

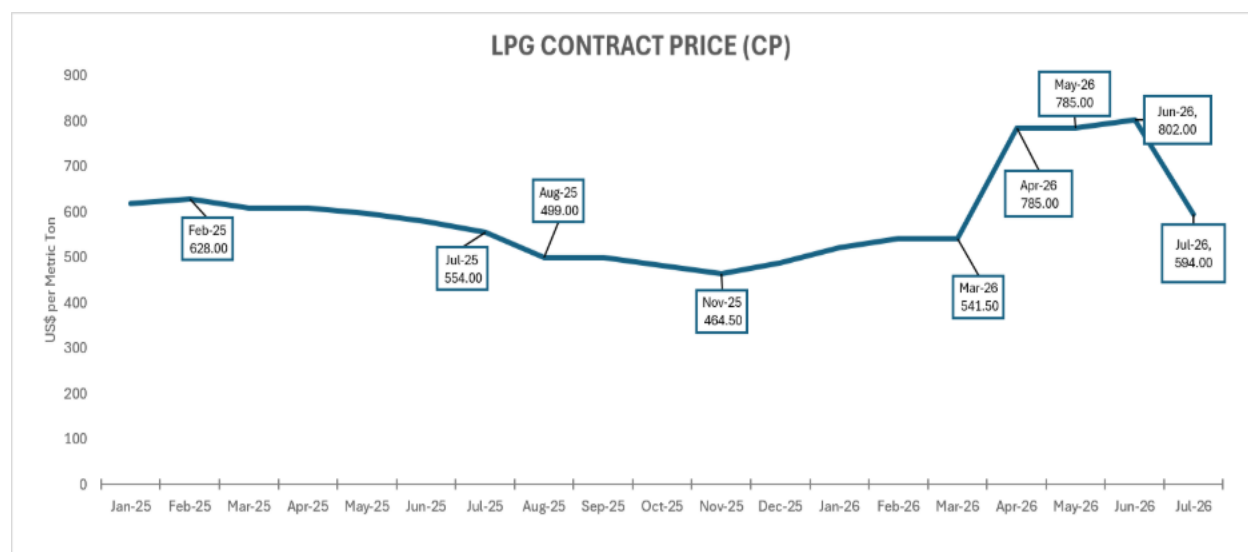
LPG Monitor as of 01 July 2026

LPG Contract Price (CP)

LPG Contract Price (CP), commonly called the “Saudi CP” is the primary driver of LPG pricing in the Far East including the Philippines. It is the international price benchmark set at the beginning of each month by Saudi Arabia’s state-owned oil company Saudi Aramco.

Saudi Aramco's CPs, which set the price of propane and butane lifted from the Saudi Arabian ports of Yanbu, Ras Tanura and Ju'aymah under term supply contracts, are closely watched by the market as they tend to set a base level for LPG pricing for most markets of Suez.

The DOE refers to the LPG/Saudi CP and monthly average forex in estimating the price adjustments of LPG in the domestic market. Following the timing of the monthly changes in CP, domestic price of LPG also adjusts every first day of the month and remain constant until the succeeding month.



Like all other oil products, the Philippines has no influence over the LPG CP as the country's domestic requirement is insignificant versus the world demand.

The LPG Contract Price for July 2026 is US\$594.00 per metric ton, while June 2026 was at Php802.00 per metric ton. Compared with US\$554.00 per metric ton in July 2025, the price is US\$40 lower, around 7% year-on-year increase.

International LPG Market Development¹

S&P Global Commodity Insights noted that the July LPG Contract Price was shaped by a combination of steady Middle East contract levels, weaker crude oil prices, and soft demand across key Asian markets amid ongoing geopolitical uncertainty. Key drivers include the following:

¹ S&P Global Commodity Insights (SPGCI)



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- Saudi Aramco announced June 30 its July contract prices for propane at \$580/mt and butane at \$600/mt, which compares with Saudi Aramco's June CPs set at \$760/mt for propane and \$820/mt for butane.
- Regional demand remained soft, reflecting high inventory in Southeast Asia and seasonal weakness in China's butane market. The Southeast Asian LPG market continued to witness weak demand, with elevated inventory levels dampening buying interest. Butane demand in China was at its seasonal low.
- The FOB Arab Gulf cargo differential for propane and butane slipped into negative territory for the first time in four months July 1 as spot demand waned following the resumption of cargoes flowing out of the Persian Gulf.
- Platts assessed the Persian Gulf-Japan VLGC freight rate at \$250/mt on July 1, up from \$211/mt a day earlier. Shipping sources remained concerned over the security situation at the Strait of Hormuz despite the resumption of trade.

Steam crackers in South Korea and Japan are likely to hold off on LPG purchases, while they consider lowering operating rates due to weak margins, according to an Asia-based industry source.

Domestic Prices

As of the start of July 2026, LPG prices decreased by P10.00 to P14.44 per kilogram, or approximately P110.00 to P158.84 per 11-kg cylinder, following price adjustments by most oil companies. The downward price movement was primarily driven by lower import costs. As a result, retail prices of an 11-kg LPG cylinder were estimated to range from P1,040.00 to P1,441.16.

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*	1,040.00	-	1,441.16	-14.44	-	-10.00
Net Inc/Dec				6.91	-	31.00

Source: DOE-OIMB

*Estimate

The price of auto LPG likewise decreased by P8.08/liter. The estimated price of Auto LPG is at P43.73 per liter for the month.

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