

# Annual Fuel Price Report 2017



The RACQ's Annual Fuel Price Report for 2017 provides an overview of fuel price movements during the year, with a focus on the key Brisbane capital city market.

## Key Points

- The average price of unleaded petrol (ULP) in Brisbane for 2017 was 130.0 cents per litre (cpl), 11.4 cpl higher than 2016. This increase was primarily due to an increase in the price of oil.
- While dearer than 2016, in real terms ULP prices in Brisbane in 2017 were among the cheapest since 2004, and the nominal price was among the cheapest since 2009.
- Total margins on ULP sold in Brisbane were 27.0 cpl, 2.8 cpl higher than 2016.
- Indicative retail margins in Brisbane were the highest on record at 12.2 cpl (both nominal and real).
- The average price of 95 RON Premium ULP (PULP 95) in Brisbane for 2017 was 142.2 cpl, 12.2 cpl higher than 2016. Retail margins, at 15.9 cpl, were 2.0 cpl higher than 2016.
- The average price of E10 in Brisbane for 2017 was 127.5 cpl, 11.4 cpl higher than 2016.
- The average price of diesel in Brisbane in 2017 was 129.6 cpl, 10.5 cpl higher than 2016. Retail margins, at 14.0 cpl, were 1.3 cpl lower than 2016.
- The Brisbane ULP price cycle increased in length in 2017. The average cycle length was 35.4 days, compared to 33.0 days in 2016.
- Following the 12-year low price observed in 2016, the price of Brent crude oil (in Australian dollars, A\$) increased in 2017. Brent reached a three-year record high of 86.5 A\$/bbl (67.0 US\$/bbl) on the 27 December 2017.
- The average price of ULP in regional Queensland in 2017 was 133.9 cpl, diesel was 130.1 cpl and LPG was 90.3 cpl.
- Miles was the cheapest place to buy ULP and diesel (122.6 cpl and 121.5 cpl, respectively) in Queensland in 2017.

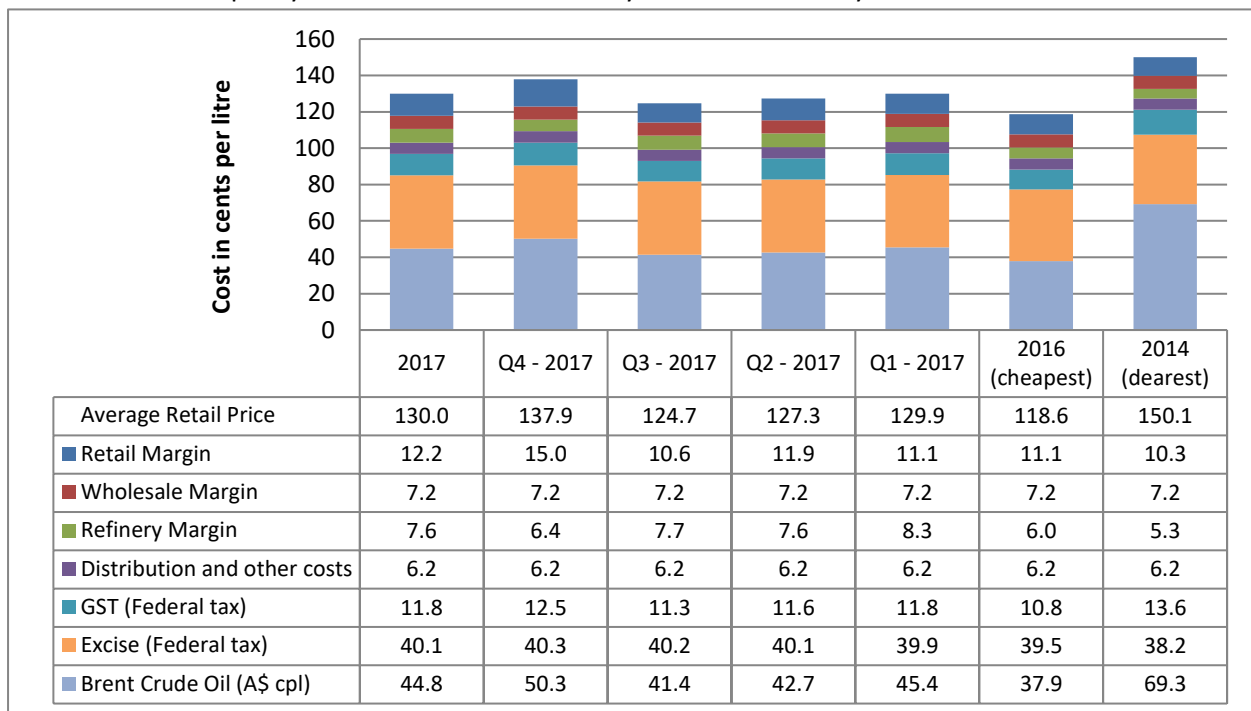
## Key Numbers

	Average Price	High Price (Date)	Low Price (Date)
<b>ULP Brisbane (cpl)</b>	130.0	149.3 (16/11/17 & 12/12/17)	107.6 (14/07/17)
<b>PULP 95 Brisbane (cpl)</b>	142.2	161.1 (15/11/17)	120.3 (14/07/17)
<b>Diesel Brisbane (cpl)</b>	129.6	137.6 (29-31/12/17)	125.1 (8-12/08/17)
<b>LPG Brisbane (cpl)</b>	77.0	86.3 (15-20 & 30-31/12/17)	70.5 (1-3/01/17)
<b>Exchange Rate (A\$/US\$)</b>	0.7669	0.8121 (8/09/17)	0.7234 (3/01/17)
<b>Brent Crude (A\$/bbl)</b>	71.3	86.5 (27/12/17)	59.2 (22/06/18)

Source: RACQ calculations using Informed Sources, Bloomberg and RBA data

## Summary of Price Movements and Price Breakdown in 2017

Figure 1 presents a price breakdown for ULP sold in Brisbane in 2017 (whole year and quarterly), as well as 2016 – the cheapest year and 2014 - the dearest year in the last ten years.



**Figure 1: Price breakdown for Brisbane ULP Prices**

Table 1 summarises Brisbane ULP prices and margins for 2017, as well as wholesale prices and exchange rates, the prices of Asia Pacific regional benchmarks – Singapore MOGAS and Tapis crude, and the international crude oil benchmark – Brent.

**Table 1: Summary of Brisbane ULP Prices**

Date	Average ULP Retail Price (cpl)	Average TGP Price (cpl)	Brent Crude Oil (A\$/bbl)	Tapis Crude Oil (A\$/bbl)	MOGAS Price (A\$/bbl)	Exchange Rate (A\$/US\$)	Average Retail Margin (cpl)	Average Total Margin (cpl)
Average for 2017	130.0	116.8	71.3	73.3	88.9	0.7550	12.2	27.0
Fourth Quarter 2017	137.9	121.9	79.7	82.9	96.0	0.7450	14.9	29.2
Third Quarter 2017	124.7	113.0	65.9	67.2	83.8	0.7894	10.6	26.2
Second Quarter 2017	127.3	114.4	67.7	68.6	85.6	0.7275	11.9	26.4
First Quarter 2017	130.0	117.7	72.1	74.8	90.5	0.7583	11.2	26.1

<b>Average for 2016</b>	118.6	106.5	60.0	62.1	75.2	0.7386	11.1	24.2
<b>Average for 2015</b>	130.1	118.7	71.3	73.8	91.7	0.7527	10.3	28.0
<b>Average for 2014</b>	150.1	138.8	110.2	113.5	122.2	0.9028	10.3	22.8
<b>Average for 2013</b>	147.9	138.3	112.6	118.7	123.4	0.9686	8.5	19.5
<b>Average for 2012</b>	145.4	135.2	107.5	114.7	119.1	1.0359	9.5	20.4
<b>Average for 2011</b>	142.5	132.3	107.4*	113.2	116.2	1.0315	9.5	13.5

Source: RACQ calculations using Informed Sources, MotorMouth, FUELtrac, AIP, IRESS, Bloomberg and RBA data

\*Data limited to the third and fourth quarter of 2011

The average price of ULP in Brisbane in 2017 was 130.0 cpl, 11.4 cpl higher than 2016. Last year was the cheapest year since 2009, when the average Brisbane ULP price was 117.9 cpl. At 137.9 cpl, the average ULP price in the last quarter of 2017 was the highest quarterly price since the third quarter of 2015, when the price was 138.9 cpl. Indicative retail margins on ULP sold in Brisbane, at 12.2 cpl, were the highest on record. Margins were 1.1 cpl higher than 2016.

Figure 2 presents a price breakdown for E10, and Figure 3 for PULP95, sold in Brisbane in 2017, 2016 – the cheapest year and 2014 the dearest year in the last ten years.

