

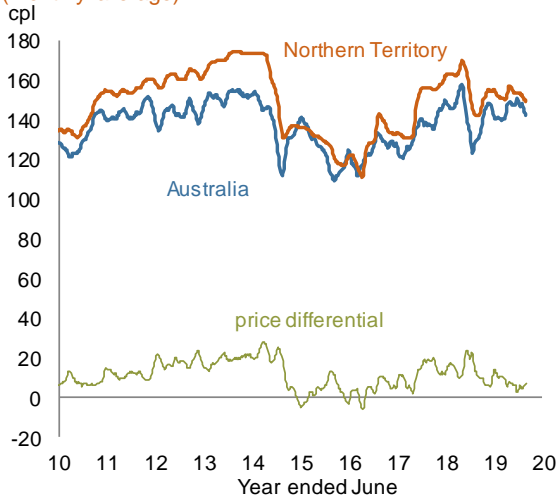
ECONOMIC BRIEF

Fuel prices

February 2020

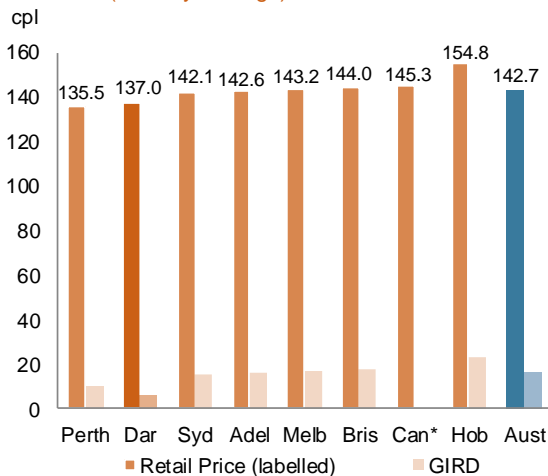
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Chart 1: Retail unleaded petrol price (monthly average)



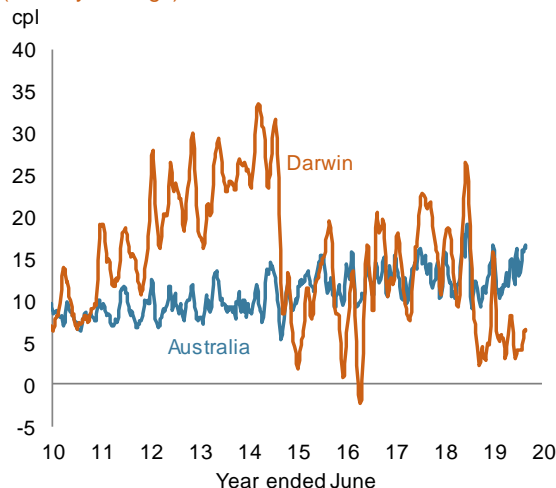
Source: Australian Institute of Petroleum, DTF

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 February 2020 is calculated as the average price in cents per litre (cpl) for the four weeks ending 1 March 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	137.0	↓3.5	↑8.9
Alice Springs	189.0	↓0.3	↑3.8
Katherine	163.8	flat	↑2.2
Tennant Creek	192.8	↓0.5	↑6.4
Northern Territory average¹	149.6	↓2.7	↑7.4
Australia average¹	142.7	↓5.1	↑11.5

¹ weighted average

The average retail price of ULP in Darwin was 137.0 cpl, 3.5 cpl lower than the previous month, and 8.9 cpl greater in annual terms. This was the second lowest monthly retail price of all the capital cities, ranging from 135.5 cpl in Perth to 154.8 cpl in Hobart (Chart 2). Nationally, the average retail price of ULP was 142.7 cpl, 5.1 cpl lower than the previous month, but up by 11.5 cpl compared to the same period last year.

The monthly average TGP for ULP in Darwin was 130.6 cpl, 5.2 cpl lower than the previous month and 7.0 cpl higher than the same period in the previous year. This was in-line with the national average TGP monthly change, down 5.4 cpl to 126.5 cpl from the previous month, and 6.7 cpl higher compared to the previous year.

