

**Petrol, Diesel Up 10 Sen/Litre**  
**Bernama**  
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KUALA LUMPUR, May 31 (Bernama) -- The retail price of RON95 and RON97 petrol and diesel will be increased by 10 sen per litre with effect from midnight tonight, Domestic Trade, Cooperatives and Consumerism Minister Datuk Seri Hasan Malek announced Sunday.

The new price of RON95 is RM2.05/litre, RON97 (RM2.35.litre) and diesel (RM2.05/litre).

"The price will take effect from 12.01 am on June 1," he said when contacted by Bernama.

Since last December, the prices of fuels are decided using the controlled flotation method whereby subsidies for RON95 and diesel were discontinued following a drop in global oil prices.

Since the mechanism was implemented, the prices of the two fuels are change one month to the next based on the average world crude oil price for the preceding month.

The controlled flotation method was adopted by the government because the price of crude oil had dropped to a level where subsidy was not needed, and the removal of the bulk of the subsidy would enable the nation to avoid losing billions of ringgit from smuggling and the purchase of fuel by foreign nationals who are not qualified to receive the subsidy which is borne by taxpayers.

The mechanism of controlled flotation is also expected to bring about big savings to the government, which would be re-channelled to the people of Malaysia.

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