

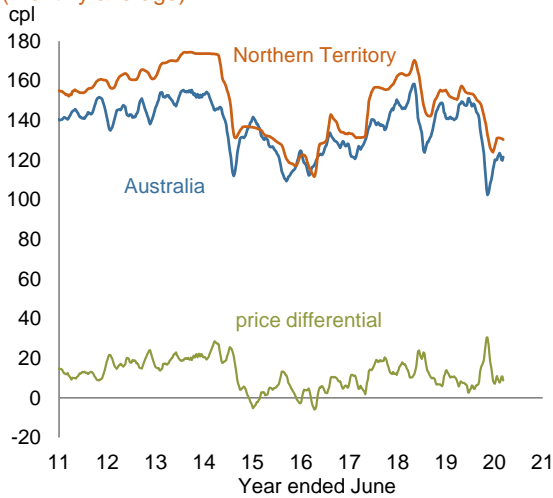
ECONOMIC BRIEF

Fuel prices

August 2020

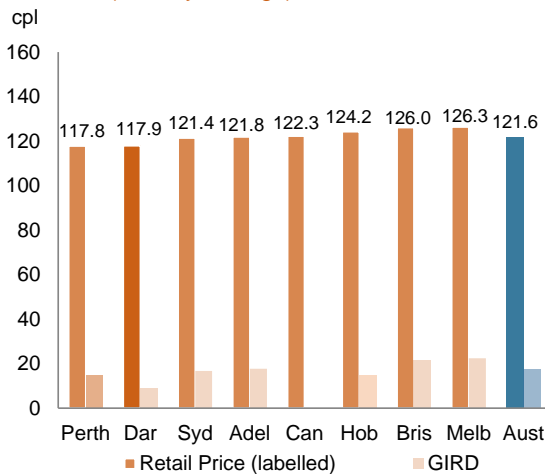
Released: 7 September 2020 | Next release: 6 October 2020

Chart 1: Retail unleaded petrol price (monthly average)



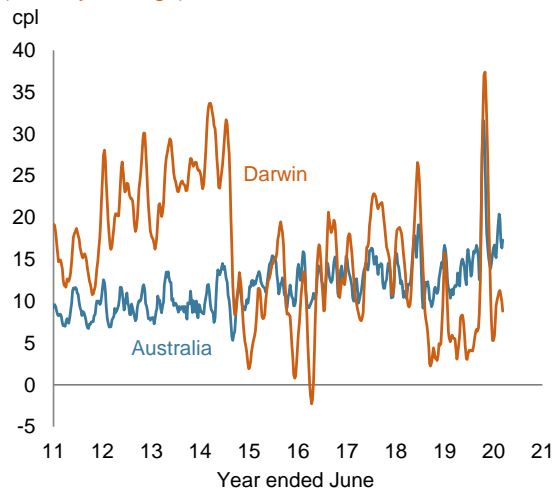
Source: Australian Institute of Petroleum, DTF

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 August 2020 is calculated as the average price in cents per litre (cpl) for the four weeks ending 6 September 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 | 117.9 | ↓1.0 | ↓21.0 |
| Alice Springs | 172.0 | ↑0.1 | ↓16.5 |
| Katherine | 135.0 | ↓0.2 | ↓28.8 |
| Tennant Creek | 172.9 | ↓2.5 | ↓17.3 |
| Northern Territory average¹ | 130.3 | ↓0.8 | ↓20.6 |
| Australia average¹ | 121.6 | ↓2.0 | ↓19.2 |

¹ weighted average

The average retail price of ULP in Darwin was 117.9 cpl, 1.0 cpl lower than the previous month and 21.0 cpl lower in annual terms (Chart 1). This was the second lowest monthly retail price of the capital cities, which ranged from 117.8 cpl in Perth to 126.3 cpl in Melbourne (Chart 2). Nationally, the average retail price of ULP was 121.6 cpl, 2.0 cpl lower than the previous month and 19.2 cpl lower in annual terms.

The average TGP for ULP in Darwin increased by 1.3 cpl to 109.1 cpl in the month, and is 24.3 cpl lower in annual terms. This was in-line with the national average TGP monthly change, up by 1.1 cpl to 104.2 cpl, but down by 25.0 cpl compared with last year.

The monthly average GIRD for ULP in Darwin decreased by 2.3 cpl to 8.8 cpl in the month (Chart 3). This was the lowest GIRD of the capital cities, which ranged from 14.6 cpl in Perth to 22.4 cpl in Melbourne. The national average GIRD for ULP decreased by 3.1 cpl to 17.3 cpl in the month.