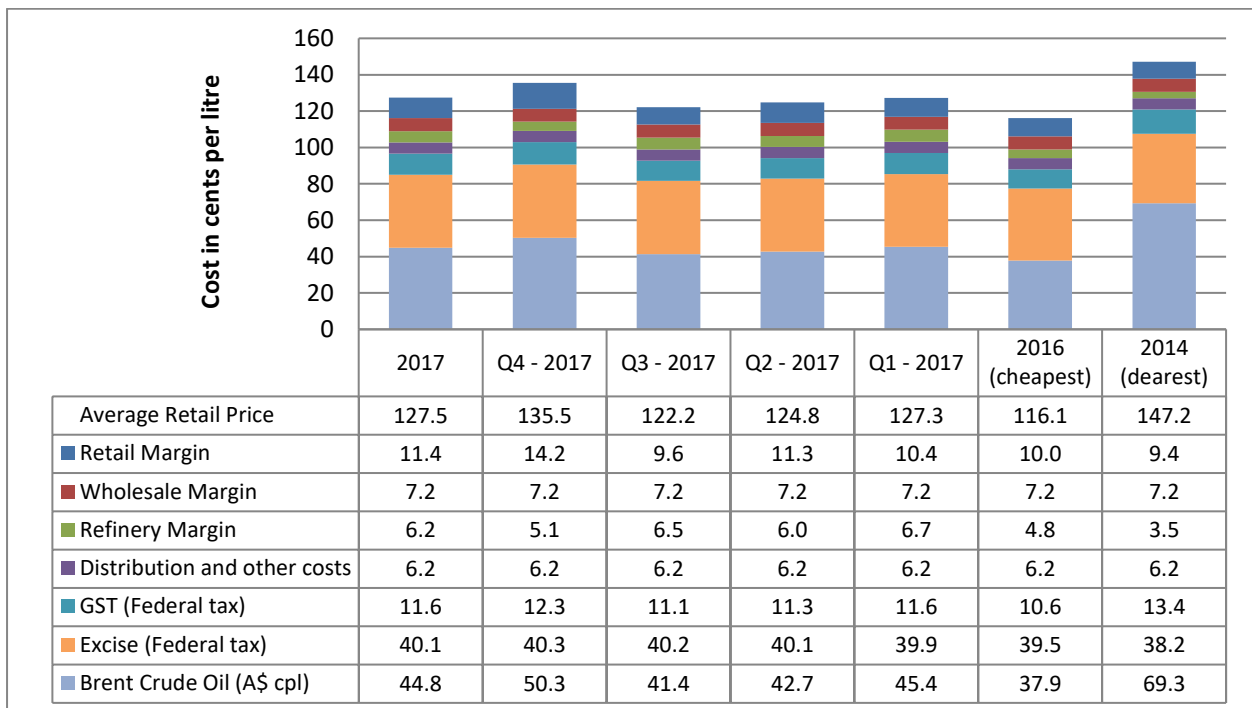
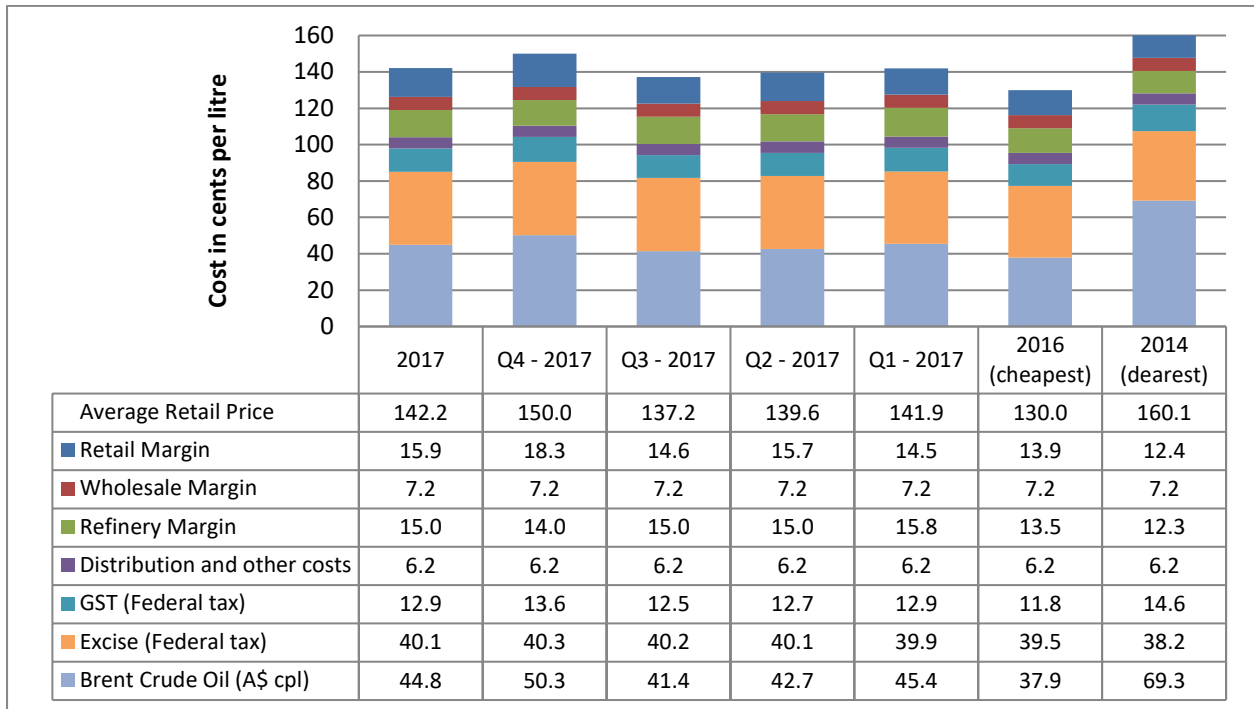


Figure 2: Price breakdown for Brisbane E10 Prices



**Figure 3: Price breakdown for Brisbane PULP 95 Prices**

Table 2 summarises Brisbane PULP 95 and E10 prices and margins for 2017 and the price differences compared to Regular ULP.

**Table 2: Summary of Brisbane E10 and PULP 95 Prices**

Date	Average E10 Retail Price (cpl)	Average E10 TGP Price (cpl)	E10 Retail Margin	E10 Price difference compared to ULP	Average PULP 95 Retail Price (cpl)	Average PULP 95 TGP Price (cpl)	PULP 95 Retail Margin	PULP 95 Price difference compared to ULP
Average for 2017	127.5	115.1	11.4	2.5	142.2	125.4	15.9	12.2
Fourth Quarter 2017	135.5	120.3	14.2	2.4	150.0	130.7	18.2	12.1
Third Quarter 2017	122.2	111.6	9.6	2.4	137.1	121.5	14.6	12.5
Second Quarter 2017	124.8	112.5	11.3	2.5	139.6	122.9	15.7	12.3
First Quarter 2017	127.3	115.9	10.4	2.6	141.9	126.4	14.5	12.0
Average for 2016	116.1	105	10.0	2.5	130.0	115.1	13.9	11.4
Average for 2015	127.5	116.5	10.0	2.6	141.2	127.3	12.9	11.1

<b>Average for 2014</b>	147.2	136.7	9.4	2.2	160.1	146.7	12.4	10.0
<b>Average for 2013</b>	145.5	136.3	8.1	2.4	158.6	146.6	11.0	10.7
<b>Average for 2012</b>	143.1	133.1	9.3	2.3	155.7	144.5	10.2	10.3
<b>Average for 2011</b>	141.8	131.3	9.8	2.1	154.1	143.1	10.0	11.6

Source: RACQ calculations using Informed Sources, MotorMouth, FUELtrac, AIP, IRESS, Bloomberg and RBA data

The E10 and PULP 95 price in Brisbane largely followed the trends set by the ULP price. The price difference between E10 and ULP in 2017 was 2.5 cpl, the same as 2016 and 0.1 cpl lower than 2015. Despite the price difference (compared to ULP), the lower energy content in E10 would still lead to higher cost per kilometre travelled (compared to ULP).

The price difference between PULP 95 and ULP increased in 2017 to 12.2 cpl, compared to 11.4 cpl in 2016, 11.1 cpl in 2015 and 10.0 cpl in 2014.

At 11.4 cpl, retail margins on E10 were 0.8 cpl lower than ULP and 1.4 cpl higher than 2016. Retail margins on PULP 95 were 15.9 cpl, and were 3.7 cpl higher than ULP.

## Summary of Diesel Price Movements in 2017

Figure 4 presents a price breakdown for diesel sold in Brisbane in 2017, 2016– the cheapest year and 2014 the dearest year in the last ten years.

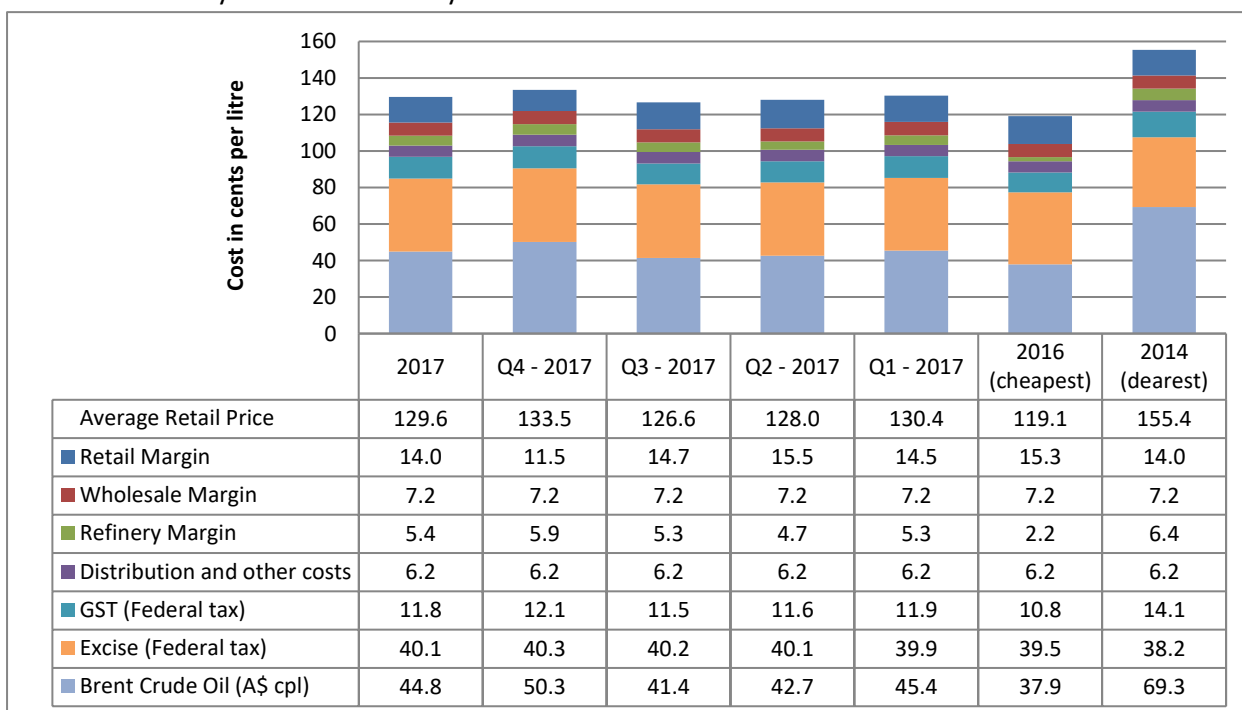


Figure 4: Price breakdown for Brisbane Diesel Prices

Table 3 summarises Brisbane diesel prices and margins for 2017, as well as wholesale prices and exchange rates, and the prices of Asia Pacific regional benchmarks – Singapore GASOIL and Tapis crude, and the international crude oil benchmark – Brent.

