

# Petrol price to drop by 36 cents a litre

Wednesday, 7 March 2018 will see a significant drop in fuel prices: petrol will drop by 36 cents a litre, while diesel will drop by between 44-47 cents per litre.



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According to the Department of Energy, the main reasons for the fuel price adjustments are due to the fact that the rand appreciated, on average, against the US Dollar (from 12.20 to 11.82 rand per USD) during the period under review.

This led to a lower contribution to the basic fuel price on petrol, diesel and illuminating paraffin by 19.33c/l, 19.68c/l and 20.53c/l respectively.

The other contributing factor is the decrease in the prices of crude oil. The average Brent Crude oil price decreased from \$69.06 to \$65.05 per barrel during the period under review. This led to lower prices of petroleum products in the international markets. The main contributing factor was the abundance of crude in the market, particularly with growing exports from the US Gulf coast, which kept the price low in the market.

Furthermore, the forthcoming widespread refinery maintenance in the Middle East and Asia-Pacific is also muting demand for crude and limiting upward price movement.

## New prices

### Petrol (inland):

- Unleaded and LRP 93: R13,54
- Unleaded 95: R13,76

### Petrol (coast):

- Unleaded 93: R13,13
- Unleaded and LRP 95: R13,27

### Diesel (inland):

- 0.05%: R12,10
- 0.01%: R12,15

### **Diesel (coast):**

- 0.05%: R11,70
- 0.01%: R11,77

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