



...ZERA announces new prices for blend and diesel, effective 05 March 2021...

FUEL PRICE REVIEW UPDATE

MARCH 2021

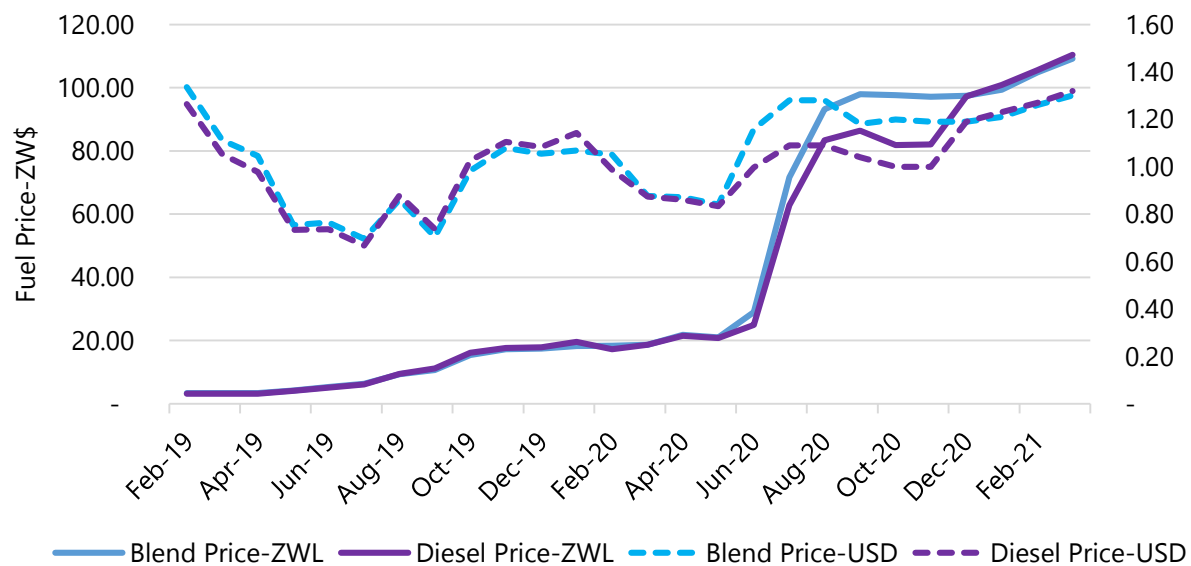


ZIMBABWE | FUEL PRICE REVIEW- MARCH 2021



- The Zimbabwe Energy Regulatory Authority “ZERA” announced an upward review of fuel prices -for the 4th successive months- in line with changes in international oil prices, effective 05 March 2021. The maximum pump price for blend increased by 4.15% (ZWL\$4.35) and 3.17% (US\$0.04) in local currency and U.S dollar terms to ZWL\$109.17/litre and US\$1.30/litre, respectively. Similarly, diesel price went up by 4.57% (ZWL\$4.83) and 3.94% (US\$0.05) to ZWL\$110.41/litre and US\$1.32/litre in ZWL\$ and US\$, respectively – **Graph 1**.
- On a year-on-year “y/y” basis, blend price rose by 484% and 48%, whilst the price of diesel increased by 492% and 51% in local currency and U.S dollar terms, respectively. This trend, to a large extent, reflected the international oil price recovery and the ZWL\$/USD exchange rate movements. In fact, global oil prices increased by 30.9% from US\$50.52/b at the end of February 2020 to US\$66.13b at the end of February 2021, while the ZWL\$/USD exchange rate declined by 78.6% over the same period.
- Meanwhile, **Table 1** below depicts comparable fuel prices for Zimbabwe’s neighbours and/ trading partners. The country’s fuel prices remain relatively higher than its peers and significantly above the world average.
- Going forward, movements in global oil prices and domestic exchange rate dynamics will continue to have a greater bearing on the direction of fuel prices.

Graph 1: Blend and Diesel Prices Trend



Sources: ZERA

Country	Blend Price-US\$/Ltr	Diesel Price-US\$/Ltr
Angola	0.25	0.21
Botswana	0.73	0.73
DRC	1.01	1.00
Kenya	1.07	0.95
Malawi	1.07	1.06
Mauritius	1.11	0.88
Mozambique	0.84	0.77
Namibia	0.80	0.80
South Africa	1.06	1.07
Tanzania	0.85	0.82
Zambia	0.97	0.86
Zimbabwe	1.30	1.32
Global Average	1.09	0.99

Sources: GlobalPetrolPrices.com

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