



REPUBLIC OF NAMIBIA

MINISTRY OF MINES AND ENERGY

MEDIA RELEASE

FUEL PRICE REVIEW ANNOUNCEMENT

The Ministry of Mines and Energy has completed the fuel price review for the month of July 2023 and hereby inform the public as follows:

The prices of oil and natural gas spiked during the last week of June 2023 as the markets reacted to the recent political developments in the Russian Federation, which is the world's second largest exporter of oil. The markets are largely focused on whether the unexpected events in Moscow could disrupt global commodity supplies. The current political developments in Russia may contribute to further escalation in oil prices, which may influence global inflation coupled with the recent decision by OPEC to cut oil supply. Saudi Arabia, one of the world's biggest producers of crude oil, has recently announced that it would cut oil output in July 2023 by 10% or 1 million barrels per day (bpd) from 10 million bpd to 9 million bpd and may extend cuts further if needed.

The latest calculation(s) by the Ministry indicates that the average price of unleaded petrol 95 over June 2023 is at USD95.402 per barrel (compared to USD92.321 per barrel at the end of May 2023), depicting a slight increase of about USD3 over the review period. Additionally, the average price of diesel 50ppm over June 2023 is at USD89.007 per barrel (compared to USD85.767 per barrel at the end of May 2023), an increase of about USD4 per barrel over the review period. Moreover, the average price of diesel 10ppm over June 2023 is at USD90.931 per barrel (compared to USD87.362 per barrel at the end of May 2023), showing an increase of about USD3 per barrel over the review period.

Furthermore, the exchange rate figures for the period of 01-26 June 2023 indicate that the NAD has appreciated against the USD at N\$18.7278 per USD (compared to N\$19.0305 per USD at the end of May 2023).

Therefore, after entering the above input factors into the fuel pricing model, the Ministry recorded an under-recovery on petrol and over-recoveries on both the diesel products, that is an under-recovery of 46 cents per litre on petrol and over-recoveries of 4 cents per litre on diesel 50ppm and that of 1 cent per litre on diesel 10ppm, respectively.

Considering the above, the Ministry is hereby announcing that **petrol prices and the prices of both diesel 50ppm and diesel 10ppm will remain unchanged over the course of July 2023**. The price of petrol in Walvis Bay will remain **N\$ 19.78** per liter while the price of diesel 50 ppm will remain **N\$19.05** per liter, and that of diesel 10 ppm will remain **N\$19.25** per liter. Fuel prices across the rest of the country will also remain unchanged.

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