**Table 3: Summary of Brisbane Diesel Prices**

Date	Average Diesel Retail Price (cpl)	Average TGP Price (cpl)	Brent Crude Oil (A\$/bbl)	Tapis Crude Oil (A\$/bbl)	GASOIL Price (A\$/bbl)	Exchange Rate (A\$/US\$)	Average Retail Margin (cpl)	Average Total Margin (cpl)
<b>Average for 2017</b>	129.6	114.5	71.3	73.3	86.7	0.7550	14.0	26.6
<b>Fourth Quarter 2017</b>	133.4	120.9	79.7	82.9	95.5	0.7450	11.5	25.2
<b>Third Quarter 2017</b>	126.6	110.8	65.9	67.2	81.8	0.7894	14.7	27.9
<b>Second Quarter 2017</b>	128.0	111.5	67.7	68.6	82.4	0.7275	15.5	27.1
<b>First Quarter 2017</b>	130.4	114.8	72.1	74.8	87.3	0.7583	14.5	26.5
<b>Average for 2016</b>	119.1	102.8	60.0	62.1	71.1	0.7386	15.3	24.7
<b>Average for 2015</b>	129.1	115.8	71.3	73.8	87.9	0.7527	12.2	27.9
<b>Average for 2014</b>	155.4	140.4	110.2	113.5	125.7	0.9028	14.0	27.6
<b>Average for 2013</b>	153.4	141.7	112.6	118.7	129.6	0.9686	10.6	25.3
<b>Average for 2012</b>	149.3	138.2	107.5	114.7	124.8	1.0359	10.4	20.7
<b>Average for 2011</b>	147.1	136.4	107.4*	113.2	116.2	1.0315	9.8	18.2

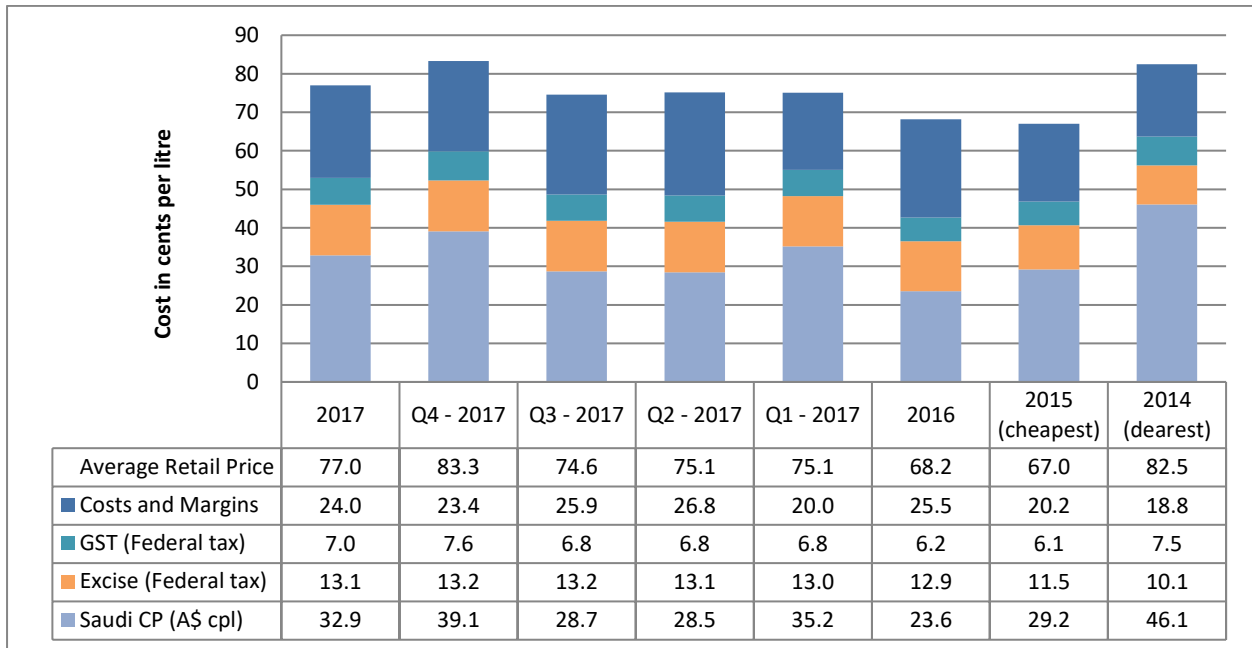
Source: RACQ calculations using Informed Sources, MotorMouth, FUELtrac, AIP, IRESS, Bloomberg and RBA data

\*Data limited to the third and fourth quarter of 2011

The average price of diesel in Brisbane in 2017 was 10.5 cpl higher than the average price in 2016. Retail and total margins remained high in 2017. The average total margin (the sum of the retail, wholesale and refiner margins) in 2017 was 1.9 cpl higher than 2016 but 1.3 lower than 2015. The retail margins fell by 1.3 cpl compared with 2016. The increase in total margin was due to an increase in refinery and wholesale margins. Following a similar trend to oil price and the MOGAS price, the price of Singapore GASOIL strengthened across 2017.

### Summary of LPG Price Movements in 2017

Figure 5 presents a price breakdown for LPG sold in Brisbane in 2017 and 2016, as well as 2015 – the cheapest year and 2014 - the dearest year in the last ten years.



**Figure 5: Price breakdown for Brisbane LPG Prices**

Data on LPG pricing is limited compared to petrol and diesel. Subsequently, it is not possible to calculate retail, wholesale and refinery margins. The alternative measure calculates the difference between the international benchmark price (the Saudi Aramco Contract Price – the Saudi CP) and the pre-tax retail price. This measure captures all fuel company costs and margins.

The Saudi CP is calculated monthly. It is the average of all the wholesale contracts for propane and butane gas, negotiated by the Saudi Arabian state-owned Aramco oil company. This price is published on the first business day of each month and it remains fixed for the whole month.

Historically the price difference between the pre-tax Brisbane retail LPG price and the Saudi CP has been about 14.0 cpl. In 2017 the average price difference was 24.0 cpl, 1.5 cpl lower than 2016, and 3.8 cpl higher than 2015.

### Brisbane Retail, Wholesale and Benchmark Prices

Oil and petrol are traded globally in very high volumes. Therefore, Australia is a price taker for all automotive fuels.

The price of regular unleaded petrol (ULP) sold in Brisbane is influenced by four key factors:

1. The cost of the crude oil
2. Production and transport costs
3. Government tax and excise
4. Refinery, wholesale and retail margins.

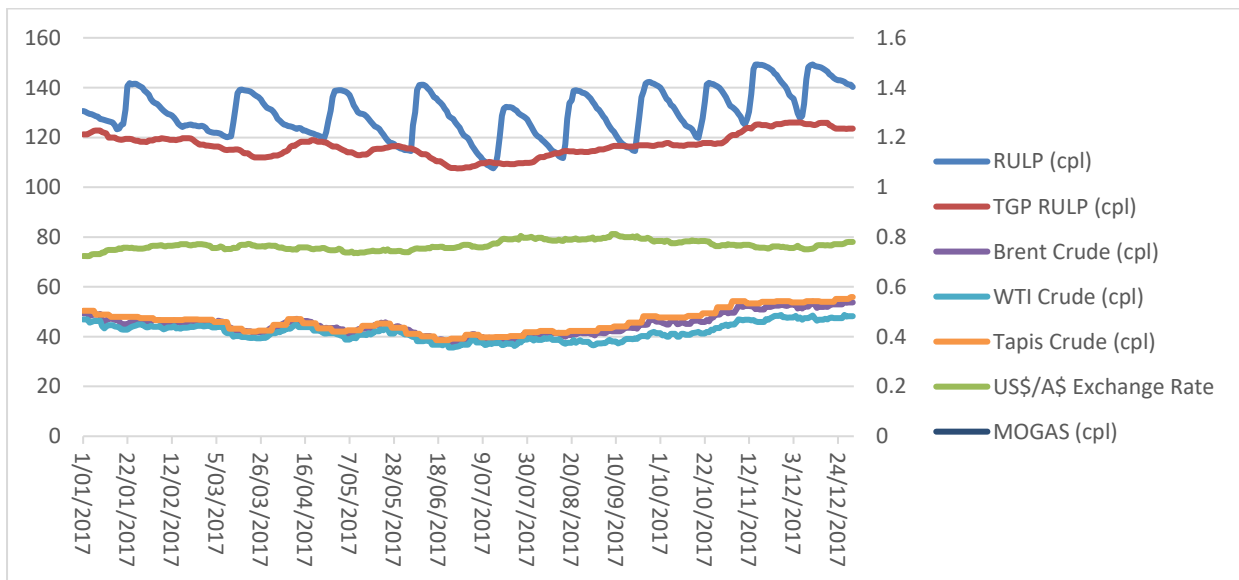
The Terminal Gate Price (TGP) is the key wholesale price for all liquid automotive fuels in the Australian market. TGP is strongly correlated to Singapore wholesale prices. For regular 91RON unleaded petrol (ULP) the refined product benchmark is MOGAS. The Singapore MOGAS price has historically been linked to the price of Tapis crude oil. However, in 2012 this started to change with Brent having a greater impact on the Singapore MOGAS price. In 2014 to 2016 the difference between the Tapis and

Brent prices decreased. This trend continued in 2017. In 2017 the average price difference between Tapis and Brent was 2.0 A\$/bbl compared to 2.1, 2.5 and 3.3 A\$/bbl in 2016, 2015 and 2014, respectively. While both prices are similar and are both highly correlated to MOGAS, Brent is considered to be the global benchmark oil price and should be considered of greater importance.

