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Pakistan Cuts Petrol Price, Raises Diesel for August

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— Categories: Economics



On July 31, 2025, the Ministry of Finance (MoF) in Pakistan announced new fuel prices for the first half of August, reducing petrol by Rs7.54 per litre to Rs256.61 and increasing high-speed diesel (HSD) by Rs1.48 per litre to Rs263.95. The decision, effective from August 1, reflects adjustments in global oil prices, as detailed in an official notification reported by The Express Tribune.

The price cut for petrol, driven by a drop in international crude oil prices from \$75.27 to \$73.19 per barrel, offers relief to consumers grappling with inflation. The ex-refinery price of petrol fell from Rs168.73 to Rs159.66 per litre, with customs duties reduced from Rs15.33 to Rs14.29 per litre, according to sources cited by The Express Tribune. Conversely, the slight diesel hike aligns with a Rs3.73 reduction in its ex-refinery price,

offset by a re-imposed Rs2.50 per litre petroleum levy, as noted in a post on X by @Profitpk. The Oil and Gas Regulatory Authority (OGRA) oversees these bi-monthly revisions, announced on the 15th and last day of each month.

Prime Minister Shehbaz Sharif approved the changes, aiming to ease transport costs for citizens, per Samaa.tv. The petrol reduction is expected to lower expenses for private vehicle owners, while the diesel increase may impact commercial transport and logistics, potentially affecting goods prices. Public sentiment on X, including posts by @developingpak, welcomed the petrol cut but expressed concern over diesel's rise. The government's decision to adjust the petroleum levy could limit further relief, as warned by industry sources in The Express Tribune.

This move follows a volatile period for fuel prices, with a peak petrol rate of Rs331.38 per litre in September 2023, per PakWheels.com. Pakistan's reliance on imported oil makes it sensitive to global market fluctuations, a challenge compounded by past tax adjustments under previous regimes, as noted in historical data from PakWheels. The latest pricing aims to balance economic pressures while maintaining fiscal stability, reinforcing the government's focus on consumer relief amidst ongoing economic challenges.