



STC PRESS RELEASE

The Petroleum Pricing Committee (PPC) met on Tuesday 15 May 2018 and after verification of the computation of the retail prices of Mogas and Gas Oil, as provided for under Regulation 8 of the Consumer Protection (Control of Price of Petroleum Products) Regulations 2011 (as amended), approved that the retail prices be increased as follows as per Regulation 5(3):

Product	Retail Price Rs / Litre
Mogas	52.00
Gas Oil	41.90

The retail prices of Mogas and Gas Oil effective as from 21 December 2017 were Rs47.30 and Rs38.10 per litre respectively. The Reference prices used at that time were US\$ 600.39 per M.Ton for Mogas and US\$72.22 per barrel for Gas Oil. Since then, there has been an upward trend in the FOB prices on the world market as shown in the graphs below, which have added upward pressure resulting in a 3½ year high in world prices of petroleum products.

The Price Stabilisation Account (PSA) which was negative by Rs 333 million as stated in the press release of 20 December 2017 still shows a deficit of Rs 230.4 million on 15 May 2018 despite the increase in retail prices on 21 December 2017. On the other hand, the appreciation of US Dollar against MUR has also an impact on the retail prices.

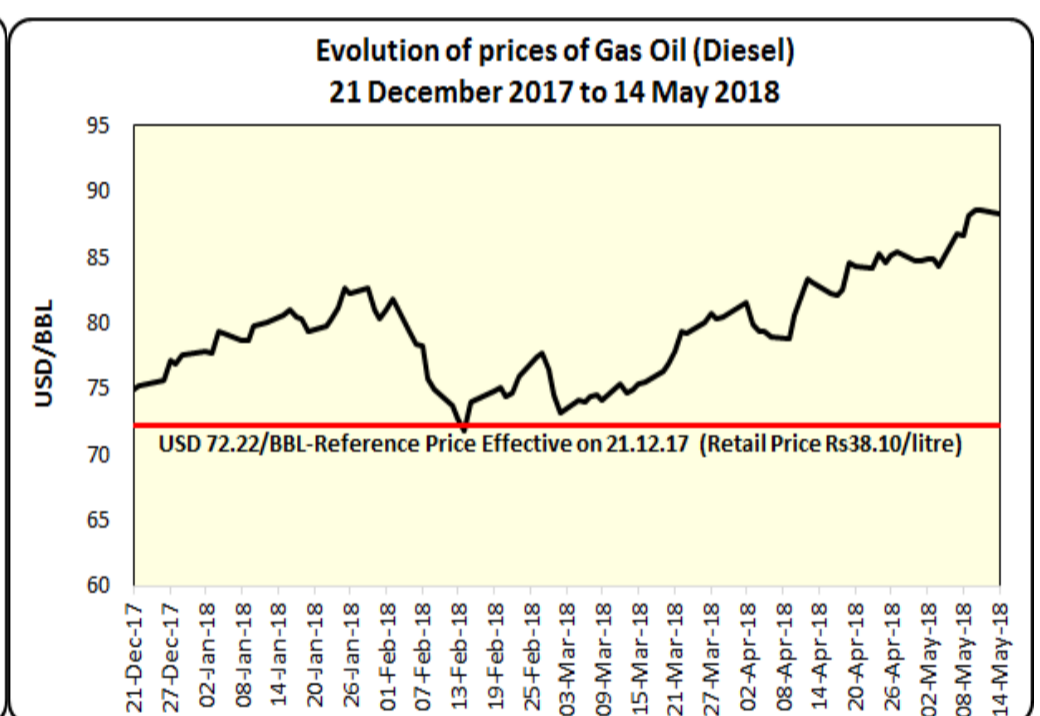
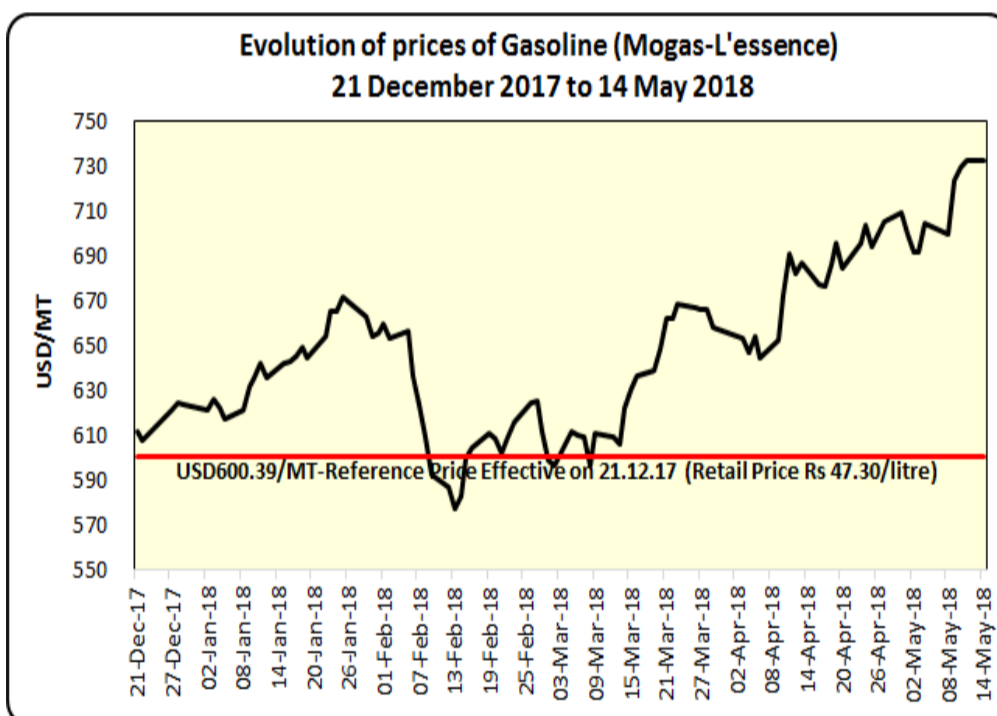
The Reference prices used for the present exercise, that is the actual prices for February to April 2018 and the future prices for May to July 2018 are US\$693.94 per M.Ton for Mogas representing an increase of US\$93.55 per M.Ton (15.58%) and US\$83.94 per barrel for Gas Oil representing an increase of US\$11.72 per barrel(16.23%) compared to December 2017.

