

# RACQ Fuel Price Report –

## June quarter 2023

5 July 2023

The RACQ fuel price report presents a summary of the fuel price trends in Queensland for the June quarter 2023.

### Key points

- The average retail price of ULP in Brisbane increased slightly in the June quarter 2023 to 187.7 cpl, from 186.4 cpl in the March quarter.
- The indicative retail margin for ULP in Brisbane in the June quarter, at 16.4 cpl, was slightly higher than in the March quarter 2023, indicating that the reduction in international oil prices and wholesale prices in the quarter were not fully reflected in retail prices.
- At 190.8 cpl, the average price of diesel for the June quarter 2023 was lower than in the March quarter 2023, and the average retail margin in the June quarter for diesel was 20.6 cpl, fractionally below the average margin in the March quarter. The June quarter average price was also well below the record average Brisbane price for diesel fuel in the December quarter 2022 of 227.7 cpl.
- Brisbane was the most expensive of the capital cities to buy ULP. For diesel, Brisbane was the most expensive of the five largest capital cities. Canberra, Darwin and Hobart were more expensive.
- Dalby and Whitsunday were the cheapest Queensland regional centres to buy ULP in the June quarter at 173.6 cpl and 173.8 cpl, respectively. Miles and Bowen were the cheapest locations for diesel at 182.8 cpl and 183.1 cpl, respectively.
- Longreach, at 207.3 cpl, was the most expensive regional centre to buy ULP in the June quarter, and Longreach also had the most expensive diesel at 205.6 cpl, followed by Mt Isa at 205.1 cpl.
- The slight increase in average ULP prices during the June quarter from the March quarter reflected higher retail and refining margins, which offset a reduction in crude oil prices.
- Average retail ULP prices in Brisbane in the current September 2023 quarter are likely to rise slightly reflecting a recovery in the average crude oil price from the lower prices in the last three months.

### ULP cost breakdown in Brisbane

The average retail price of Regular ULP in Brisbane for the June quarter 2023 was slightly higher than the March quarter 2023, and 3.2 cpl lower than the record quarterly average in the June quarter 2022.

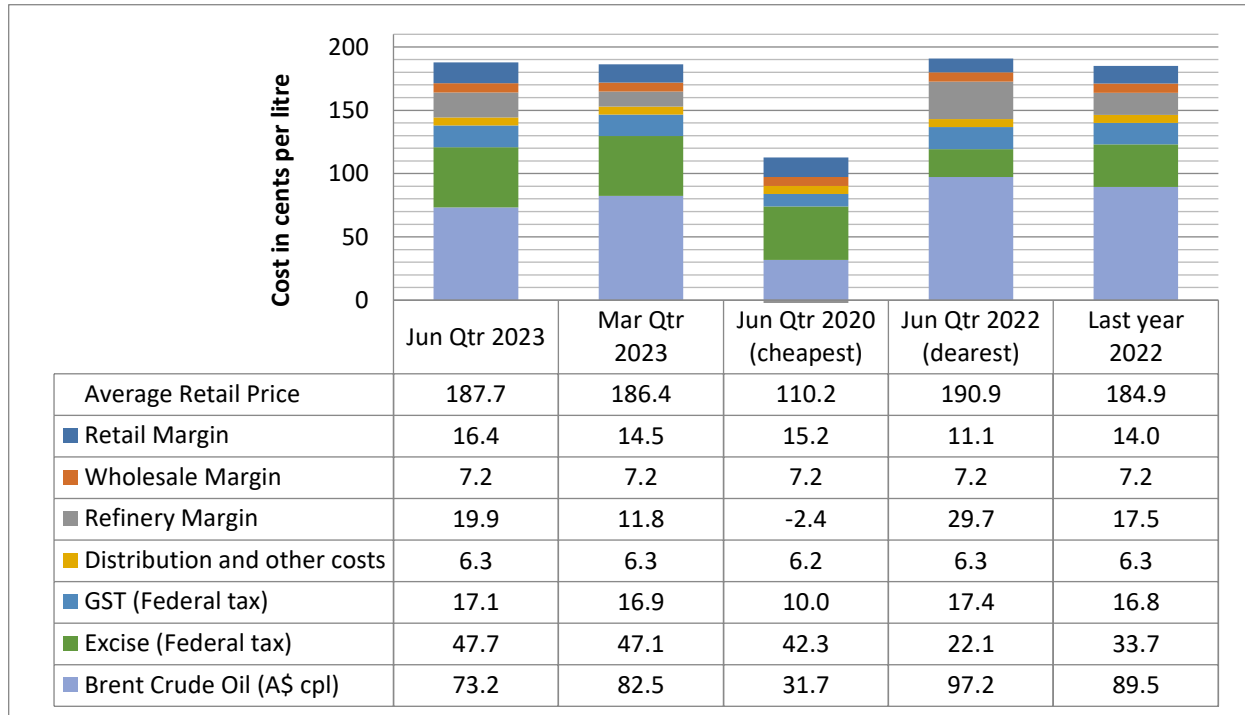
Indicative retail margins charged on ULP in Brisbane in the June quarter, at 16.4 cpl, were higher than in March quarter and were also higher than the average margin in 2022 (14.0 cpl). Monthly average margins for ULP reflected the timing of the fuel cycle, as prices were rising from a low level in most of April (average margin 15.8 cpl), declining for most of May (average margin 13.0 cpl) and fell back from a price hike in early June (average margin 20.2 cpl).

