



Brazil: Petrobras considers slashing fuel prices in 2016

Brazil's state-controlled oil company Petroleo Brasileiro SA could lower gasoline and diesel prices before the end of the year. The company has not dropped fuel prices since September 2015.

In order to compete against international fuel retailers, Petrobras officials are considering lowering its wholesale prices, reported Reuters.

Chief Executive Officer Pedro Parente said in a statement that the company no longer need the Brazilian government's approval for a price adjustment, while under impeached President Dilma Rousseff it was necessary.

"The main difference is that if we want to alter the price today, we change it," Parente said. "We evaluate market conditions. We don't have to ask anything of anyone."

Suffering from a massive corruption scandal and political turmoil, Petrobras has announced it will cut investments by 25% over the next five years. The company will focus on restructuring, and regaining stability and trust from the market before expanding its business, according to AFP.

"In the total five-year horizon this plan encompasses, we propose that the company will have been restructured, that it has unquestionable governance and ethical standards," said Parente.