The retail price of Mogas has been increased by Rs 4.70 per litre (9.94%) and that of Gas Oil, by Rs 3.80 per litre (9.97%) in accordance with the Regulations. The new retail prices are effective as from **00.00 hr on Wednesday 16 May 2018**.

The evolution of the FOB prices of Mogas and Gas Oil since 21 December 2017 are shown below:

Graph 1 – Mogas

Graph 2 – Gas Oil



Based on the new Reference Prices, the retail prices of Mogas and Gas Oil are Rs 52.00 per litre and Rs 41.90 per litre respectively as shown below:

	Mogas	Gas Oil
Reference Price - US\$ per metric ton	693.9400	-
Reference Price - US\$ per barrel	-	83.9400
CIF - US\$/litre	0.5543	0.5501
Exchange rate – Rs/US\$	35.1500	35.1500
Rupees per litre		
CIF	19.4836	19.3360
Excise duty	14.8000	7.3000
Maurice Ile Durable levy	0.3000	0.3000
Contribution to Road Development Authority	1.8500	1.7500
Contribution to Rodrigues transportation and storage	0.4100	0.4100
Contribution to the construction of storage facilities for petroleum products	0.1000	0.1000
Contribution to subsidy on LPG, Flour and Rice	2.7000	2.7000
STC's operational expenses	0.3500	0.4000
Fund to Price Stabilisation Account	1.4598	0.5808
TRANSFER PRICE TO OIL COMPANIES	41.4534	32.8768
Oil Companies' operational expenses and wholesale margin	1.9300	1.7600
VAT (15%)	6.7826	5.4652
WHOLESALE PRICE	50.1660	40.1020
Retail margin	1.8340	1.7980
RETAIL PRICE (Price at Petrol Service Station)	52.0000	41.9000

15 May 2018