Refinery margins were 19.9 cpl for ULP in the June quarter, rising from 11.8 cpl in the March quarter, reflecting the decline of the crude oil price since March 2023.

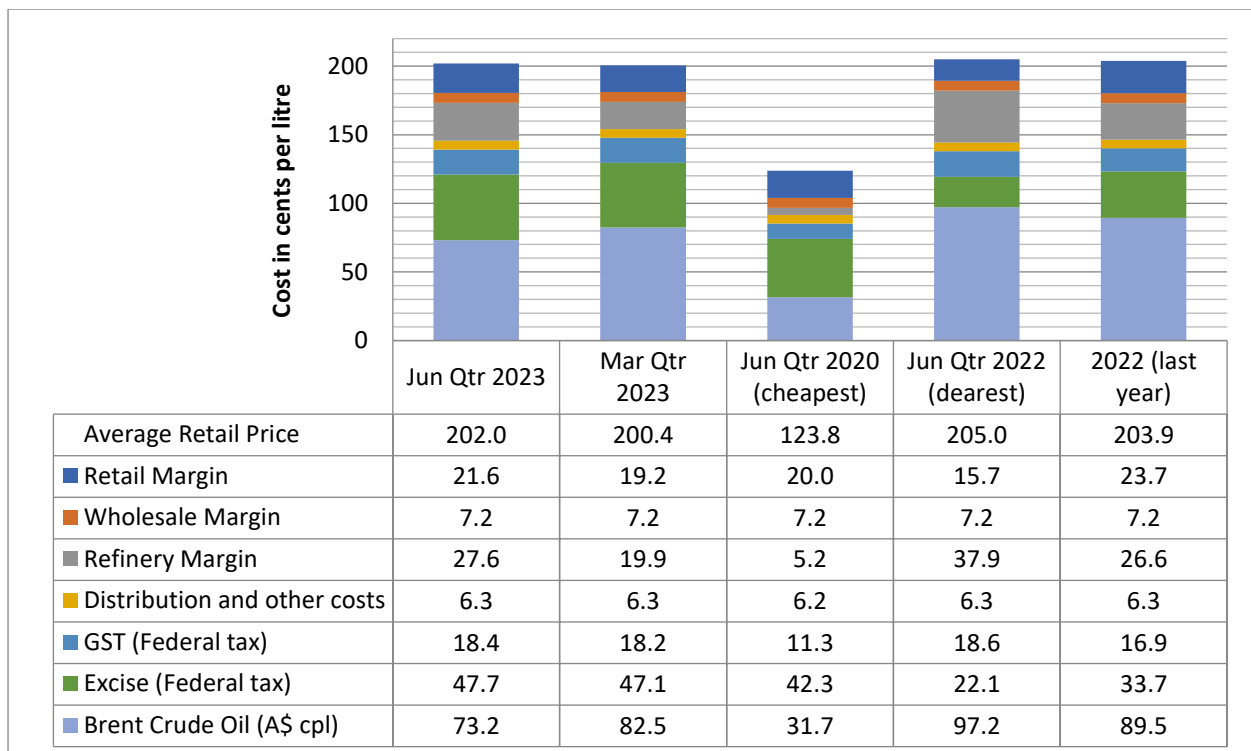
The increase in the retail and refiner margins observed in the June quarter was due to fuel companies failing to pass on all the potential saving due to lower oil prices.

