

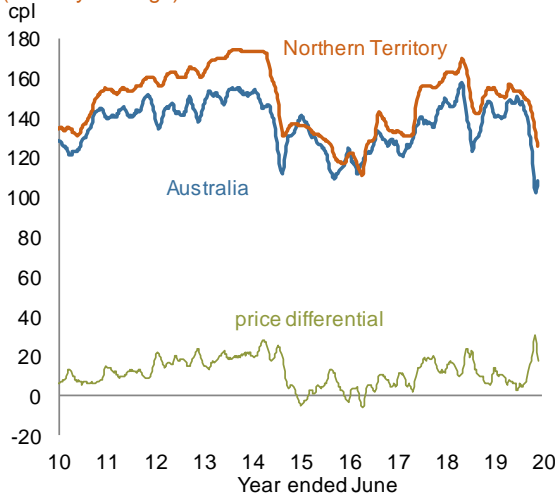
ECONOMIC BRIEF

Fuel prices

May 2020

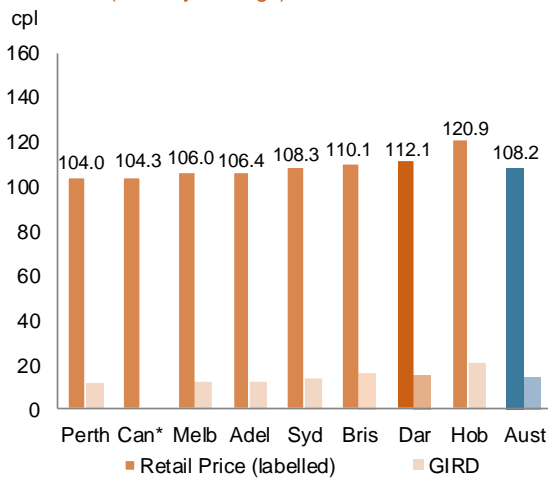
Released: 2 June 2020 | Next release: 6 July 2020

Chart 1: Retail unleaded petrol price (monthly average)



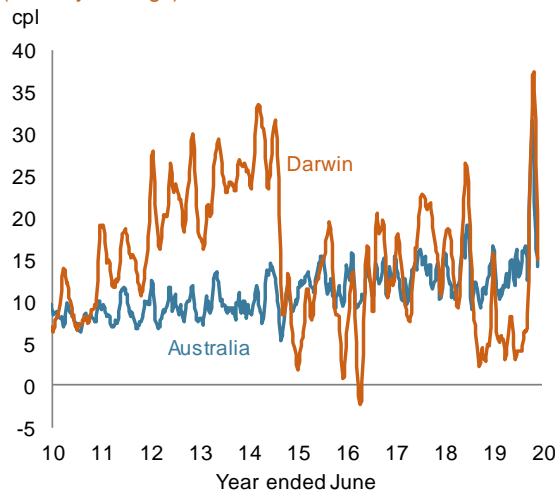
Source: Australian Institute of Petroleum, DTF

Chart 2: Retail ULP price and gross indicative retail difference (monthly average)



*No fuel import terminal in Canberra
Source: Australian Institute of Petroleum, DTF

Chart 3: ULP gross indicative retail difference (monthly average)



Source: Australian Institute of Petroleum, DTF

The following information was sourced from the Australian Institute of Petroleum (AIP) and the Australian Competition and Consumer Commission (ACCC).

The reported monthly average price for May 2020 is calculated as the average price in cents per litre (cpl) for the four weeks ending 31 May 2020 unless otherwise stated.

Gross indicative retail differences (GIRDs) are the average retail price less the published terminal gate prices (TGP) and are used as an indication of gross retail margins.

Unleaded (ULP)

	Average retail ULP price, cpl	Monthly change, cpl	Annual change, cpl
Darwin	112.1	↓9.7	↓31.7
Alice Springs	172.5	↓6.8	↓16.8
Katherine	134.7	↓14.0	↓31.7
Tennant Creek	172.8	↓3.3	↓21.0
Northern Territory average¹	126.2	↓9.2	↓28.6
Australia average¹	108.2	↑3.2	↓40.6

¹ weighted average

The average retail price of ULP in Darwin was 112.1 cpl, 9.7 cpl lower than the previous month, and 31.7 cpl lower in annual terms. This was the second highest monthly retail price of all the capital cities, ranging from 104.0 cpl in Perth to 120.9 cpl in Hobart (Chart 2). Nationally, the average retail price of ULP was 108.2 cpl, 3.2 cpl higher than the previous month, but 40.6 cpl lower compared to the same period last year.

The average TGP for ULP in Darwin increased by 10.4 cpl to 97.0 cpl in the month, however remains 41.8 cpl lower than the same period in the previous year. This was in-line with the national average TGP monthly change, up 10.8 cpl from the previous month to 93.9 cpl, but down 40.8 cpl compared to the previous year.