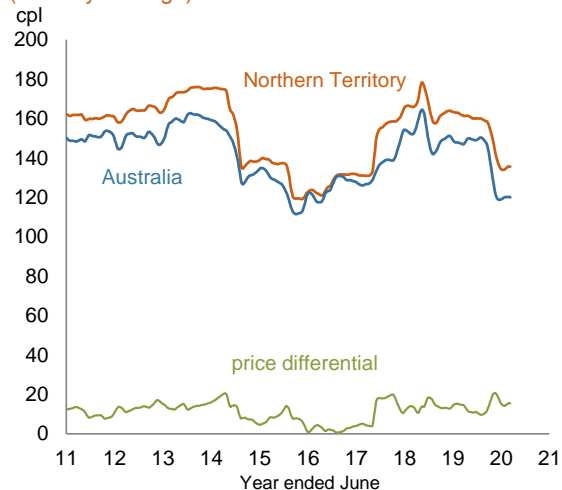
ACCC fuel price monitoring

The ACCC released its Report on the Australian Petroleum Market for the June quarter 2020 on 2 September 2020. The Report can be accessed [here](#).

The Report shows that the Darwin average ULP price was 116.0 cpl, 7.0 cpl lower than the five largest capital cities (Sydney, Melbourne, Brisbane, Adelaide and Perth).

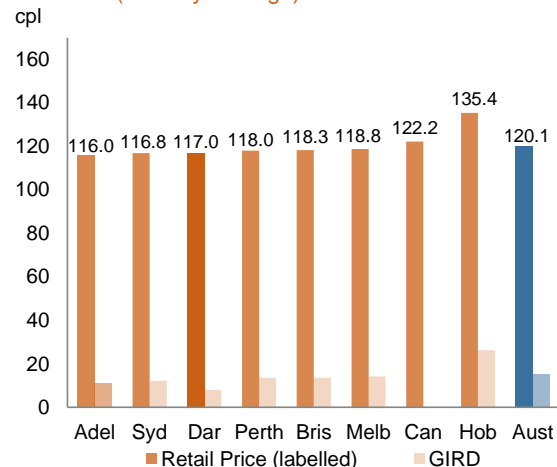
Fuel prices August 2020

Chart 4: Retail diesel price (monthly average)



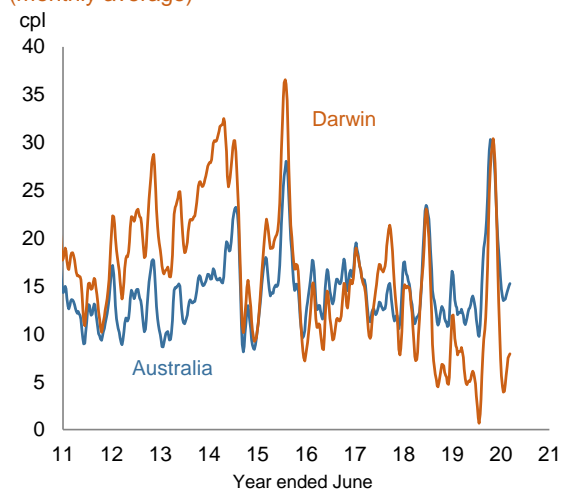
Source: Australian Institute of Petroleum, DTF

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 135.5 cpl. This was a slight increase of 0.5 cpl from the previous month, but 26.2 cpl lower in annual terms (Chart 4). The monthly average retail diesel price differential between the Territory and the national average was 15.4 cpl.

| | Average retail diesel price, cpl | Monthly change, cpl | Annual change, cpl |
|---|----------------------------------|---------------------|--------------------|
| Darwin | 117.0 | ↑1.0 | ↓29.5 |
| Regional average¹ | 164.2 | ↓0.2 | ↓20.9 |
| Northern Territory average¹ | 135.5 | ↑0.5 | ↓26.2 |
| Australia average¹ | 120.1 | ↓0.1 | ↓27.0 |

¹ weighted average

Darwin recorded the third lowest retail price for diesel of the capital cities, with a monthly average retail price of 117.0 cpl. This was a monthly increase of 1.0 cpl, but a decline of 29.5 cpl in annual terms. The monthly average retail price ranged from 116.0 cpl in Adelaide to 135.4 cpl in Hobart (Chart 5). Nationally, the average price of diesel decreased by 0.1 cpl to 120.1 cpl in the month, and decreased by 27.0 cpl in annual terms.

The TGP for diesel in Darwin was 109.1 cpl, 1.3 cpl lower than last month and 28.9 cpl lower than last year.