The charts below show the cost breakdown for a litre of Regular ULP (ULP 91) and Premium ULP (PULP 95) sold in Brisbane for the June quarter 2023. For comparison, the March quarter 2023, the June quarter 2022 (the most expensive quarter), the June quarter 2020 (the cheapest quarter in the last 10 years) and the 2022 annual average, are also displayed.

### ULP 91 cost breakdown in Brisbane



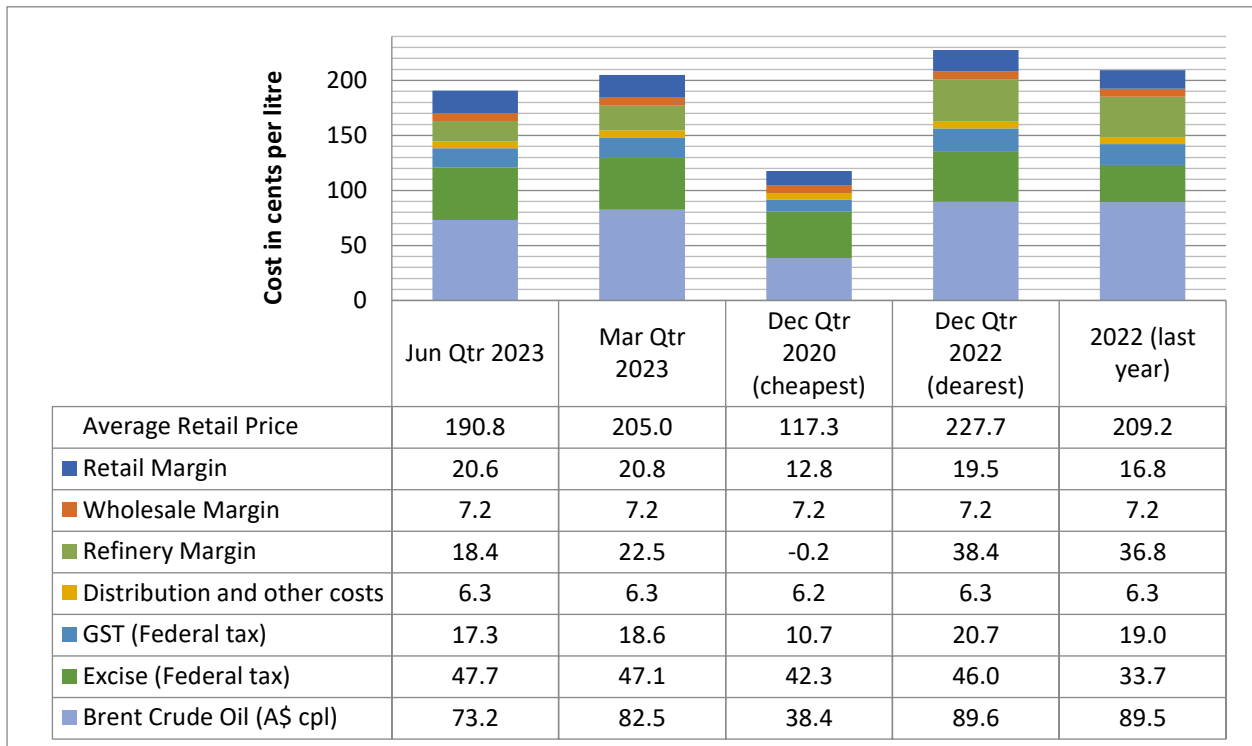
### PULP 95 cost breakdown in Brisbane



## Diesel cost breakdown in Brisbane

The average retail price for diesel in Brisbane in the June quarter fell by 14 cpl, reflecting a decline in wholesale prices as diesel returned to having similar wholesale prices to ULP, after average wholesale prices for diesel had risen to be significantly higher than for ULP in 2022. The retail margin remained relatively high at 20.6 cpl and the refining margin for diesel fell during the quarter.