The monthly average GIRD for ULP in Darwin decreased by 20.1 cpl to 15.1 cpl in the month (Chart 3). This was the third highest GIRD of all the capital cities, which ranged from 11.7 cpl in Perth to 20.6 cpl in Hobart. The national average GIRD for ULP decreased by 7.6 cpl to 14.3 cpl in the month.

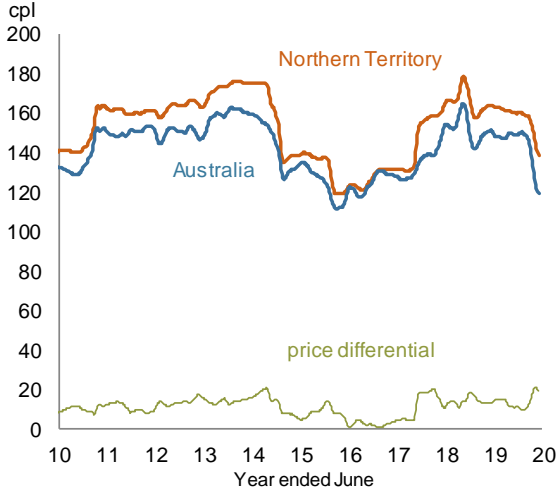
ACCC fuel price monitoring

The ACCC released its Report on the Australian Petroleum Market for the December quarter 2019 on 16 March 2020. The Report can be accessed [here](#).

The Report shows that the Darwin average ULP price was 143.8 cpl, 5.3 cpl lower than the five largest capital cities (Sydney, Melbourne, Brisbane, Adelaide and Perth) in the December quarter 2019.

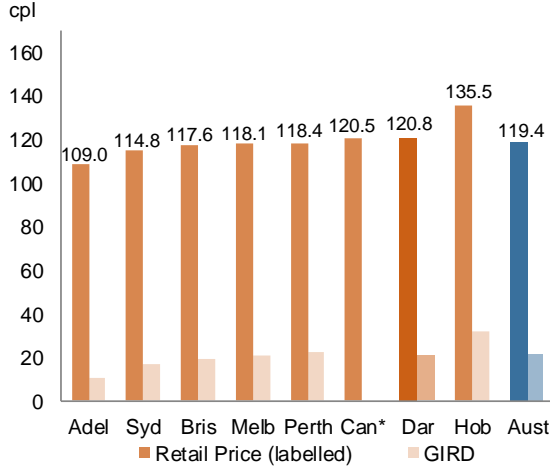
Fuel prices May 2020

Chart 4: Retail diesel price (monthly average)



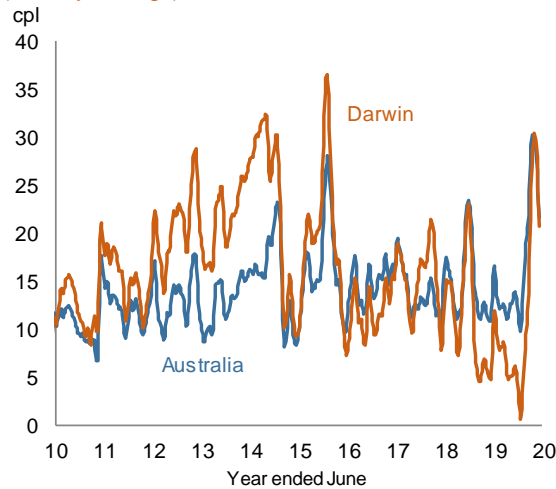
Source: Australian Institute of Petroleum, DTF

Chart 5: Diesel price and gross indicative retail difference (monthly average)



*No fuel import terminal in Canberra
Source: Australian Institute of Petroleum, DTF

Chart 6: Diesel gross indicative retail difference (monthly average)



Source: Australian Institute of Petroleum, DTF

Diesel

The monthly average retail price of diesel across the Territory was 138.8 cpl. This was 8.4 cpl lower compared to the previous month and 25.2 cpl lower than the same period in the previous year (Chart 4). The monthly average retail diesel price differential between the Territory and the national average was 19.4 cpl.

	Average retail diesel price, cpl	Monthly change, cpl	Annual change, cpl
Darwin	120.8	↓9.2	↓27.8
Regional average¹	166.5	↓7.2	↓21.2
Northern Territory average¹	138.8	↓8.4	↓25.2
Australia average¹	119.4	↓7.4	↓31.9

¹ weighted average

Darwin recorded the second highest retail price for diesel of all the capital cities, with a monthly average retail price of 120.8 cpl. This was a monthly decrease of 9.2 cpl and a decline of 27.8 cpl in annual terms. The monthly average retail price ranged from 109.0 cpl in Adelaide to 135.5 cpl in Hobart (Chart 5). Nationally, the average price of diesel decreased by 7.4 cpl in the month to 119.4 cpl and decreased by 31.9 cpl in annual terms.

