

Good news for motorists as fuel prices expected to decrease in January 2024

The Automobile Association (AA) has commented on unaudited data from the Central Energy Fund (CEF) on South African fuel prices, saying motorists can expect significant fuel price reductions to kick off the new year.



Image source: scyther5 – [123RF.com](https://www.123RF.com)

Both grades of petrol, diesel, and illuminating paraffin prices are showing substantial decreases that will ease the financial pressure on consumers in January, the AA noted.

“According to the data, ULP93 will decrease by around 68 cents/litre, and ULP95 will decrease by 82c/l. Diesel is set to decrease considerably by around R1.50/l with illuminating paraffin also decreasing by around R1.42/l. The forecast reductions in the wholesale price of diesel will bring this fuel cost down to around R20,32/l inland, coming in at a price lower than the same time last year,” says the AA.

The expected reductions can be attributed to the significantly lower international product prices. While the Rand has not been performing well against the US Dollar, the data shows that the movement of international product prices is playing the most substantial role in the forecast reductions.

“These decreases will go a long way to alleviating the fuel price burden – and its associated impact on other prices – felt by millions of South Africans. For many travellers who will be going on vacation this is also good news as it will undoubtedly reduce expenses on the return leg of their journeys,” concludes the association.

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