

All letters to be addressed to:
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PRESS RELEASE LPG Prices for June 2024

The Ministry of Trade and Economic Development wishes to advise that the Tonga Competent Authority (TCA) has approved the new LPG prices for June 2024 to be effective from **Tuesday, 18th June 2024**.

The second quarter of 2024 saw LPG prices continuing to fall which was largely attributed to plentiful supply from the Middle East particularly exports of LPG from Iran to China, LPG demand slows in the spring due to warmer weather in the Northern Hemisphere, US LPG production continued to recover after the winter storm in January, Exports through the Panama Canal have been moving relatively freely, supporting LPG imports into the Asia Pacific region at a competitive freight rate and Petrochemical consumption has bounced back in the first half of this year which is supporting LPG demand, to name a few.

LPG prices follow crude oil as it is a byproduct of crude oil. In the second quarter crude oil prices dropped, which is one of the contributing factors driving the LPG prices down. Crude oil prices dropped to a near two-month low in this review period due to easing tensions in the Middle East, a weaker economic outlook, and higher inventories in the US, EU, and Japan. Additional factors impacting the LPG market included a small reduction in the monthly freight rate due to reducing bunker prices. However, when compared to a quarter-by-quarter basis, LPG freight cost is higher in the second quarter, which has more partially offset a reduction in international prices. The Tongan Pa'anga has been steady

As a result, Tongatapu LPG prices are steady, but Vava'u prices will reduce by TOP 0.10 /kg due to receiving a large cargo in May when prices were lower compared to the previous month. All price changes include consumption tax.

The table below shows the new LPG prices for Tongatapu, Vava'u, Pangai (Ha'apai), 'Ohonua ('Eua) and Niuatoputapu. All prices include consumption tax.

		Tongatapu	Vava'u	Ha'apai	'Eua ('Ohonua)	Niuatoputapu (Hihifo)
LPG Retail Price	TOP/kg	\$4.65	\$4.65	\$5.85	\$5.70	\$7.00
	TOP/13 kg	\$60.45	\$60.45	\$76.05	\$74.10	\$91.00

For any further details and enquiries, please do not hesitate to contact: Ms Ilaisaane Mila, Price Control Unit, Consumer Protection and Fair-Trade Division at telephone 7400129/7400105 ext 131 or email ilaisaanem@mted.gov.to

Ministry of Trade and Economic Development
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