

30 March 1988

## 10pc petrol price rise tipped for territory

By VIOLA LEE

PETROL prices are likely to go up by more than 10 per cent in Hongkong over the next few weeks if world crude oil prices continue to rise and demand remains buoyant, local oil companies said yesterday.

Caltex's director of corporate and international services, Mr Archie Chan Tai-wing, said he expected prices for domestic and industrial oil products to rise in about six weeks.

A spokesman for the Mobil petrol company said the prices in Hongkong would depend on the oil price charged at the refineries in Singapore, where the local companies get their supplies.

Crude oil prices have been firming up to an 18-month high after major oil producers, including members of the Organisation of Petroleum Exporting Countries (OPEC), cut supplies to stimulate the market.

The disastrous oil spill in Alaska had also helped to push oil prices further to more than US\$19 (HK\$148) a barrel for the first time since October 1987, making it more than US\$3 (HK\$23) higher than the price at the beginning of the year.

But Mr Chan said he did not expect the increase in the cost of crude oil to have an immediate effect on local prices because the refineries in Singapore usually had a stock of at least 40 days.

Oil prices were last revised in February.