From January 2016 until mid-2017, the Brent, Tapis and West Texas Intermediate (WTI – the north American benchmark) converged. Historically, because of a long-standing export ban of US-produced oil, the WTI price was lower than Brent and Tapis. In January 2016, the ban was lifted and the prices of WTI, Brent and Tapis started to converge. However, this softened in July 2017 when the WTI fell relative to Brent and Tapis. This divergence was likely due an OPEC production cut (discussed later in the report) The cut appears to have had a greater influence on Brent and Tapis, and a lesser influence on WTI.

Figure 6 displays the Brent crude oil price, the Tapis crude oil price, the average Brisbane TGP – the local wholesale price – for ULP, alongside the Brisbane retail price. These prices are all presented in Australian cents per litre (cpl). Brent, Tapis and MOGAS are internationally traded products bought and sold in US dollars. In Figure 6 the US\$ price has been converted to Australian dollars. Figure 7 similarly displays the diesel prices.

Most of the difference between the price of MOGAS (or GASOIL for diesel) and the TGP is government fuel excise and GST. The remainder is refinery and wholesale margins, shipping and other costs. The difference between the TGP and the Brisbane retail price is largely the retail margin, and to a smaller extent, local transport costs. In 2017 the Brisbane TGPs for ULP and diesel were closely correlated with the MOGAS and GASOIL price.



Source: FUELtrac, Informed Sources, AIP, RBA and Bloomberg

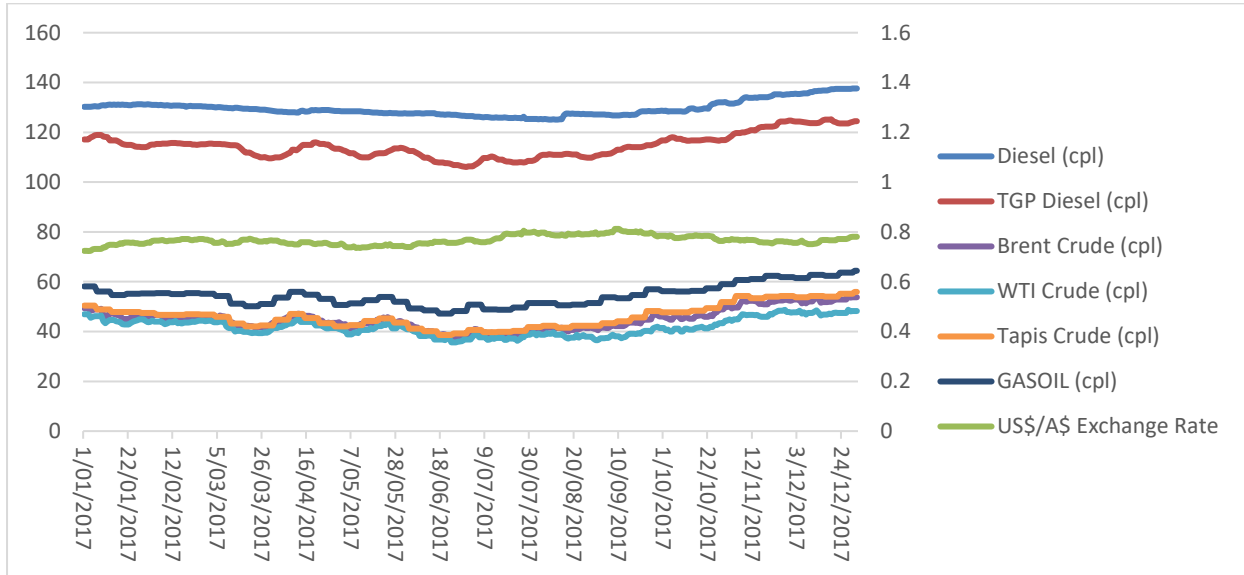
**Figure 6: Brisbane ULP Wholesale Price, Retail Price, Tapis, Brent and MOGAS Price, and the US\$/A\$ Exchange Rate in 2017**

In Figures 6 and 7 the fuel and oil prices are plotted against the left axis in cpl and the exchange rate in US dollars per Australian dollars plotted on the right axis.

Brisbane ULP retail prices were at their lowest during 2017 in July, when the monthly average was 120.8 cpl, the second cheapest month was April when the monthly average was 124.9 cpl. The lowest daily



average of 107.6 cpl was observed on 14 July 2017. The lowest daily average price observed in Brisbane in recent years was 96.6 cpl, observed on 1 March 2016, this was the cheapest price for seven years. Going further back, an average ULP price this low was observed on 14 January 2009, when the average price of ULP in Brisbane fell to 95.5 cpl.



Source: FUELtrac, Informed Sources, RBA, AIP and Bloomberg

**Figure 7: Brisbane Diesel Wholesale Price, Retail Price and Singapore Gasoil Price, and the US\$/A\$ Exchange Rate in 2017**

The retail price of diesel in Brisbane followed a similar trend to the retail ULP price. Prices softened in the first two quarters to a low point in early August, then following the trend set by the oil and GASOIL prices, diesel prices strengthened for the rest of the year.

### Price Records

Fuel pricing in 2017 was dominated by the increasing oil price. The increasing oil price led to some local record highs. In Brisbane the monthly average price of ULP and diesel reached a three-year record high. The average ULP price in December was 141.9 cpl. A price this high was last observed in October 2014 when the average price was 146.1 cpl. The average diesel price in December was 136.7 cpl. A price this high was last observed in December 2014 when the average price was 143.0 cpl.

Like 2015 and 2016, fuel prices in 2017 remained substantially lower than the record highs observed in 2014. However, indicative retail margins hit record high values (in both nominal and real terms).

The record high retail prices observed in 2008, 2013 and 2014 remain the highest prices observed in Queensland. Table 4 shows the current and previous record high prices across Queensland. Table 5 shows the record high ULP prices for Queensland regional centres.

**Table 4: Summary of Record High Fuel Prices**

Record	Record highest price	Date Observed	Second highest price	Date Observed
Daily average ULP price in Brisbane	165.5 cpl	2 January 2014	165.4 cpl	24 July 2013
Monthly average highest ULP price in Brisbane	158.4 cpl	January 2014	154.7 cpl	December 2013
Daily average diesel price in Brisbane	177.7 cpl	15 July 2008	162.5 cpl	5 February 2014
Monthly average highest diesel price in Brisbane	176.7 cpl	July 2008	161.7 cpl	January 2014
Daily average LPG price in Brisbane	95.4 cpl	30 December 2013	95.0 cpl	2 January 2014
Monthly average LPG price in Brisbane	94.8 cpl	January 2014	91.1 cpl	December 2013
Highest ULP price in regional Queensland (monthly average)	178.9 cpl	January to November 2014 (observed in Weipa)	174.1 cpl	August 2013 (observed in Cloncurry)
Highest diesel price in regional Queensland (monthly average)	191.9 cpl	July 2008 (observed in Charleville)	177.4 cpl	January 2014 (observed in Cloncurry)

Source: RACQ calculations using MotorMouth and FUELtrac data

**Table 5: Record High Monthly Average ULP Prices in Regional Queensland**

Town/City	Record Price	Month Observed
Atherton	159.9	June 2014 and July 2014
Ayr	159.9	November 2013 to March 2014
Biloela	160.2	January 2014
Blackall	166.5	February 2014
Blackwater	159.1	January 2014
Bowen	160.2	January 2014
Brisbane	158.4	January 2014
Bundaberg	157.4	July 2008
Cairns	160.9	March 2014
Charleville	169.5	July 2008
Charters Towers	160.5	June 2014
Childers	157.1	August 2013 and January 2014
Cloncurry	174.1	August 2013
Cunnamulla	166.4	July 2008

Dalby	160.3	April 2014
Emerald	158.6	July 2008
Gladstone	159.4	March 2014
Gold Coast	158.4	January 2014
Goondiwindi	159.8	January 2014
Gympie	155.5	August 2013
Hervey Bay	156.5	August 2013
Ingham	159.1	January 2014
Innisfail	159.9	January 2014 to August 2013
Ipswich	157.0	January 2014
Kingaroy	158.4	September 2013
Longreach	168.4	February 2014
Mackay	158.0	January 2014
Mareeba	158.7	June 2014
Maryborough	157.0	August 2013
Miles	164.4	January 2014 and March 2014
Moranbah	165.7	February 2014
Mount Isa	162.5	September 2014
Rockhampton	159.5	January 2014
Roma	163.2	July 2008
Sunshine Coast	156.6	February 2014
Toowoomba	154.5	July 2008
Townsville	156.2	January 2014
Tully	159.9	January 2014 to August 2014
Warwick	155.2	July 2008
Weipa	178.9	January 2014 to November 2014
Yeppoon	158.0	March 2014

