

Press Statement

Petroleum Pump Prices Revised

Sunday, 31st July 2022

For Immediate Release

The Energy Regulation Board (ERB) has adjusted downwards the pump prices of petroleum products by K3.56/litre for Petrol, K3.14/litre for Diesel and K2.84/litre for Kerosene.

This review of prices is based on the M-1 or (current month minus 1) principle where the ERB considered the movements in the price of oil on the international market as well as the exchange rate between the Kwacha and the United States Dollar during the month of July (2022).

At the last review which yielded the July 2022 fuel prices, the average price of finished products on the international market was US\$157.49/bbl compared to US\$134.98/bbl for the current price review. The movements represent an average decline of US\$22.51/bbl or 14.29% in prices.

The exchange rate used for this price review was the average for the month of July 2022. Similar to the downward trend in international petroleum prices, during the review period, the Kwacha traded favourably against the United States Dollar, appreciating by over 3%, from an average of K17.02/US\$ to K16.45/US\$.

The decline in international oil prices is mainly attributed to increased fears of an anticipated global recession, which has triggered interest rate hikes in major economies; the Covid-19 lockdown measures in China that have slowed global demand; and the continued geopolitical tension in Russia/Ukraine conflict where countries that have continued to be supplied oil by Russia have eased down on panic buying.

On the other hand, the favourable performance of the Kwacha is attributed to the continued intervention by the Central Bank to supply forex in the market and the positive market sentiments regarding national debt relief and restructuring.

On account of the foregoing, the following are the determined changes in the national uniform pump prices for August 2022:

Table 1: Retail Pump Prices for August 2022

PRODUCT	NATIONAL UNIFORM PUMP PRICES K/Litre			% CHANGE
	CURRENT	NEW	ABSOLUTE VARIANCE	
PETROL	26.75	23.19	(3.56)	(13.31)
LOW SULPHUR DIESEL	28.01	24.87	(3.14)	(11.21)
KEROSENE	21.27	18.43	(2.84)	(13.35)

These price changes take effect midnight of Sunday, 31st July 2022.

By Order of the Board



Reynolds C. Bowa

Board Chairperson