

Fuel prices to drop for June 2023

The Automobile Association (AA) says while higher oil prices and the weaker rand are reducing the expected decreases, fuel will still be cheaper in June than it was in May.



Source: [Unsplash](#)

“In mid-May, we forecast decreases of around R1/l for petrol, around R1.30/l for diesel and around 60c/l for illuminating paraffin. However, the weakening Rand against the US Dollar, as well as increases in international product prices have tempered those numbers. Based on unaudited data from the Central Energy Fund (CEF), petrol is now set to decrease by around 70c/l, diesel by around R1/l, and illuminating paraffin by around 40c/l,” the AA notes.

The AA says changes to this data are expected before the formal announcement by the Department of Mineral Resources and Energy (DMRE) ahead of Wednesday’s adjustment. However, it says any relief at this stage is welcome.

“Increasing interest rates are adding enormous pressure on already embattled consumers in a weak economy. Many people are struggling to make ends meet and any relief, even if it is slight, will assist consumers. The forecast decreases to the price of diesel are especially welcome given that this fuel accounts for significant input costs across all sectors which are often passed on to consumers. A decrease to the price of this fuel is, therefore, welcome and timely,” concludes the AA.

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