



PRESS RELEASE

New Petroleum Prices for March 2023

The Ministry of Trade and Economic Development wishes to advise that the Tonga Competent Authority (TCA) has approved the new petroleum prices for March - April to be effective from **Monday, 20th March 2023.**

The petroleum product prices for March - April 2023 will decrease significantly except for Petrol. The mid-March 2023 price change is based on the February average of published daily Mean of Platts Singapore (MOPS) benchmark prices for product prices and freight cost, along with the month's exchange rate.

On a month average basis product prices were mixed. Regional petrol prices were stronger on the back of tighter supply in the region, increasing refining margins, and uncertainty whether Chinese refiners will move to increase exports. Regional diesel prices continued to adjust downwards, as the ability to move product out of the region to other markets declined, increasing supply regionally. Jet/Kerosene prices followed diesel and continued to adjust downwards, despite Northern hemisphere winter heating demand. The ability to move product out of the region has reduced, adding to supply in the region. Plentiful supply is putting downward pressure on prices.

Maritime freight rates have increased up by 17%) offsetting some the reduction last month. The Tongan Pa'anga has weakened against the US dollar and combined with a large increase in freight cost has offset some of the change in product prices.

Therefore, the resulting wholesale petrol will increase by 4.15 seniti/litre, while kerosene and diesel prices will drop by 11.33 seniti/litre and 11.25 seniti/litre respectively. As a result, Tongatapu retail prices for Petrol will increase to \$3.52 per litre from the current price of \$3.48 per litre, Kerosene will decrease from \$2.90 to \$2.79 per litre and diesel from \$3.75 to \$3.63 per litre.

For full details on prices including outer islands, please contact 'Ilaisaane Mila, Pricing Unit at (676) 7400118 or 7400604, via email ilaisaanem@mted.gov.to or visit our website: www.mted.gov.to or our facebook page: Consumer Affairs Tonga.

Ministry of Trade and Economic Development
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