

LPG Monitor as of 01 August 2026

International LPG Market Development¹

The LPG Contract Price for August 2026 increased to US\$634.00 per metric ton, up by US\$40 from US\$594.00 per metric ton in July 2026. Compared with US\$499.00 per metric ton in August 2025, the price is US\$135 higher, around 27% year-on-year increase.

S&P Global Commodity Insights noted that the August LPG Contract Price was mainly influenced by renewed geopolitical tensions in the Middle East, higher shipping costs, and firm Asian propane demand. Key drivers include the following:

- CFR North Asia propane increased from \$590.50/mt at the start of the month to a seven-week high of \$803/mt on July 23, while butane reached \$808/mt, before easing toward month-end.
- Shipping costs remained elevated as security concerns surrounding key Middle East shipping routes pushed up VLGC freight rates and war-risk insurance premiums, adding pressure to delivered LPG prices in Asia.
- Chinese propane demand remained firm, supported by higher propane dehydrogenation (PDH) plant utilization and active buying, while buyers increasingly sourced propane from the US and Canada amid constrained Middle East supply.
- Demand elsewhere in Asia remained mixed, with steam crackers in South Korea and Japan holding off on LPG purchases amid weak margins, while India increased domestic LPG production to offset lower imports.

Asian LPG prices are expected to remain sensitive to developments in the Middle East, with market direction largely dependent on the stability of regional supply flows and key shipping routes in the coming weeks.

Domestic Prices

At the start of the month, most oil companies implemented LPG price increases ranging from ₱2.50 to ₱3.00 per kilogram, equivalent to approximately ₱27.50 to ₱33.00 per 11-kg cylinder. The upward price movement was primarily driven by supply uncertainties in the Middle East and concerns over the stability of key shipping routes.

Retail prices of an 11-kg LPG cylinder were estimated to range from P987.50 to P1,498.00.

Price Monitoring in Metro Manila

Year 2026	LPG Price (per 11 kg cylinder)		Adjustment/Kg. Increase/(Decrease)	
January	820.00	- 1,120.00	2.15	- 2.18
February	825.00	- 1,135.00	1.50	- 1.55
March	954.00	- 1,227.50	0.00	- -0.58
April	1,057.00	- 1,688.35	17.00	- 36.63
May	1,200.00	- 1,655.00	0.70	- 1.22
June	1,150.00	- 1,600.00	0.00	- 0.00
July	960.00	- 1,465.00	-14.44	- -10.00
August*	987.50	- 1,498.00	2.50	- 3.00
Net Inc/Dec			11.91	- 34.00

Source: DOE-OIMB

*Estimate

¹ S&P Global Energy



For more information, call the
Department of Energy:
Pricing: 840-2187
LPG: 840-2130
Fuels: 840-5669