The monthly average GIRD for ULP in Darwin increased by 1.7 cpl to 6.4 cpl in the month (Chart 3). This was the lowest GIRD of all the capital cities, which ranged from 9.7 cpl in Perth to 23.1 cpl in Hobart. The national average GIRD for ULP increased by 0.3 cpl to 16.3 cpl in the month.

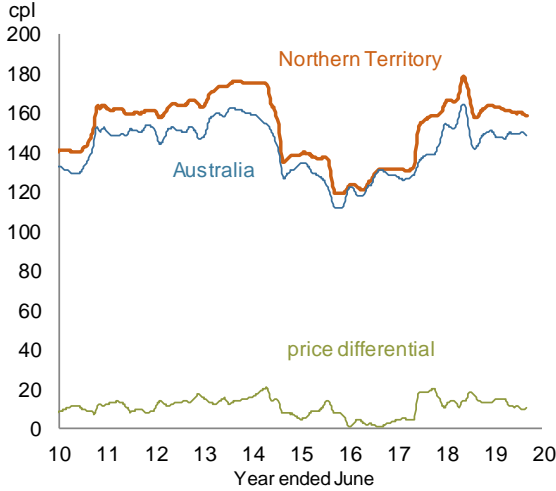
ACCC fuel price monitoring

The ACCC released its Report on the Australian Petroleum Market for the September quarter 2019 on 26 November 2019. The Report can be accessed [here](#).

The Report shows that the Darwin average ULP price was 139.1 cpl, 3.0 cpl lower than the five largest capital cities (Sydney, Melbourne, Brisbane, Adelaide and Perth) in the September quarter 2019.

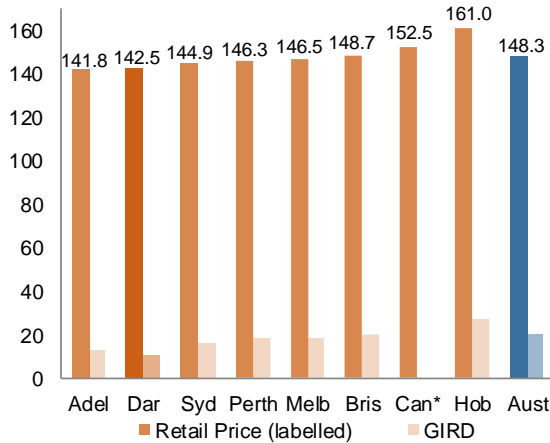
Fuel prices February 2020

Chart 4: Retail diesel price (monthly average)



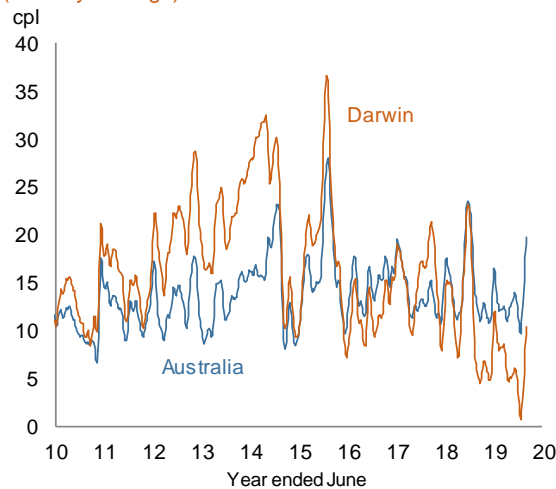
Source: Australian Institute of Petroleum, DTF

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 158.8 cpl. This was 1.1 cpl lower compared to the previous month and 0.5 cpl greater 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 10.5 cpl.

	Average retail diesel price, cpl	Monthly change, cpl	Annual change, cpl
Darwin	142.5	↓1.5	↑1.6
Regional average ¹	184.1	↓0.4	↓1.2
Northern Territory average ¹	158.8	↓1.1	↑0.5
Australia average ¹	148.3	↓2.0	↑4.0

¹ weighted average

Darwin recorded the second lowest retail price for diesel of all the capital cities, with a monthly average retail price of 142.5 cpl. This was a monthly decrease of 1.5 cpl and a rise of 1.6 cpl in annual terms. The monthly average retail price ranged from 141.8 cpl in Adelaide to 161.0 cpl in Hobart (Chart 5). Nationally, the average price of diesel decreased by 2.0 cpl in the month to 148.3 cpl and increased by 4.0 cpl in annual terms.

