



Ministry of Commerce, Tourism & Labour
GOVERNMENT OF TONGA.

PRESS RELEASE

New Petroleum Prices for July - August 2015

The Ministry of Commerce, Tourism & Labour wishes to advise that the Tonga Competent Authority (TCA) has approved the new petroleum prices for July- August 2015 to be effective from Thursday 16th July 2015.

All petroleum consumers are notified that wholesale/retail prices for Petrol and Diesel will increase whereas Kerosene will decrease for the month of June - July 2015. The retail price for Petrol leads the increase by approximately 11.83 seniti/liter to a new price of 262.19 seniti/liter. The retail price for Diesel will increase by 5.30 seniti/litre to a new price of 248.51 seniti per liter. The retail price of Kerosene on the other hand, will decrease by -5.98 seniti/litre and the new price will be 178.08 seniti per liter. Please note that all changes include consumption tax.

The petroleum prices for July - August 2015 is mainly determined by the movement of FOB prices in the Singapore market based on June 2015 average prices of the daily published Means of Platt's Singapore (MOPS) benchmark prices.

Comparing the June month average prices with May, crude oil (Dated Brent) is down by USD 2.63/bbl (4.1%). All regional product prices dropped below crude with petrol prices remaining firm (a decrease of USD 0.08/bbl), while diesel and kerosene prices fell with crude (by USD 3.13/bbl and USD 3.29/bbl respectively).

The freight rate strengthened and the Tongan Pa'anga depreciated, along with a significant increase on the duty for imported petroleum products from 0.50 seniti/litre to 0.56 seniti/litre imposed by the Ministry of Revenue and Customs effective on the 3rd of July 2015; this offsets most of the regional decrease on the local price.

On the outlook, Crude oil prices fell in early July due to plentiful supply and impact on demand from China's share market crash and Greece's financial crisis. The Dated Brent averaged USD 56.60/bbl in early July, about 13.6 percent lesser than May.

Product prices are expected to follow crude except petrol prices will remain firm reflecting strong regional demand.

For further information please contact the Ministry of Commerce, Tourism & Labour at telephone 23688.

Ministry of Commerce, Tourism & Labour
15th July 2015

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