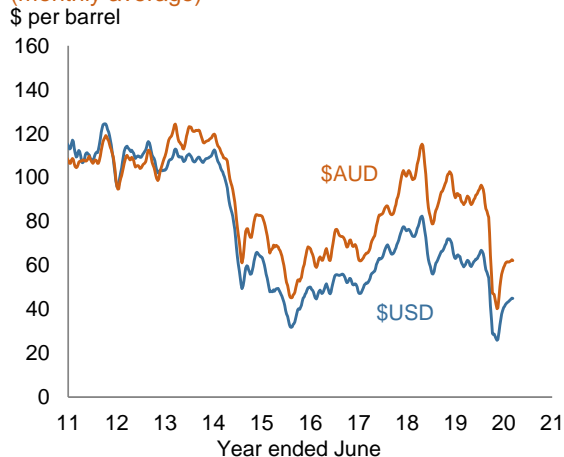
Darwin's average GIRD for diesel was 7.9 cpl, the lowest of the capital cities. This was a monthly increase of 2.3 cpl, but was 7.4 cpl lower than the national average of 15.3 cpl (Chart 6).

Brent crude oil

The monthly average spot price of Brent crude oil in August 2020 was \$62.17 per barrel in Australian dollar terms (Chart 7). This was an increase of 1.0 per cent in the month, but down by 29.7 per cent in annual terms.

| | Average spot price (per barrel) | Monthly Change (%) | Annual Change (%) |
|-------------------------|---------------------------------|--------------------|-------------------|
| Brent Crude \$US | 44.94 | ↑2.8 | ↓24.8 |
| Brent Crude \$AU | 62.17 | ↑1.0 | ↓29.7 |

Chart 7: Brent crude oil prices (monthly average)



Source: Reserve Bank of Australia, Investing.com AU, DTF

Fuel prices August 2020

Table 1: Monthly average fuel prices

| | Monthly average for the week ending (cpl) | | | Change (cpl) | |
|--|--|-----------|-----------|----------------------|---------------------|
| | 08 Sep 19 | 09 Aug 20 | 06 Sep 20 | Monthly ¹ | Annual ² |
| Unleaded petrol | | | | | |
| Retail price | | | | | |
| Northern Territory | 150.9 | 131.1 | 130.3 | -0.8 | -20.6 |
| – Darwin | 139.0 | 119.0 | 117.9 | -1.0 | -21.0 |
| – Alice Springs | 188.4 | 171.8 | 172.0 | 0.1 | -16.5 |
| – Katherine | 163.8 | 135.2 | 135.0 | -0.2 | -28.8 |
| – Tennant Creek | 190.2 | 175.4 | 172.9 | -2.5 | -17.3 |
| Australia | 140.7 | 123.5 | 121.6 | -2.0 | -19.2 |
| Terminal gate price³ | | | | | |
| Darwin | 133.4 | 107.8 | 109.1 | 1.3 | -24.3 |
| Australia | 129.2 | 103.1 | 104.2 | 1.1 | -25.0 |
| Gross indicative retail difference (GIRD)⁴ | | | | | |
| Darwin | 5.6 | 11.1 | 8.8 | -2.3 | 3.2 |
| Australia | 11.5 | 20.4 | 17.3 | -3.1 | 5.8 |
| Retail price differential from Australia | | | | | |
| Northern Territory | 10.2 | 7.6 | 8.8 | 1.2 | -1.4 |
| – Darwin | -1.8 | -4.6 | -3.6 | 1.0 | -1.8 |
| Diesel | | | | | |
| Retail price | | | | | |
| Northern Territory | 161.7 | 135.0 | 135.5 | 0.5 | -26.2 |
| – Darwin | 146.5 | 116.0 | 117.0 | 1.0 | -29.5 |
| – Regional average* | 185.1 | 164.4 | 164.2 | -0.2 | -20.9 |
| Australia | 147.1 | 120.2 | 120.1 | -0.1 | -27.0 |
| Terminal gate price³ | | | | | |
| Darwin | 137.9 | 110.4 | 109.1 | -1.3 | -28.9 |
| Australia | 134.5 | 106.3 | 104.8 | -1.4 | -29.7 |
| Gross indicative retail difference (GIRD)⁴ | | | | | |
| Darwin | 8.6 | 5.6 | 7.9 | 2.3 | -0.7 |
| Australia | 12.6 | 14.0 | 15.3 | 1.3 | 2.7 |
| Retail price differential from Australia | | | | | |
| Northern Territory | 14.6 | 14.8 | 15.4 | 0.7 | 0.8 |
| – Darwin | -0.5 | -4.2 | -3.1 | 1.1 | -2.5 |

Table 2 - Monthly average crude oil prices

| | Monthly average for the week ending (\$) | | | Change (%) | |
|-------------------------------------|---|-----------|-----------|----------------------|---------------------|
| | 08 Sep 19 | 09 Aug 20 | 06 Sep 20 | Monthly ¹ | Annual ² |
| Brent spot price in \$US per barrel | 59.79 | 43.71 | 44.94 | 2.8 | -24.8 |
| Brent spot price in \$AU per barrel | 88.37 | 61.56 | 62.17 | 1.0 | -29.7 |

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, Investing.com AU

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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