Source: RACQ calculations using MotorMouth and FUELtrac data

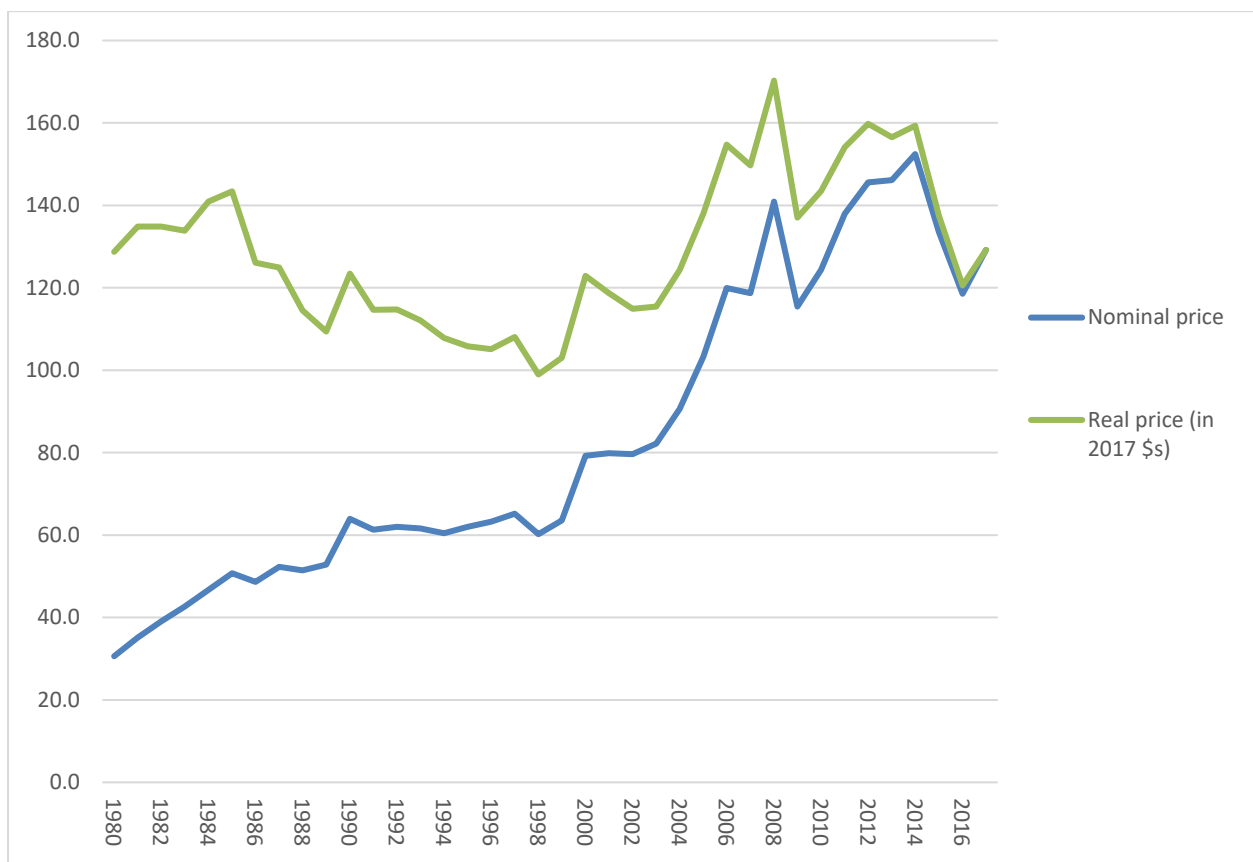
## Historic ULP prices in Brisbane

To compare the current price against historic ULP prices, RACQ analyses real and nominal retail prices and indicative retail margins.

To calculate the real value, historic prices and margins are adjusted for inflation and analysed as 2017 equivalent prices. This allows historic prices to be properly compared to current prices.

The Australian Consumer Price Index (CPI) is used to measure the price changes faced by Australian households, and to evaluate changes in the purchasing power of money over time. Using an international standard method, the CPI measures prices of a basket of household goods and services. The ABS publish an index of the relative value over time<sup>1</sup>. The most recent publication was referenced to 2012 prices. For this report the ABS index was recalculated indexing 2017 prices.

The real cost of fuel was calculated by multiplying the nominal – measured price of fuel by the ABS CPI Index Number. Figure 8 and Table 6 present the nominal price, the CPI Index Number and the real retail ULP price in Brisbane for 1980 to 2017, with Figure 9 and Table 7 presenting the indicative retail margins from 2009 to 2017. The time series for the margin calculations is shorter due to limited availability of historic terminal gate prices.



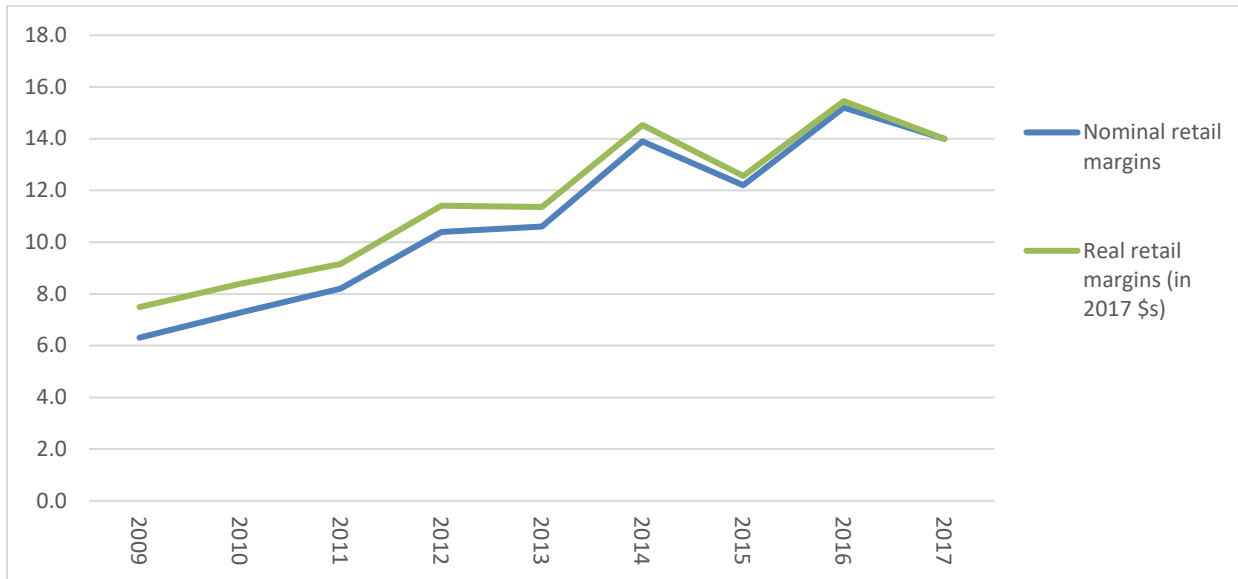
**Figure 8: Historical Nominal and Real ULP Retail Prices in Brisbane**

**Table 6: Historical Nominal and Real ULP Retail Prices in Brisbane**

Year	Nominal price	CPI Index Number	Real price (in 2017 \$s)
1980	30.6	4.2075	128.7
1981	35.1	3.8429	134.9
1982	39.1	3.4511	134.9
1983	42.7	3.1363	133.8

<sup>1</sup> ABS (2017), Consumer Price Index, Australia, Sep 2017, <http://www.abs.gov.au/ausstats/abs@.nsf/mf/6401.0>

1984	46.7	3.0168	141.0
1985	50.7	2.8264	143.4
1986	48.7	2.5919	126.1
1987	52.3	2.3881	125.0
1988	51.4	2.2274	114.5
1989	52.8	2.0713	109.4
1990	64.0	1.9298	123.4
1991	61.3	1.8704	114.7
1992	62.0	1.8516	114.8
1993	61.6	1.8197	112.1
1994	60.4	1.7846	107.8
1995	62.0	1.7056	105.8
1996	63.2	1.6622	105.1
1997	65.2	1.6584	108.1
1998	60.2	1.6443	99.0
1999	63.6	1.6203	103.0
2000	79.3	1.5511	122.9
2001	79.9	1.4857	118.7
2002	79.7	1.4426	114.9
2003	82.2	1.4043	115.4
2004	90.6	1.3721	124.3
2005	103.3	1.3361	138.0
2006	119.9	1.2903	154.7
2007	118.7	1.2609	149.7
2008	140.9	1.2084	170.3
2009	115.4	1.1873	137.0
2010	124.4	1.1537	143.5
2011	138.0	1.1168	154.1
2012	145.6	1.0974	159.8
2013	146.2	1.0712	156.6
2014	152.4	1.0452	159.3
2015	133.5	1.0296	137.5
2016	118.6	1.0167	120.6
2017	130.0	1.0000	130.0



**Figure 9: Historical Nominal and Real ULP Retail Margins in Brisbane**

**Table 7: Historical Nominal and Real ULP Retail Margins in Brisbane**

Year	Nominal Retail Margins	CPI Index Number	Real Margin (in 2017 \$s)
2009	6.3	1.1873	7.5
2010	7.3	1.1537	8.4
2011	9.5	1.1168	10.6
2012	9.5	1.0974	10.4
2013	8.5	1.0712	9.1
2014	10.3	1.0452	10.8
2015	10.3	1.0296	10.6
2016	11.0	1.0167	11.2
2017	12.2	1.0000	12.2

At 130.0 cpl, the real ULP price in 2017 was 9.4 cpl higher than 2016, and the second cheapest in 12 years (2016 being the cheapest). ULP prices were last this cheap in 2004, when the real average ULP price (the price inflated into 2017 values) was 124.3 cpl.

The real ULP price was the most expensive in 2008, when the real ULP price was 170.3 cpl (the nominal price was 140.9 cpl). The most expensive nominal price was observed in 2014, when the average nominal ULP price 152.4 cpl and the real price was 159.3 cpl.

