



**PRESS STATEMENT BY MRS F. MWANGALA ZALOUMIS, CHAIRPERSON,  
ENERGY REGULATION BOARD, ON THE ADJUSTMENT OF WHOLESAL  
PRICES OF PETROLEUM PRODUCTS**

**9<sup>TH</sup> MARCH 2006**

**1.0 INTRODUCTION**

AS THE PUBLIC IS FULLY AWARE, WHOLESAL PRICES OF PETROLEUM PRODUCTS ARE REVIEWED EACH MONTH.

THE PRICES WE ARE ANNOUNCING TODAY ARE BASED ON MOVEMENTS IN BOTH INTERNATIONAL OIL PRICES AND THE EXCHANGE RATE OF THE KWACHA TO THE US DOLLAR IN FEBRUARY 2006.

**2.0 INTERNATIONAL OIL PRICE TRENDS IN FEBRUARY 2006**

DURING THE MONTH OF FEBRUARY 2006, INTERNATIONAL OIL PRICES REDUCED TO VARYING DEGREES AS FOLLOWS:

- ✓ **PETROL REDUCED BY 6.11% FROM 67.26 US\$ DOLLARS PER BARREL TO 63.15US\$ DOLLARS PER BARREL;**
- ✓ **DIESEL REDUCED BY 3.16% FROM 68.27 US\$ DOLLARS PER BARREL TO 66.11 US\$ DOLLARS PER BARREL;**
- ✓ **KEROSENE REDUCED MARGINALLY BY 0.40% FROM 73.43 US\$ DOLLARS PER BARREL TO 73.14 US\$ DOLLARS PER BARREL.**

**3.0 EXCHANGE RATE**

THE AVERAGE RATE OF THE KWACHA TO THE US DOLLAR APPRECIATED BY 2.47% FROM K3, 395/US\$ TO K3, 311/US\$ DURING THE MONTH OF FEBRUARY 2006.

#### 4.0 IMPACT ON DOMESTIC PRICES

THE COMBINED EFFECT OF CHANGES IN INTERNATIONAL OIL PRICES, AND MOVEMENTS IN THE EXCHANGE RATE ON THE WHOLESALE PRICES IS AS FOLLOWS:

- **PETROL:** THERE WILL BE **NO CHANGE** IN THE WHOLESALE PRICE OF PETROL. THE WHOLESALE PRICE WILL REMAIN AT K1, 943 PER LITRE.
- **DIESEL:** THERE WILL BE A **DECREASE** OF 9.38% IN THE WHOLESALE PRICE OF DIESEL FROM K2, 271 PER LITRE TO K2, 058 PER LITRE.
- **KEROSENE:** THERE WILL BE **AN INCREASE** OF 4.54% IN THE WHOLESALE PRICE FROM K2, 134 PER LITRE TO K2, 231 PER LITRE.
- **JET FUEL:** THERE WILL BE **AN INCREASE** OF 4.38% IN THE WHOLESALE PRICE FROM K1, 982 PER LITRE TO K2, 069 PER LITRE.

**THESE PRICES WILL COME INTO EFFECT FROM MIDNIGHT OF 9 MARCH 2006.**

#### 5.0 EXPECTED PUMP PRICES

FOLLOWING THE POSITION IN WHOLESALE PRICES SHOWN ABOVE THE INDICATIVE LUSAKA AVERAGE PUMP PRICES WILL CHANGE AS FOLLOWS:

- THE PUMP PRICE OF **PETROL** WILL **NOT CHANGE** AND WILL REMAIN AT K4,761 PER LITRE;
- THE PUMP PRICE OF **DIESEL** WILL **REDUCE** FROM K4,433 PER LITRE TO K4,205 PER LITRE;WHILST
- THE PUMP PRICE OF **KEROSENE** WILL **INCREASE** TO K3, 410 PER LITRE FROM K3,316 PER LITRE.

**THANK YOU**