The TGP for diesel in Darwin was 132.0 cpl, 8.8 cpl lower than last month, and 3.7 cpl lower than the previous year.

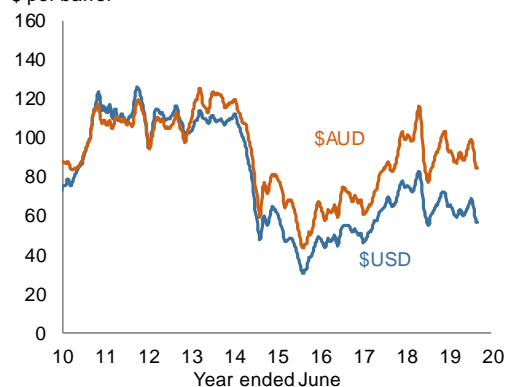
The average Darwin GIRD for diesel was 10.5 cpl, the lowest of all capital cities. This was a monthly increase of 7.3 cpl, and was 9.3 cpl lower than the national average of 19.8 cpl (Chart 6).

Brent crude oil

The monthly average spot price of Brent crude oil in February 2020 was \$84.15 per barrel in Australian dollar terms (Chart 7). This was a decrease of 8.7 per cent in the month and 6.2 per cent lower annually.

	Average spot price (per barrel)	Monthly Change	Annual Change
Brent Crude \$US	56.15	↓11.2%	↓12.3%
Brent Crude \$AU	84.15	↓8.7%	↓6.2%

Chart 7: Brent crude oil prices (monthly average)



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

Fuel prices February 2020

Table 1: Monthly average fuel prices

	Monthly average for the week ending (cpl)			Change (cpl)	
	03 Mar 19	02 Feb 20	01 Mar 20	Monthly ¹	Annual ²
Unleaded petrol					
Retail price					
Northern Territory	142.2	152.2	149.6	-2.7	7.4
– Darwin	128.1	140.5	137.0	-3.5	8.9
– Alice Springs	185.2	189.3	189.0	-0.3	3.8
– Katherine	161.6	163.8	163.8	0.0	2.2
– Tennant Creek	186.4	193.3	192.8	-0.5	6.4
Australia	131.2	147.9	142.7	-5.1	11.5
Terminal gate price³					
Darwin	123.6	135.8	130.6	-5.2	7.0
Australia	119.7	131.9	126.5	-5.4	6.7
Gross indicative retail difference (GIRD)⁴					
Darwin	4.5	4.7	6.4	1.7	1.9
Australia	11.5	16.0	16.3	0.3	4.8
Retail price differential from Australia					
Northern Territory	11.0	4.4	6.8	2.5	-4.1
– Darwin	-3.1	-7.4	-5.7	1.6	-2.7
Diesel					
Retail price					
Northern Territory	158.4	159.9	158.8	-1.1	0.5
– Darwin	140.9	144.0	142.5	-1.5	1.6
– Regional average*	185.3	184.5	184.1	-0.4	-1.2
Australia	144.3	150.3	148.3	-2.0	4.0
Terminal gate price³					
Darwin	135.7	140.8	132.0	-8.8	-3.7
Australia	132.3	137.6	128.5	-9.0	-3.7
Gross indicative retail difference (GIRD)⁴					
Darwin	5.2	3.2	10.5	7.3	5.2
Australia	12.0	12.7	19.8	7.1	7.7
Retail price differential from Australia					
Northern Territory	14.0	9.6	10.5	0.9	-3.5
– Darwin	-3.4	-6.3	-5.8	0.5	-2.4

Table 2 - Monthly average crude oil prices

	Monthly average for the week ending (\$)			Change (%)	
	03 Mar 19	02 Feb 20	01 Mar 20	Monthly ¹	Annual ²
Brent spot price in \$US per barrel	64.05	63.20	56.15	-11.2	-12.3
Brent spot price in \$AU per barrel	89.76	92.20	84.15	-8.7	-6.2

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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