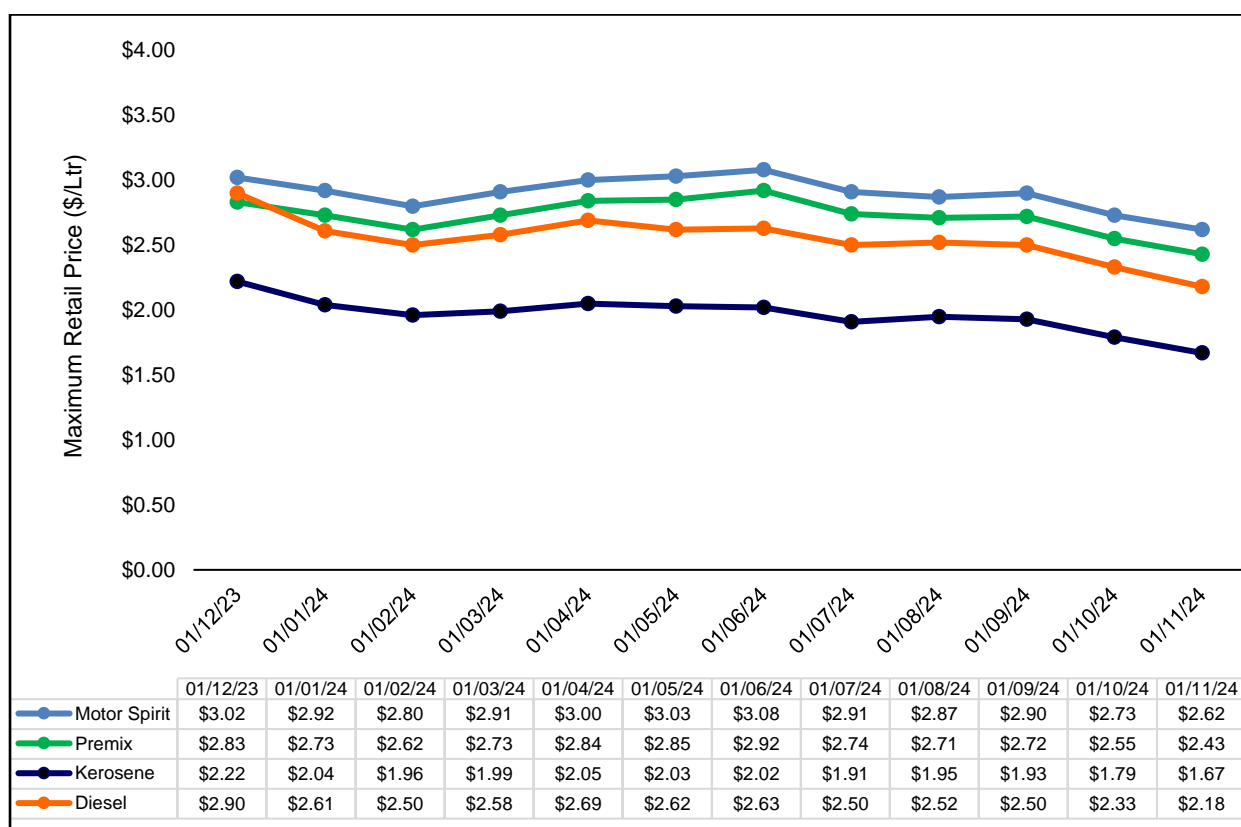
Saudi Arabia's state-controlled Saudi Aramco raised its September 2024 Propane Contract Price (CP) to \$605/tonne, increasing by USD 15/tonne from August 2024 Propane CP. Similarly, the September Butane Contract Price increased to USD 595/tonne in September 2024, increasing by

USD 25/tonne from August 2024 CP or 4.39%. According to Argus, strong demand from India for evenly split ratio cargoes played a key role in driving up the Propane and Butane CP in September 2024. This shift was attributed to robust Asian demand, which bolstered LPG values in September 2024. These international market forces impacted the price of Butane and Propane Contract Price in September 2024, which will have an impact on the LPG products prices in the Fijian market in November 2024.