Real ULP prices in Brisbane were higher than the 2017 price from 2005 to 2015. Prior to 2005, real ULP prices were last at the 2017 level in 1985, when the real ULP price (calculated in 2017 dollars) was 143.4 cpl.

Considering the real indicative retail margins, margins in 2017 were the highest since 2009<sup>2</sup>, and are likely to be the record highest for Brisbane. While the real retail prices are lower than the record highs observed in recent years. Both margins and prices are elevated compared to historic prices.

The increase in the retail price observed in 2017 can largely be accounted for by the strengthening oil price. Similarly, the historic low retail price observed in 2016 is largely due to the low oil price. However, while the low oil price in 2016 delivered cheaper fuel to motorists, the fuel industry also used it as an opportunity to elevate retail margins.

Figure 9 and Table 7 show a sustained increase in the real indicative retail margins. In 2017 the average indicative retail margin in Brisbane was 12.2 cpl. While this is 1.0 cpl lower than 2016, it is substantially higher than 2009 when the real margin was 7.5 cpl.

In the past nine years indicative retail margins, inflated using the ABS CPI Index Number into 2017 dollars, have steadily increased and are currently the highest on record.

## **The Brisbane ULP Price Cycle**

Prior to 2011, the ULP price cycle was relatively stable in Brisbane. The cycle was consistently seven days long, and the cheapest day to buy petrol generally fell on the same day each week. In 2011 the price cycle started to lengthen, and has continued to do so. Currently, price cycles often last more than 30 days. As Figures 10 and 11 illustrate, both the cheap day and the price cycle length varied significantly in 2017.

There were 10 complete price cycles in Brisbane during 2017, fewer than 2016, 2015, 2014, 2013 and 2012 when there were 11, 11, 14, 23 and 29 cycles, respectively. The first 2017 price cycle observed in Brisbane started on 7 December 2016 and continued to 17 January 2017. The last cycle started on 7 December 2017 and continued into 2018.

The average cycle length was 35.4 days (compared to 33.0, 32.8, 22.8, 16.2 and 12.6 days in 2016, 2015, 2014, 2013 and 2012, respectively). The longest cycle lasted 52 days (18 January to 10 March) and the shortest lasted 22 days (20 October to 10 November). The cycle length variability was similar to 2016 (with 51 to 21 day long cycles). Both 2017 and 2016 were less variable compared to 2015, when the longest cycle lasted 83 days and shortest 14 days.

Of the 10 price hikes observed in 2017, three started on Wednesday and three on a Saturday. Two price hikes started on Fridays, with one hike starting on a Thursday and one on a Sunday.

In 2016 price hikes most commonly started on a Tuesday or Wednesday, with very few starting later in the week. In 2017 this trend shifted to most price hikes starting later in the week.

The level of price cycle variability reinforces the need for motorists to be regularly informed about fuel prices so they can purchase petrol at the low end of the cycle, when it is cheapest.

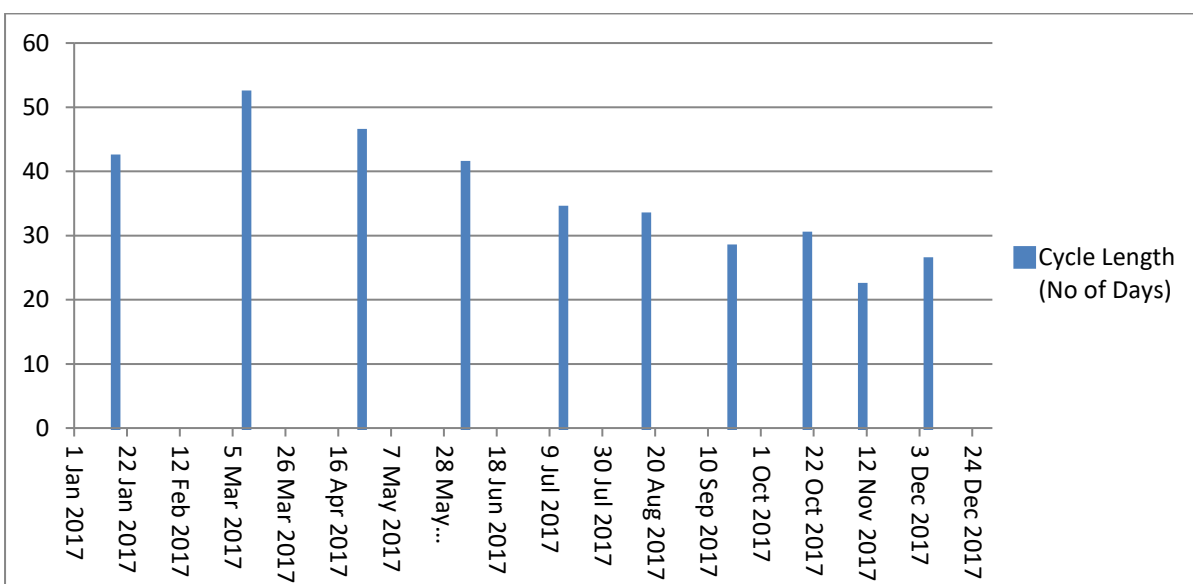
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<sup>2</sup> RACQ has insufficient data to calculate indicative retail margins prior to 2009.

Monday															
Tuesday															
Wednesday			*				*				*				
Thursday										*					
Friday								*					*		
Saturday		*			*					*					
Sunday						*									
	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17			

Source: RACQ calculations using Informed Sources data

**Figure 10: Brisbane Cheap Days in 2017**



Source: RACQ calculations using Informed Sources data

**Figure 11: Length of the Brisbane Price Cycle 2017**

### Comparison of Brisbane Prices to Other Capital City Prices

In 2017 ULP sold in Brisbane cost more than Adelaide, Melbourne, Sydney and Perth, but was cheaper than Hobart, Canberra and Darwin. Brisbane has been the most expensive of the five largest capital cities every year since 2010. On average, at 2.7 cpl, the discrepancy between Brisbane and the other east coast capitals was lower in 2017 compared to 2016 (3.1 cpl).

Table 8 presents the average price difference, in cpl, of the Brisbane ULP retail price compared to the other capital cities. In Table 8 the value of 3.8 cpl for Adelaide in 2017 indicates that the average 2017 price of ULP in Brisbane was 3.8 cpl greater than Adelaide’s. The negative value in 2017 of -3.8 cpl for Canberra indicates the average ULP price in Brisbane was 3.8 cpl lower than the average Canberra price.



**Table 8: Increase in the Average Brisbane Retail Price of ULP Compared to the Other Capitals**

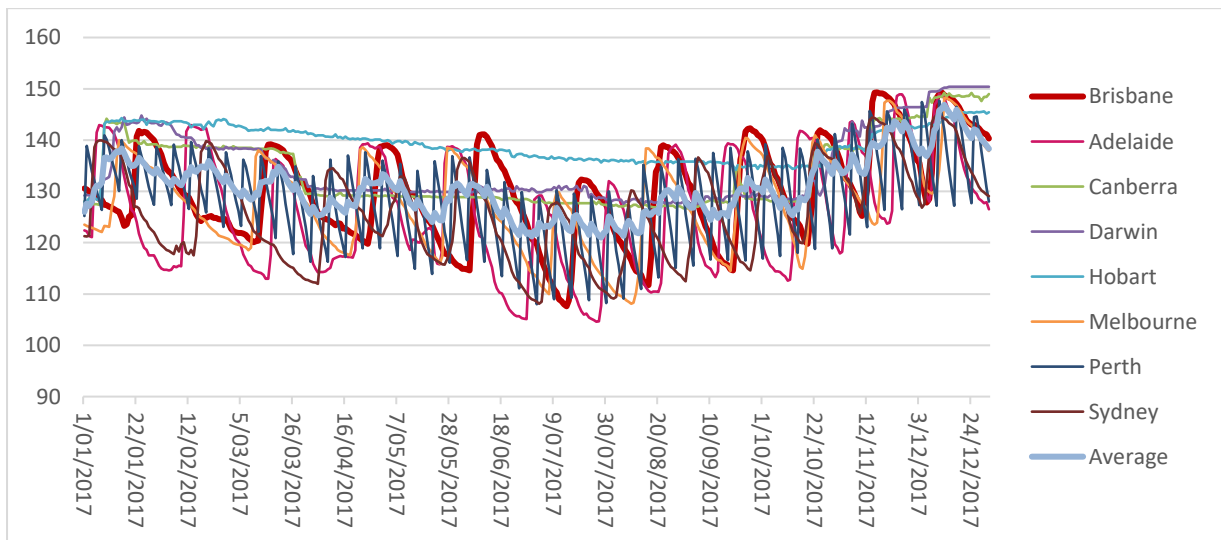
	Adelaide	Canberra	Darwin	Hobart	Melbourne	Perth	Sydney
2017	3.8	-3.8	-4.7	-9.2	1.6	1.5	3.7
2016	4.6	-1.8	-0.9	-3.9	2.8	2.1	2.9
2015	3.2	-0.2	-2.1	-5.9	4.2	1.7	1.4
2014	5.5	-3.7	-19.0	-7.4	5.6	2.3	4.7
2013	3.8	-5.6	-17.1	-9.4	3.6	1.7	2.9
2012	3.6	-2.5	-12.4	-5.1	4.8	2.4	3.9
2011	3.6	0.0	-7.3	-5.0	2.8	1.9	0.7
2010	3.9	0.4	-6.0	-6.2	1.6	2.3	1.9

Source: RACQ calculations using Informed Source data (2017 and 2016), MotorMouth data (2016 to 2012) and FUELtrac data (2011 and 2010)

The relatively high price of Brisbane ULP and high retail margins compared to Adelaide, Melbourne, Sydney and Perth are partly due to the dominance of the major brands in the Brisbane fuel market, as well as the absence of an aggressive fuel discounter. The level of daily discounting tends to be less vigorous in Brisbane compared to the other large capitals.