The chart below shows the cost breakdown for a litre of diesel sold in Brisbane in the June quarter 2023. For comparison, the March quarter 2023, the December quarter 2020 (the lowest price quarter in the last 10 years), the December quarter 2022 (the highest price quarter) and the 2022 yearly average are included.

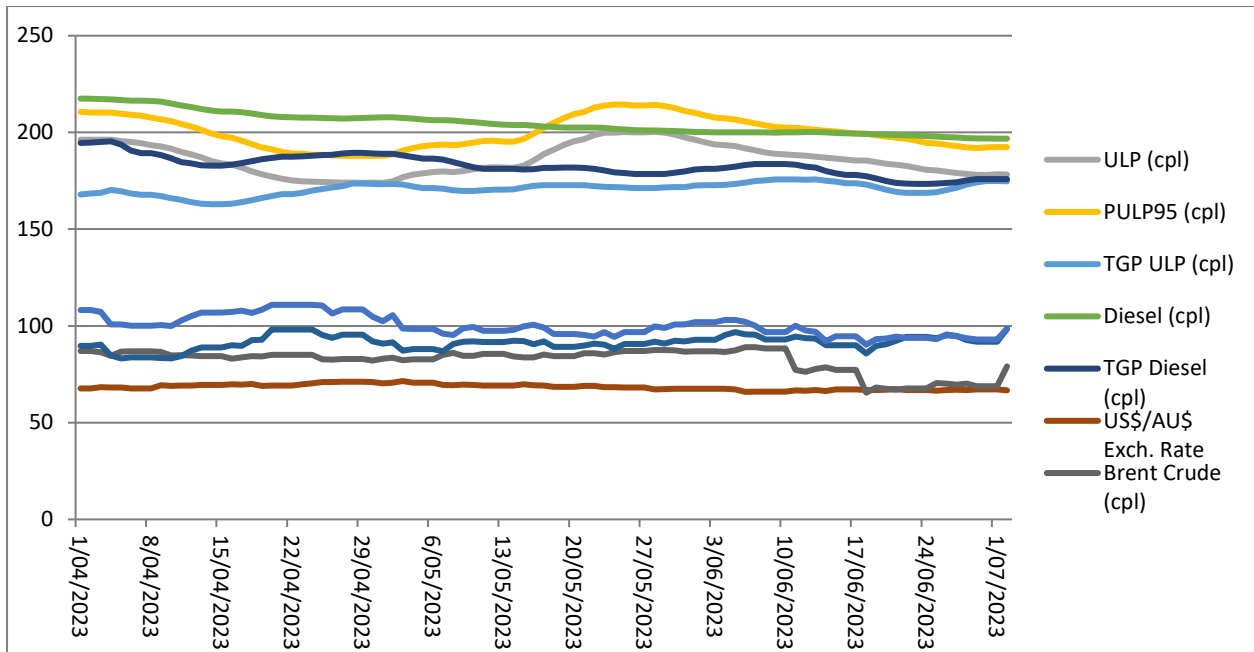


## Fuel excise

On 1 February 2023, the rate of excise increased to 47.7 cpl, after adjustment for increases in the consumer price index in the second half of 2022. The next change in excise will occur on 1 August 2023, and would be an increase of 1.2 cpl if the CPI increases by 2.5% in the first half of 2023. The CPI increased by 1.4% in the March quarter 2023 and is likely to have a smaller increase in the June quarter.

A reduction by half in fuel excise was introduced on 30 March 2022 and ended on 29 September 2022, affecting the quarterly average prices for fuel in the June and September quarters 2022. The excise rate for ULP and diesel was 22.1 cpl from the end of March to the end of July 2022, increasing with indexation to 23.0 cpl on 1 August 2022, and returning to the full rate of 46 cpl on 29 September 2022.

## Fuel price trends June quarter 2023



Two price cycles occurred in Greater Brisbane in the June quarter 2023. The first started on 2 April 2023 and lasted to 26 May 2023. The second cycle started on 27 May 2023, and was nearing the low point of prices on 30 June 2023.