The TGP for diesel in Darwin was 100.1 cpl, 0.5 cpl higher than last month, but 43.8 cpl lower than the previous year.

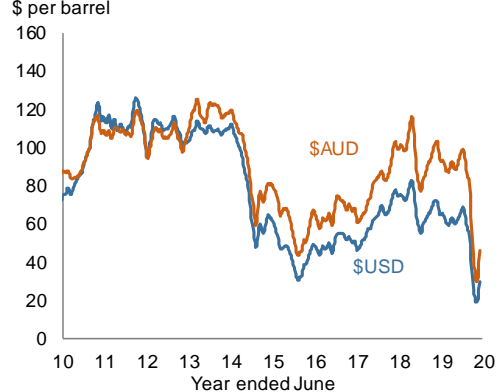
The average Darwin GIRD for diesel was 20.7 cpl, the third highest of all capital cities. This was a monthly decrease of 9.7 cpl, and was 0.9 cpl lower than the national average of 21.6 cpl (Chart 6).

Brent crude oil

The monthly average spot price of Brent crude oil in May 2020 was \$45.65 per barrel in Australian dollar terms (Chart 7). This was an increase of 56.2 per cent in the month, but down 55.5 per cent in annual terms.

	Average spot price (per barrel)	Monthly Change	Annual Change
Brent Crude \$US	29.76	↑61.2%	↓58.2%
Brent Crude \$AU	45.65	↑56.2%	↓55.5%

Chart 7: Brent crude oil prices (monthly average)



Source: Reserve Bank of Australia, U.S Energy Information Administration, DTF

Fuel prices May 2020

Table 1: Monthly average fuel prices

	Monthly average for the week ending (cpl)			Change (cpl)	
	02 Jun 19	03 May 20	31 May 20	Monthly ¹	Annual ²
Unleaded petrol					
Retail price					
Northern Territory	154.7	135.4	126.2	-9.2	-28.6
– Darwin	143.7	121.8	112.1	-9.7	-31.7
– Alice Springs	189.3	179.3	172.5	-6.8	-16.8
– Katherine	166.3	148.7	134.7	-14.0	-31.7
– Tennant Creek	193.8	176.1	172.8	-3.3	-21.0
Australia	148.8	105.0	108.2	3.2	-40.6
Terminal gate price³					
Darwin	138.8	86.5	97.0	10.4	-41.8
Australia	134.7	83.1	93.9	10.8	-40.8
Gross indicative retail difference (GIRD)⁴					
Darwin	4.9	35.2	15.1	-20.1	10.1
Australia	14.2	21.9	14.3	-7.6	0.2
Retail price differential from Australia					
Northern Territory	5.9	30.4	18.0	-12.4	12.1
– Darwin	-5.1	16.7	3.9	-12.9	9.0
Diesel					
Retail price					
Northern Territory	163.9	147.2	138.8	-8.4	-25.2
– Darwin	148.6	130.1	120.8	-9.2	-27.8
– Regional average*	187.6	173.6	166.5	-7.2	-21.2
Australia	151.2	126.8	119.4	-7.4	-31.9
Terminal gate price³					
Darwin	143.9	99.7	100.1	0.5	-43.8
Australia	140.4	96.9	97.8	0.9	-42.6
Gross indicative retail difference (GIRD)⁴					
Darwin	4.7	30.4	20.7	-9.7	16.0
Australia	10.9	29.9	21.6	-8.3	10.7
Retail price differential from Australia					
Northern Territory	12.7	20.4	19.4	-1.1	6.7
– Darwin	-2.6	3.3	1.4	-1.9	4.1

Table 2 - Monthly average crude oil prices

	Monthly average for the week ending (\$)			Change (%)	
	02 Jun 19	03 May 20	31 May 20	Monthly ¹	Annual ²
Brent spot price in \$US per barrel	71.19	18.46	29.76	61.2	-58.2
Brent spot price in \$AU per barrel	102.61	29.24	45.65	56.2	-55.5

1 Compares the average of the last four weeks with the average of the corresponding four weeks of the previous month.

2 Compares the average of the last four weeks with the average of the corresponding four weeks of the previous year.

3 Terminal gate prices (TGPs) are the published daily spot prices at which fuel can be purchased from the fuel import or refinery terminal and provide an indication of the actual wholesale price of fuel. The largest component of the TGP is the price of crude oil, followed by the Commonwealth Government's fuel excise and goods and services tax.

4 Gross indicative retail differences (GIRD) are equal to the monthly average retail price less the monthly average TGP and are used as a broad indication of gross retail fuel margins.

* AIP does not report on diesel prices for Alice Springs, Katherine and Tennant Creek.

Source: Department of Treasury and Finance, Australian Institute of Petroleum, Reserve Bank of Australia, U.S. Energy Information Administration

Caution is advised when using monthly data for the Territory, which is often derived from small samples and highly volatile. Although all due care has been exercised in the preparation of this material, no responsibility is accepted for any errors or omission.

More information:

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