The average Brisbane indicative retail margin on ULP was 12.2 cpl in 2017, a record high for Brisbane. This was slightly higher than the capital city average of 12.1 cpl. Those cities with lower retail margins compared to Brisbane were Adelaide with 8.6 cpl, Sydney with 8.7 cpl, Perth with 10.5 cpl and Melbourne with 11.2 cpl. Retail margins in Darwin, Canberra and Hobart were higher than Brisbane, with an average for 2017 of 12.8 cpl, 16.2 cpl, and 16.8 cpl, respectively.

Figure 12 displays the average prices of ULP for the state and territory capital cities. The Brisbane price is represented by the red line and the average of all capitals is represented by the pale blue line. Prices in the other capital cities are represented by the different coloured lines identified in the legend. The tabulated monthly data is presented in Table 12.



Source: RACQ calculation using Informed Sources data

**Figure 12: Average ULP Prices for all Capital Cities 2017**

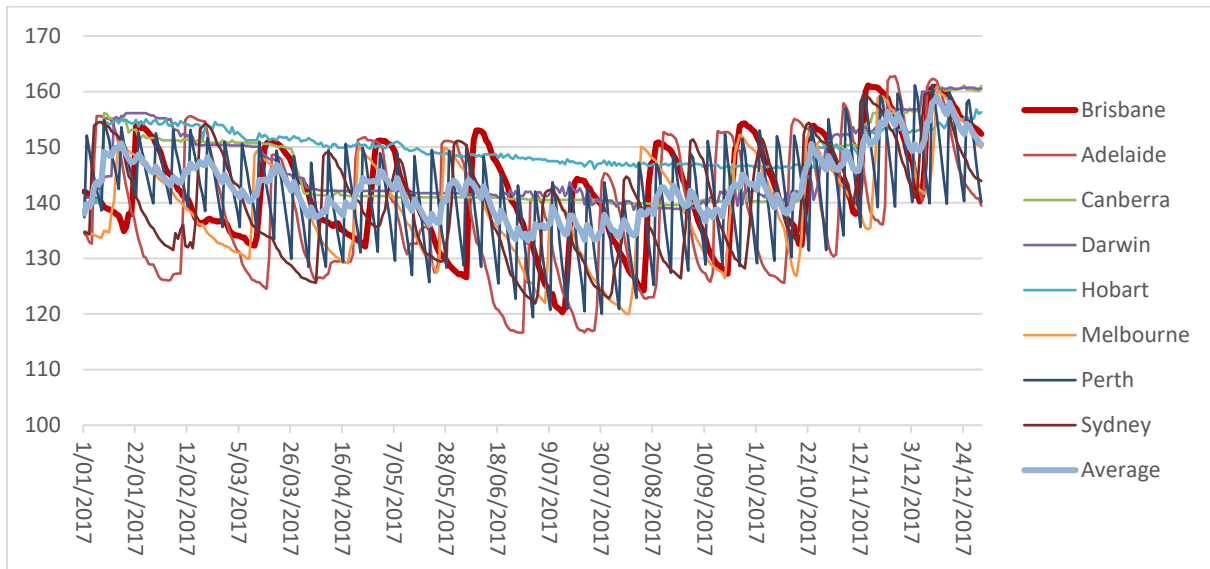
Table 9 presents the average price difference, in cpl, of the Brisbane PULP 95 retail price compared to the other capital cities.

**Table 9: Increase in the Average Brisbane Retail Price of PULP 95 Compared to the Other Capitals**

	Adelaide	Canberra	Darwin	Hobart	Melbourne	Perth	Sydney
2017	3.5	-3.8	-4.0	-7.7	2.2	1.2	1.7
2016	4.3	-1.5	-1.0	-3.4	3.2	2.0	-1.8
2015	2.6	0.4	-5.7	-5.7	4.7	1.9	0.1
2014	4.6	-3.7	-18.9	-8.2	5.3	1.9	2.2
2013	3.6	-4.8	-17.1	-9.7	4.0	1.9	1.6

Source: RACQ calculations using Informed Source data (2017 and 206) and MotorMouth data (2016 to 2013)

Figure 13 displays the average prices of PULP 95 for the state and territory capital cities. The Brisbane price is represented by the red line and the average of all capitals is represented by the pale blue line. Prices in the other capital cities are represented by the different coloured lines identified in the legend. The tabulated monthly data is presented in Table 13.



Source: RACQ calculation using informed Sources data

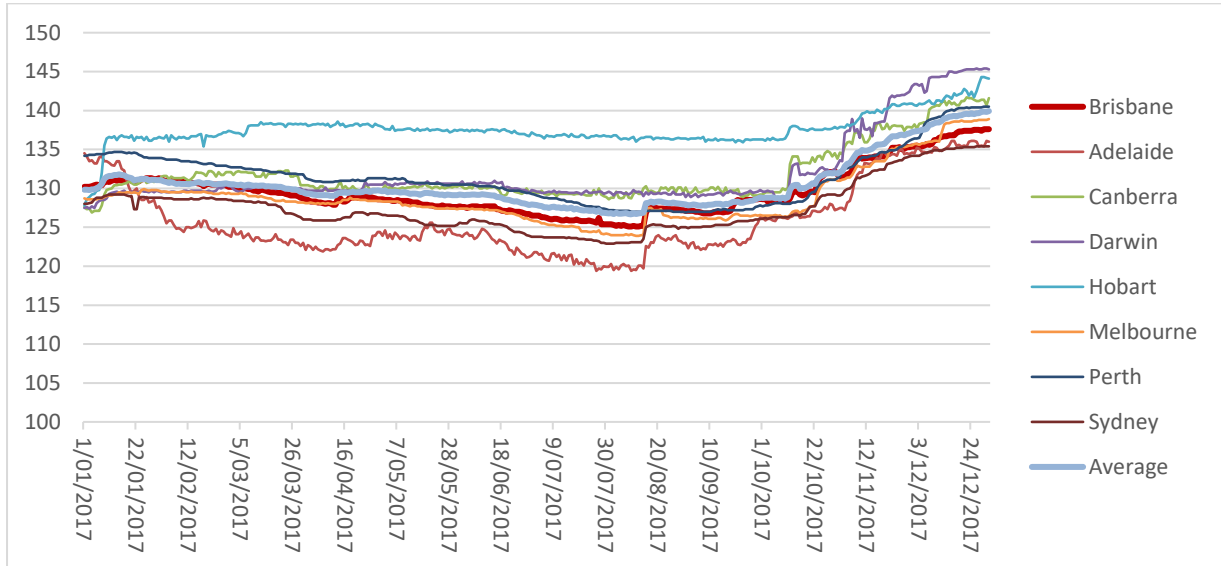
**Figure 13: Average PULP 95 Prices for all Capital Cities 2017**

Figure 14 displays the average prices of diesel for the state and territory capital cities. The Brisbane price is represented by the red line and the average of all capitals is represented by the pale blue line. Prices in the other capital cities are represented by the different coloured lines identified in the legend. The tabulated monthly data is presented in Table 14.

Table 10 presents the average price difference, in cpl, of the Brisbane diesel retail price compared to the other capital cities.

The average Brisbane retail margin on diesel was 14.0 cpl in 2017, 1.2 cpl lower than in 2016 (15.3 cpl) and 1.8 cpl higher than 2015 (12.2 cpl). Diesel retail margins in Brisbane were higher than Adelaide,

Sydney, Darwin and Melbourne, which had an average diesel retail margin of 9.9 cpl, 11.9 cpl, 12.6 cpl and 13.4 cpl respectively. The average diesel retail margins in Perth, Canberra and Hobart were 15.2 cpl, 16.2 cpl and 17.1 cpl higher than Brisbane respectively.



Source: RACQ calculations using Informed Sources data

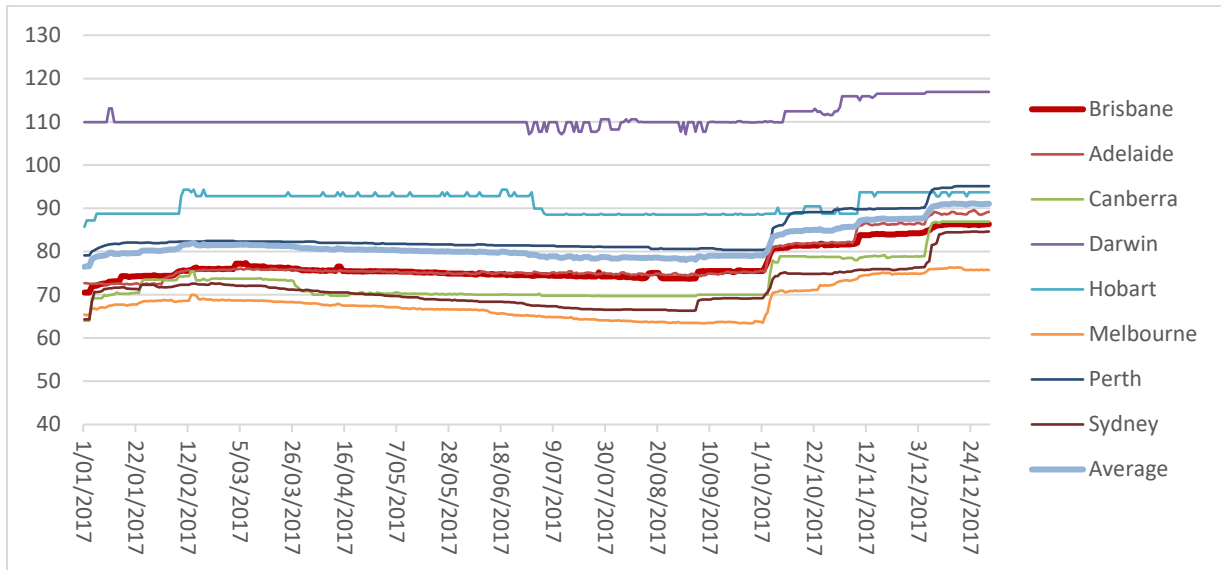
**Figure 14: Average Diesel Prices for all Capital Cities 2017**