The last two price cycles, at 55 days and 39 days (so far) respectively, in Brisbane have been longer in duration than average, although the latest price increase phase was shorter than in other recent price cycles, running from 27 May to 7 June.

### Comparison to other capital cities

Brisbane was the most expensive of the capital cities for ULP in the June quarter 2023. For diesel, Brisbane was the most expensive of the five largest capital cities in the June quarter 2023. Darwin, Canberra and Hobart were more expensive than Brisbane for diesel. In the June quarter 2023, Perth was the cheapest Australian capital city to buy ULP and Adelaide had the lowest average price for diesel.

The tables below present the average April, May, June and quarterly prices and retail margins on ULP and diesel for Australian capital cities.

City	Average ULP Price (cpl)				Indicative ULP Retail Margin			
	April	May	June	June quarter	April	May	June	June quarter
Brisbane	194.1	180.4	188.9	187.7	15.8	13.0	20.2	16.4
Adelaide	183.7	177.9	181.0	180.8	5.7	10.5	12.5	9.6
Canberra	188.1	184.3	185.8	186.0	10.8	17.6	18.0	15.5
Darwin	181.2	181.7	179.6	180.8	0.0	11.2	7.6	6.3
Hobart	192.0	185.8	182.9	186.9	7.4	12.0	8.3	9.3
Melbourne	190.1	176.9	188.5	185.1	13.0	10.3	20.7	14.7
Perth	183.4	175.1	176.1	178.2	6.9	9.4	8.9	8.5
Sydney	192.0	173.3	186.3	183.8	14.7	6.6	18.5	13.3

\* The retail margin is the average retail price minus the average local TGP and local freight costs (assumed to be the same as Brisbane: 1.04cpl). The TGP varies between cities.

City	Average Diesel Price (cpl)				Indicative Diesel Retail Margin			
	April	May	June	June quarter	April	May	June	June quarter
Brisbane	211.6	203.9	199.3	190.8	22.3	20.6	19.4	20.6
Adelaide	198.0	194.4	190.4	179.6	9.6	12.0	11.7	11.1
Canberra	215.1	210.8	207.4	197.7	26.0	27.9	27.8	27.3
Darwin	219.6	215.4	210.2	205.5	28.4	29.9	27.6	28.6
Hobart	212.3	209.5	207.4	195.3	17.3	20.5	22.1	20.0
Melbourne	208.9	202.0	195.9	189.2	19.8	18.7	16.4	18.3
Perth	197.6	192.8	188.4	181.9	10.4	11.4	10.1	10.6
Sydney	206.8	201.9	198.4	189.7	17.7	18.9	18.8	18.4

\* The retail margin is the average retail price minus the average local TGP and local freight costs (assumed to be the same as Brisbane: 1.04cpl). The TGP varies between cities.

## Comparison of the SEQ metropolitan centres

The table below presents the average June quarter prices and retail margins on ULP and diesel for SEQ metropolitan centres. This analysis separates Brisbane into central, northern, southern, and bayside regions.

City	Average ULP Price (cpl)				Indicative ULP Retail Margin			
	April	May	June	June quarter	April	May	June	June quarter
Brisbane Inner/West	196.0	183.1	191.8	190.3	7.4	12.2	16.4	12.0
Brisbane North	193.6	179.9	187.8	187.1	19.6	16.0	25.3	20.3
Brisbane South	191.6	178.4	189.3	186.4	15.3	12.5	19.1	15.6
BNE Bayside/Redlands	198.0	183.4	194.0	191.8	16.8	12.8	19.2	16.3
Logan	196.0	181.6	191.2	189.6	11.5	11.3	16.1	13.0
Ipswich	189.8	178.7	184.8	184.4	21.2	14.7	21.9	19.3
Moreton Bay	195.1	180.2	187.9	187.7	16.8	12.8	19.2	16.3

Gold Coast	195.9	180.3	184.6	186.9	12.5	10.2	19.8	14.2
Sunshine Coast	185.7	179.6	185.1	183.5	16.6	12.0	14.9	14.5

\* The retail margin is the average retail price minus the average Brisbane TGP and varying local freight costs.

