

Fuel Prices

April 2015

<i>\$TOP</i>	Apr 15	Mar 15	Feb 15	Jan 15
Petrol	2.32	2.25	2.03	2.26
Diesel	2.30	2.30	2.14	2.36
Kerosene	1.70	1.74	1.57	1.80

**Rounding errors may not show exact changes*

Petrol & Diesel prices continue to rise

Retail prices for Petrol and Diesel continued to increase over April. Petrol prices rose by 2.93% whilst Diesel prices increased by 0.27%. This reflects the 0.4% rise in global crude oil prices over March 2015. The freight rate also rose and the Tongan pa'anga depreciated against the U.S. Dollar, which may have further exacerbated local fuel prices for consumers. However, in contrast to the movement of Petrol and Diesel prices, retail Kerosene prices fell by 2.57%.

Over the year, all domestic fuel prices declined. Specifically, Kerosene prices dropped by 10.32%, Diesel prices (9.63%), and Petrol prices (8.53%). The annual decline in prices is driven by lowered global oil prices due to the excess supply of crude oil. This equates roughly to a 1.0 percentage point subtraction from the annual headline inflation.

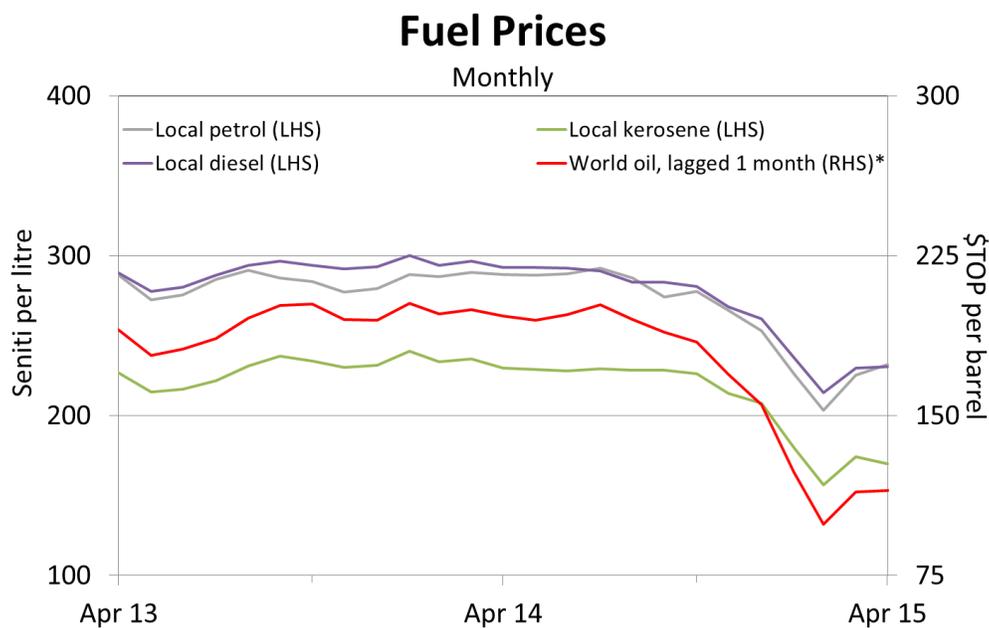
On the outlook, NRBT expects domestic fuel prices to continue to rise in mid-May 2015. This would reflect the increase of crude oil prices over April. According to Reuters, world oil prices are expected to continue rising throughout the year to around US\$70 per barrel from the current level of US\$63. Additionally, the statement released by the Ministry of Commerce, Tourism and Labour forecasted that the movement of global oil prices remain uncertain due to high product stocks.

Fuel Prices						
	As at mid-month (\$T/litre)				Year-ended growth^ (%)	
	Apr 15	Mar 15	Feb 15	Apr 14	Apr 15	Apr 14
Petrol	2.32	2.25	2.03	2.88	-8.53	0.12
Diesel	2.30	2.30	2.14	2.93	-9.63	0.49
Kerosene	1.70	1.74	1.57	2.30	-10.32	0.37
World oil price*	112.83	119.34	96.65	194.79	-18.80	3.33

* Converted to TOP, per barrel; ^ Average over the year percentage change

Please note: rounding errors may not show exact changes

Sources: Reuters; Ministry of Commerce, Tourism and Labour



* Average price, month-ended

Sources: Reuters; Ministry of Commerce, Tourism and Labour