

The Automobile Association's fuel price prediction for October 2021

All grades of fuel are expected to increase in price this October, according to the Automobile Association (AA), which commented on the recent exchange rate and commodities data.



Source: [Unsplash](#)

“We have noted oil prices spiking above \$75 a barrel in recent days, and the upward trend has been evident throughout September. Brent Crude in particular has increased by \$10 a barrel in less than a month, and the Mediterranean and Singapore prices used in South African fuel pricing are also on the advance. This trend could point towards substantial future fuel price increases,” the AA said.

The Rand/US dollar exchange rate was flat for much of the first half of September, with movements in a fairly limited range. However, recent weakening, combined with higher international petroleum prices, could push fuel prices into negative territory by month-end.

“Until government manages domestic policy more effectively, the Rand will continue to expose South Africans to the full brunt of bullish oil prices, meaning South Africans are not getting fuel as cheaply as they could be,” the AA concluded.

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