The Sunshine Coast and Ipswich were the cheapest centres in SEQ to buy ULP in the June quarter, with average prices of 183.5 cpl and 184.4 cpl, respectively. Brisbane Bayside/Redlands was the most expensive area in SEQ in March at 191.8 cpl.

City	Average Diesel Price (cpl)				Indicative Diesel Retail Margin			
	April	May	June	June quarter	April	May	June	June quarter
Brisbane Inner/West	199.4	192.6	187.6	193.2	20.1	23.0	17.1	20.1
Brisbane North	197.7	191.6	185.8	191.7	21.3	24.9	20.6	22.3
Brisbane South	197.0	189.9	184.7	190.5	20.6	24.7	18.8	21.4
BNE Bayside-Redlands	198.4	191.8	187.6	192.6	19.2	21.7	17.4	19.9
Logan	197.1	190.6	186.3	191.3	18.3	22.3	17.8	19.5
Ipswich	195.4	189.2	184.8	189.8	21.1	23.9	18.2	21.1
Moreton Bay	196.4	188.5	184.4	189.8	21.9	25.4	20.2	22.5
Gold Coast	198.2	191.0	185.7	191.6	19.1	22.3	17.0	19.5
Sunshine Coast	197.3	189.9	184.0	190.4	20.1	23.2	17.7	20.3

\* The retail margin is the average retail price minus the average Brisbane TGP and varying local freight costs.

Ipswich and Moreton Bay had the lowest average diesel prices in SEQ in the June quarter, with an average price of 189.8 cpl. The Sunshine Coast had the next lowest average price at 190.4 cpl. Brisbane Inner/West was the most expensive area for diesel in SEQ at 193.2 cpl.

## Fuel prices across Queensland

Dalby and Whitsunday were the cheapest Queensland regional centres to buy ULP in the June quarter at 173.6 cpl and 173.8 cpl, respectively. Bundaberg and Gladstone had the next lowest price for ULP at 174.7 cpl. Most regional centres also had the same or lower average price compared with Brisbane<sup>1</sup>. At 207.3 cpl, Longreach was the most expensive centre for ULP in the June quarter. The other locations with a higher average price than Brisbane were Blackwater, Emerald, Mt Isa and Noosa.

Miles and Bowen were the cheapest locations for diesel at 182.8 cpl and 183.1 cpl, respectively. Beaudesert, Biloela, Charters Towers, Childers, Dalby, Gladstone, Goondiwindi, Gympie, Hervey Bay, Innisfail, Lockyer Valley, Maryborough, Nambour, Rockhampton, Roma, Somerset, Toowoomba, Townsville, Warwick, and Yeppoon also had a lower average price than Brisbane. Longreach<sup>1</sup> was the most expensive regional centre for diesel at 205.6 cpl, followed by Mt isa at 205.1 cpl.

The tables below present the average prices and retail margins on ULP and diesel for regional Queensland localities, and the Rest of Queensland average prices.

<sup>1</sup> RACQ does not monitor in all regional centres in Queensland. In discussing the cheapest or dearest centre, it is implied that this only refers to the centres listed in this report. Other centres may be more or less expensive.

