

Fuel Prices

November 2014

Release date: 25 November 2014

<i>\$T</i>	Nov 14	Oct 14	Sep 14	Aug 14
Petrol	2.66	2.78	2.74	2.86
Diesel	2.68	2.81	2.83	2.83
Kerosene	2.14	2.26	2.28	2.28

All domestic fuel prices fell

The retail price for all fuel products fell in November. Declines in fuel products reflected October's 8.2% decrease in world oil prices, due mainly to continued increases in supply. According to the Ministry of Commerce, Tourism & Labour, a decline in freight rate also contributed to the overall price drop. However the Tongan Pa'anga depreciated slightly against U.S Dollar, offsetting some of the decreases in international prices for local consumers.

In year ended terms, all retail fuel prices fell also. This was mainly driven by a continued fall in the world oil price, reflecting increases in world oil supply. The changes in fuel prices equates roughly to a 0.3 percentage point subtraction from inflation over the year.

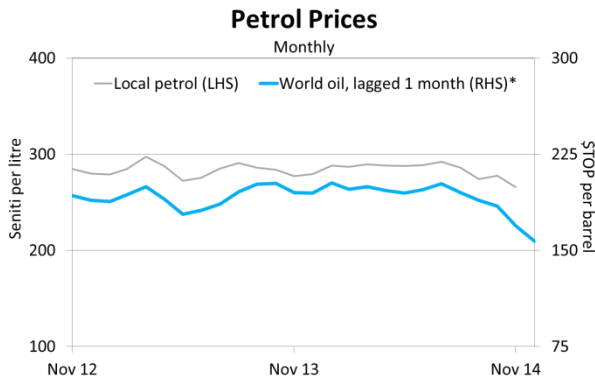
NRBT anticipates all local fuel price categories to continued falling by mid-December. This reflects November's 7.3% decline in world oil prices, driven by growing U.S production and reduced demand towards oil.

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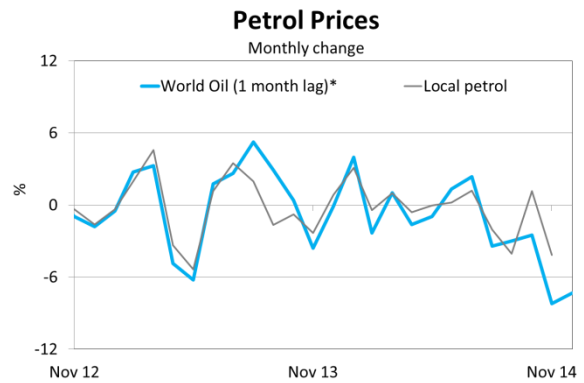
	As at mid-month (\$T/litre)				Year-ended growth (%)	
	Nov 14	Oct 14	Sep 14	Nov 13	Nov 14	Nov 13
Petrol	2.66	2.78	2.74	2.77	-4.03	-2.63
Diesel	2.68	2.81	2.83	2.92	-8.09	-0.92
Kerosene	2.14	2.26	2.28	2.30	-6.99	-2.11
World oil price*	163.75	180.72	186.77	196.60	-16.71	4.75

* Converted to TOP, per barrel

Sources: Bank of England; Bloomberg; Ministry of Commerce, Tourism and Labour



* Average price, month-ended
Sources: Bank of England; Bloomberg; Ministry of Commerce, Tourism and Labour



* Average monthly price
Sources: Bank of England; Bloomberg; Ministry of Commerce, Tourism and Labour