

Slight decrease in petrol price for July, diesel price set to increase

Looking at the latest unaudited data from the Central Energy Fund (Cef), the Automobile Association (AA) says that the prices for petrol and illuminating paraffin will decrease while the price for diesel will increase from Wednesday, 5 July.



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According to Cef's data, both grades of petrol are expected to decrease by between 17c/litre and 25c/l, while diesel is expected to increase by around 20c/litre. Illuminating paraffin is set for a marginal decrease of 3c a litre.

"The breakdown of the data shows that the average exchange rate used in the basic fuel price decreased over June from around R19.50 to the US dollar to around R18.80 to the USD, which accounts for most of the petrol price decrease. However, the movement in international oil prices is impacting negatively on diesel, contributing significantly to its expected increase.

"A decrease in the price of petrol is naturally welcome news and will provide some relief to embattled consumers. The increase to diesel, though, means input costs in, amongst other sectors, the agricultural and manufacturing sectors, are also likely to increase which may result in higher prices for consumers," notes the AA.

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