City	Average ULP Price (cpl)				Indicative ULP Retail Margin			
	April	May	June	June quarter	April	May	June	June quarter
Brisbane	194.1	180.4	188.9	187.7	15.8	13.0	20.2	16.4
Rest of Queensland	187.2	181.5	180.9	183.2	N/a	N/a	N/a	N/a
Atherton	187.2	185.7	181.2	184.7	4.3	13.3	7.7	8.4
Beaudesert	186.0	179.5	180.2	181.9	6.7	11.1	10.6	9.5
Biloela	185.7	181.7	180.8	182.7	3.5	10.0	8.1	7.2
Blackwater	199.9	198.0	193.9	197.3	15.6	24.3	19.2	19.7
Bowen	184.2	181.5	175.6	180.4	0.1	8.1	1.1	3.1
Bundaberg	179.6	173.8	170.7	174.7	-2.7	2.4	-2.0	-0.8
Cairns	183.1	178.2	174.1	178.5	1.0	6.7	1.5	3.1
Charters Towers	188.2	188.6	185.8	187.6	5.0	16.0	12.0	11.0
Childers	182.4	182.4	181.7	182.2	0.7	11.6	9.6	7.3
Dalby	180.3	168.8	171.6	173.6	-0.2	-0.9	0.7	-0.2
Emerald	190.4	192.0	192.9	191.8	5.3	17.5	17.3	13.3
Gladstone	178.4	175.3	170.3	174.7	-2.4	5.1	-1.1	0.5
Goondiwindi	179.3	176.3	172.9	176.2	-2.9	5.1	0.3	0.8
Gympie	186.5	181.8	180.9	183.1	6.5	12.6	10.5	9.9
Hervey Bay	181.4	181.0	177.3	179.9	-0.1	10.5	5.5	5.3
Ingham	181.3	181.9	178.7	180.6	-1.7	9.4	5.2	4.3
Innisfail	185.0	180.5	176.2	180.6	2.0	8.1	2.7	4.2
Kingaroy	180.3	180.6	175.3	178.7	-0.3	10.9	4.4	5.0
Lockyer Valley	184.1	180.8	177.3	180.8	4.7	12.3	7.5	8.2
Longreach	207.7	207.0	207.1	207.3	17.7	27.7	26.7	24.0
Mackay	182.2	181.9	180.3	181.5	0.8	11.2	8.5	6.8
Mareeba	186.5	185.7	183.8	185.3	3.7	13.5	10.4	9.2
Maryborough	181.1	179.5	176.2	178.9	0.1	9.4	4.8	4.7
Miles	177.4	177.8	177.7	177.7	-4.6	6.7	5.3	2.5
Moranbah	181.1	182.1	180.0	181.0	-2.5	9.1	5.9	4.1
Mount Isa	199.7	198.0	199.2	199.0	7.5	16.4	16.4	13.4
Nambour	184.2	176.0	179.7	180.0	4.9	7.6	10.1	7.5
Noosa	196.0	191.4	195.5	194.3	16.6	22.9	25.6	21.7
Rockhampton	182.9	178.6	175.5	179.0	0.8	7.1	2.9	3.6
Roma	180.8	182.9	182.3	182.0	-2.9	10.1	8.2	5.1
Somerset	183.7	181.1	182.1	182.3	4.3	12.6	12.2	9.7
Toowoomba	191.2	183.5	180.6	185.1	11.6	14.8	10.5	12.3
Townsville	180.8	175.6	173.0	176.5	-0.9	4.5	0.7	1.4
Tully	186.8	188.6	185.5	187.0	3.2	15.6	11.3	10.0
Warwick	178.7	177.5	171.8	176.0	-1.3	8.4	1.5	2.9
Whitsunday	175.9	174.5	170.9	173.8	-7.0	2.3	-2.4	-2.4
Yeppoon	184.0	180.1	177.0	180.3	1.4	8.1	3.9	4.5

\* The retail margin is the average retail price minus the average local TGP and local freight costs. The TGP and freight costs vary between cities. This indicative margin is calculated on the monthly average TGP and retail price.