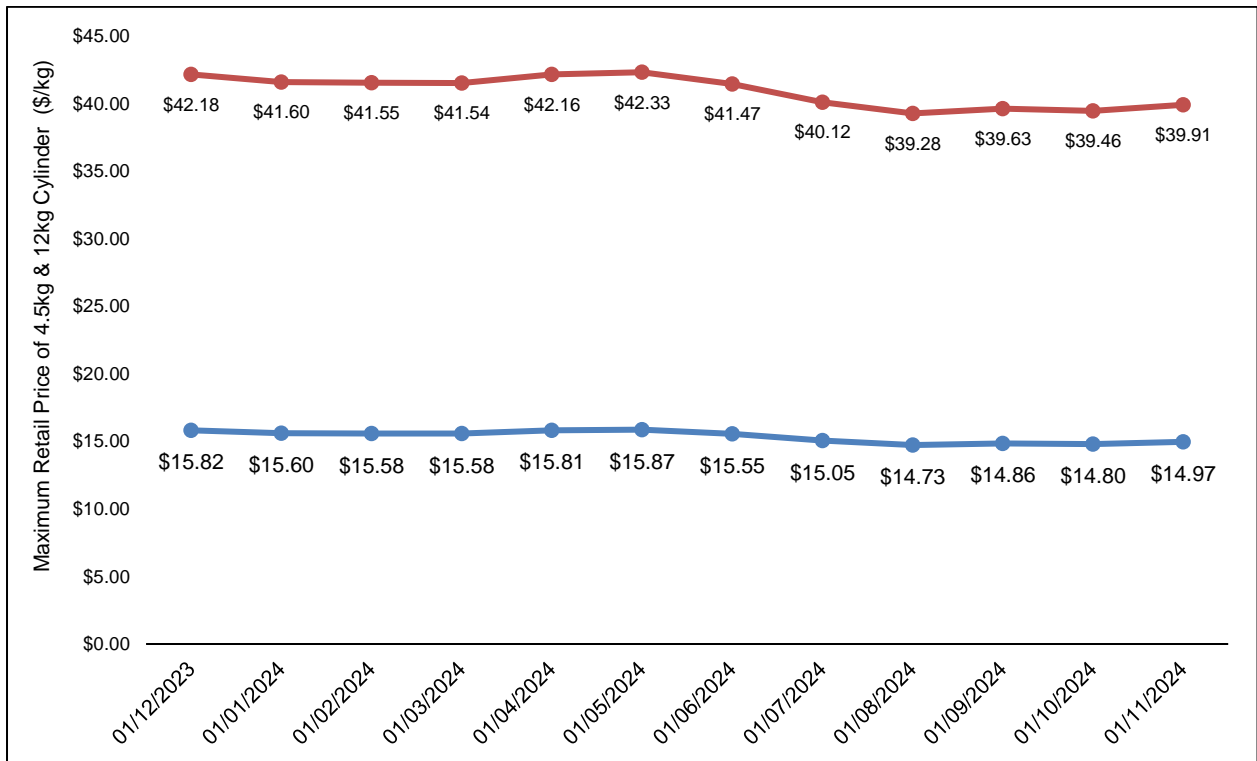
The Butane Contract Price has increased in September 2024 however, the international freight had slightly decreased in September 2024. The decline in the international freight rate was further supported by the weakening of the exchange rate in September 2024. These factors had negatively impacted the price of LPG products in November 2024, as such the price of LPG products will increase in November 2024 in the Fijian market.

The graphs below illustrate fuel products and LPG 4.5kg & 12kg cylinder price movement from November 2023 to November 2024.

**Graph 1: Maximum Retail Price for Refined Fuel Products from 1 Dec 2023 to 1 Nov 2024.**



**Graph 2: Maximum Retail Price of 12kg and 4.5kg Cylinder in Fiji from 1 Dec 2023 to 1 Nov 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:

- The Central team** can be reached via mobile phone number 9984035.
- The Western Team** can be reached via mobile phone number 8911623 or 9982437 for **Sigatoka residents**.
- The Northern Team** can be reached via mobile phone number 9984983.

The prices issued by FCCC are maximum wholesale and retail prices, and the wholesalers and retailers can sell the refined fuel and LPG products at 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 teams via mobile phone 8921991 or via email at [helpdesk@fcc.gov.fj](mailto:helpdesk@fcc.gov.fj). Our regional offices, located in the Western Division can be contacted on 8911623 (9982437 for Sigatoka residents) and Northern Division can be contacted via mobile on 8911624.

Follow FCCC on Facebook at [www.facebook.com/FijianCCC/](https://www.facebook.com/FijianCCC/) for the latest update.

- Ends -