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Rest of Queensland	197.7	190.4	184.9	191.0	N/a	N/a	N/a	N/a
Atherton	201.2	195.3	188.0	194.8	20.0	24.4	16.6	20.3
Beaudesert	196.5	187.0	181.1	188.2	18.4	19.2	13.2	16.9
Biloela	192.3	185.1	179.7	185.7	11.9	14.0	9.3	11.7
Blackwater	204.4	195.0	184.3	194.5	21.9	21.8	11.9	18.5
Bowen	189.7	182.9	176.8	183.1	8.0	11.4	4.8	8.1
Bundaberg	198.7	188.3	177.9	188.3	17.6	17.5	6.9	14.0
Cairns	197.4	187.9	181.7	189.0	17.0	17.8	11.2	15.4
Charters Towers	192.1	188.3	184.9	188.4	11.1	17.6	13.7	14.1
Childers	195.4	185.9	180.9	187.4	14.8	15.7	10.5	13.7
Dalby	192.4	185.6	182.7	186.9	13.0	16.5	13.4	14.3
Emerald	206.8	194.8	192.0	197.9	23.5	20.7	18.8	21.0
Gladstone	191.4	186.7	178.7	185.6	12.3	16.9	9.8	13.0
Goondiwindi	189.4	186.2	181.2	185.6	8.3	15.4	10.3	11.4
Gympie	189.7	180.9	179.6	183.4	10.8	12.3	11.0	11.4
Hervey Bay	197.1	188.4	182.3	189.3	16.8	18.4	12.2	15.8
Ingham	202.2	193.3	187.0	194.2	21.4	22.8	16.0	20.1
Innisfail	203.8	187.7	177.5	189.7	22.5	16.7	6.1	15.1
Kingaroy	201.6	197.1	189.0	195.9	22.2	28.1	19.8	23.3
Lockyer Valley	193.3	185.8	179.0	186.0	15.0	17.8	10.9	14.5
Longreach	209.6	204.7	202.6	205.6	21.4	25.8	24.5	23.9
Mackay	199.4	193.4	188.4	193.7	19.7	23.1	17.9	20.2
Mareeba	199.9	193.1	186.7	193.3	18.9	22.4	15.6	18.9
Maryborough	193.2	185.2	177.9	185.4	13.3	15.6	8.2	12.4
Miles	186.5	181.7	180.2	182.8	5.6	11.1	9.5	8.7
Moranbah	198.8	193.9	189.0	193.9	16.9	21.4	16.2	18.2
Mount Isa	211.9	204.8	198.6	205.1	21.9	25.1	18.5	21.8
Nambour	191.8	182.6	179.4	184.6	13.7	14.8	11.5	13.3
Noosa	199.9	193.2	180.7	191.2	21.6	25.2	12.6	19.8
Rockhampton	195.6	189.4	183.4	189.4	15.2	18.3	13.2	15.6
Roma	192.2	188.8	183.7	188.2	9.6	16.5	11.4	12.5
Somerset	193.2	187.5	181.6	187.4	14.9	19.6	13.5	16.0
Toowoomba	196.7	188.2	182.3	189.1	18.3	20.1	14.0	17.5
Townsville	192.7	184.9	179.6	185.7	13.3	15.7	9.9	13.0
Tully	200.6	196.5	187.5	194.9	18.7	24.8	15.5	19.7
Warwick	194.9	184.6	177.4	185.6	16.1	16.1	8.8	13.6
Whitsunday	196.1	193.7	186.1	192.0	15.0	21.9	14.1	17.0
Yeppoon	194.3	186.2	181.1	187.2	13.5	14.7	10.4	12.9

\* The retail margin is the average retail price minus the average local TGP and local freight costs. The TGP and freight costs vary between cities. This indicative margin is calculated on the monthly average TGP and retail price.



## Oil markets and price outlook

The table below presents the average price of Brent crude oil in April, May and June 2023, in US\$/bbl (US\$ per barrel), A\$/bbl and A\$-cpl.

	April	May	June	June quarter
Brent crude oil US\$/bbl	82.1	76	75.5	77.8
Brent crude oil A\$/bbl	122.5	114.3	112.3	116.3
Brent crude oil A\$-cpl	77.1	71.9	70.6	73.2

The Russian invasion of Ukraine and the subsequent international sanctions against Russia had led to substantial volatility in global oil prices and a large price spike in the June quarter 2022. The international oil price fell in US dollar terms between the September quarter 2022 to the June quarter 2023, reaching an average of just under US\$ 78 in the June quarter. In Australian dollar terms, the international oil price declined gradually during the June quarter, reaching an average of \$116 per barrel in the quarter, as a small decline in the Australian dollar against the US dollar was not enough to offset lower prices in US dollars.

The latest forecasts for the average value of Brent crude oil in the second half 2023 by market analysts and the US Energy Information Administration are for an average of US\$ 79, slightly higher than the June quarter average. This is based on crude oil inventories continuing to decline in the coming quarters.

If average petrol and diesel margins are maintained, retail ULP prices in SEQ in the June quarter would be slightly higher than the average in the June quarter and in regional Queensland would also be slightly higher than the June quarter average. In SEQ, prices could vary significantly from the quarterly average as prices go through different stages of the cycle.

The next quarterly fuel price report will be released on 5 October 2023.

## Data quality and data sources

Prices, price differences, margins and differences in margins presented in this report may not add up due to rounding.

Data and analyses presented in this report supersedes all previous reports.

All data presented in this report are RACQ calculations using OPIS data.