**Table 10: Increase in the Average Brisbane Retail Price of Diesel Compared to the Other Capitals**

	Adelaide	Canberra	Darwin	Hobart	Melbourne	Perth	Sydney
2017	3.7	-2.2	-2.3	-8.0	0.7	-1.5	2.1
2016	5.4	0.1	-2.4	-3.8	3.8	-1.6	4.2
2015	3.7	0.8	-7.8	-8.0	5.2	-4.2	2.9
2014	3.0	-1.6	-16.0	-8.6	4.2	-2.4	2.4
2013	1.4	-0.7	-13.3	-5.7	3.6	-0.6	1.7
2012	-0.2	-1.2	-9.8	-5.5	3.3	-1.2	1.3
2011	1.1	-0.6	-7.1	-6.2	2.9	0.8	-0.9
2010	4.0	0.5	-5.9	-6.2	1.7	2.3	2.0

Source: RACQ calculations using Informed Source data (2017 and 2016), MotorMouth data (2016 to 2012 data) and FUELtrac (2011 and 2010)

Figure 15 displays the average prices of LPG for the state and territory capital cities. The Brisbane price is represented by the red line and the average of all capitals is represented by the pale blue line. Prices in the other capital cities are represented by the different coloured lines identified in the legend. The tabulated monthly data is presented in Table 15.



Source: RACQ calculations using Informed Sources data

**Figure 15: Average LPG Prices for all Capital Cities 2017**

The average Brisbane price of LPG was 77.0 cpl, 8.8 cpl higher than in 2016 (68.2 cpl), and 10.0 cpl higher than the 2015 average of 67.0 cpl. Melbourne, with an average LPG price of 68.1 cpl, had the lowest LPG price. Sydney (71.4 cpl) and Canberra (73.2 cpl) were also cheaper than Brisbane. At an average price of 111.1 cpl, Darwin was the dearest of all the Australian capitals for LPG. The average price difference, in cpl, of the Brisbane LPG retail price compared to the other capital cities is shown in Table 11.

**Table 11: Increase in the Average Brisbane Retail Price of LPG Compared to the Other Capitals**

	Adelaide	Canberra	Darwin	Hobart	Melbourne	Perth	Sydney
2017	-0.4	3.8	-34.0	-14.0	8.9	-6.3	5.6
2016	-1.8	1.9	-44.6	-18.9	7.9	-3.7	6.2
2015	2.6	-1.5	-45.7	-18.7	13.5	-7.4	4.3
2014	1.0	-4.9	-33.3	-16.7	9.3	-6.5	3.0
2013	-1.3	-5.4	-35.8	-18.2	7.4	-4.2	0.7
2012	0.6	-1.2	-28.7	-10.8	8.5	-4.0	3.8

Source: RACQ calculations using Informed Source data (2017 and 2016) and MotorMouth data (2016 to 2012)

Tables 12, 13, 14 and 15 display the average ULP, PULP 95, diesel and LPG retail prices for all Australian capital cities.

**Table 12: Average ULP Prices for all Capital Cities**

	Jan-2017	Feb-2017	Mar-2017	Apr-2017	May-2017	Jun-2017	Jul-2017	Aug-2017	Sep-2017	Oct-2017	Nov-2017	Dec-2017	2017 Ave	2016 Ave	2015 Ave	2014 Ave	2013 Ave	2012 Ave	2011 Ave	2010 Ave
Brisbane	131.7	128.1	130.0	124.9	127.4	129.5	120.8	125.6	127.6	132.3	139.5	141.9	130.0	118.6	130.1	150.1	147.9	145.4	142.5	127.6
Adelaide	129.2	129.7	122.9	123.7	126.6	116.9	116.5	123.8	127.3	126.0	135.1	136.5	126.1	114.0	126.9	144.6	144.1	141.7	138.9	123.6
Canberra	137.7	138.7	137.2	129.2	129.0	128.7	127.7	127.1	128.5	131.7	141.5	147.7	133.7	120.3	130.3	153.8	153.6	147.9	142.4	127.1
Darwin	138.5	140.1	136.0	130.4	130.0	130.3	130.0	128.0	128.7	130.7	143.6	149.5	134.6	119.4	132.2	169.1	165	157.9	149.7	133.5
Hobart	139.9	143.3	142.1	140.5	139.0	137.7	136.3	135.8	135.3	135.5	140.7	144.3	139.2	122.5	136	157.5	157.3	150.4	147.5	133.8
Melbourne	131.2	126.3	129.3	126.1	126.8	125.8	118.9	124.1	125.9	130.2	135.5	139.8	128.3	115.8	125.9	144.5	144.2	140.6	139.6	125.9
Perth	133.9	132.4	128.8	125.9	126.3	123.5	119.0	123.1	126.9	129.8	135.6	137.0	128.5	116.5	128.4	147.8	146.2	143.1	140.6	125.3
Sydney	130.8	127.0	120.5	125.2	123.3	122.9	117.6	119.2	124.3	131.5	136.6	136.3	126.2	115.7	128.7	145.4	145	141.5	141.8	125.6
Average	134.1	133.2	130.8	128.2	128.5	126.9	123.4	125.8	128.1	131.0	138.5	141.6	130.8	117.8	129.8	151.5	150.4	146.1	142.9	127.8

Source: RACQ calculations using Informed Sources data (2017 and 2016), MotorMouth data (2016 to 2012) and FUELtrac data (2011 and 2010)

**Table 13: Average PULP 95 Prices for all Capital Cities**

	Jan-2017	Feb-2017	Mar-2017	Apr-2017	May-2017	Jun-2017	Jul-2017	Aug-2017	Sep-2017	Oct-2017	Nov-2017	Dec-2017	2017 Ave	2016 Ave	2015 Ave	2014 Ave	2013 Ave
Brisbane	143.5	140.0	142.2	137.4	139.6	141.8	133.2	138.1	140.2	144.5	151.5	153.9	142.2	130.0	141.2	160.1	158.6
Adelaide	141.3	141.8	134.8	136.0	139.0	128.5	128.4	136.9	140.5	138.8	148.3	149.7	138.6	125.7	138.6	155.5	155.0
Canberra	150.1	151.1	149.6	141.3	141.0	140.9	140.5	139.8	140.8	143.7	153.4	159.6	146.0	131.5	140.8	163.8	163.5
Darwin	150.7	151.9	148.0	142.2	141.8	141.6	141.6	139.4	140.6	143.2	154.1	159.7	146.2	131.0	146.9	179.0	175.7
Hobart	150.9	153.9	151.7	150.4	149.5	148.4	147.4	146.9	146.6	147.2	151.5	154.3	149.9	133.5	146.9	168.3	168.3
Melbourne	142.5	137.6	140.6	137.5	138.2	137.3	130.7	136.0	137.9	141.9	147.1	151.6	139.9	126.8	136.5	154.8	154.6
Perth	146.7	145.3	141.8	138.6	139.1	136.2	131.5	135.7	139.8	138.3	148.9	150.1	141.0	128.0	139.3	158.2	156.7
Sydney	144.7	141.4	134.4	139.2	137.6	137.0	131.8	133.2	138.7	145.9	151.1	151.1	140.5	131.8	141.1	157.9	157.1
Average	146.3	145.4	142.9	140.3	140.7	138.9	135.6	138.2	140.7	142.9	150.7	153.7	143.0	129.8	141.4	162.2	161.2

Source: RACQ calculations using Informed Sources data (2017 and 2016) and MotorMouth data (2016 to 2013)

**Table 14: Average Diesel Prices for all Capital Cities**

	Jan-2017	Feb-2017	Mar-2017	Apr-2017	May-2017	Jun-2017	Jul-2017	Aug-2017	Sep-2017	Oct-2017	Nov-2017	Dec-2017	2017 Ave	2016 Ave	2015 Ave	2014 Ave	2013 Ave	2012 Ave	2011 Ave	2010 Ave
Brisbane	130.9	130.7	129.6	128.5	128.1	127.3	125.9	126.4	127.6	129.7	133.9	136.7	129.6	119.1	129.1	155.4	153.4	149.3	147.1	127.6
Adelaide	131.4	125.1	123.5	122.9	124.2	123.1	120.8	121.8	123.2	126.6	132.6	135.4	125.9	113.7	125.4	152.4	151.9	149.5	146.0	123.6
Canberra	129.7	131.6	131.8	130.0	130.1	129.9	129.3	129.5	129.6	132.3	137.1	140.5	131.8	118.9	128.3	157.0	154.0	150.5	147.7	127.1
Darwin	129.0	129.7	130.0	129.9	130.6	130.4	129.5	129.4	129.3	131.1	139.0	144.6	131.9	121.4	136.9	171.4	166.6	159.1	154.2	133.5
Hobart	134.6	136.7	138.0	138.2	137.5	137.3	136.7	136.5	136.3	137.2	139.7	142.0	137.5	122.9	137.1	164.0	159.1	154.8	153.3	133.8
Melbourne	129.3	129.5	128.7	128.3	127.8	127.0	124.9	125.5	126.3	128.0	133.5	137.6	128.8	115.3	123.9	151.2	149.7	146.0	144.2	125.9
Perth	134.3	133.3	132.2	131.0	130.8	125.7	128.2	127.1	127.2	129.0	134.2	139.4	131.0	120.7	133.3	157.8	154.0	150.5	146.3	125.3
Sydney	128.7	128.7	127.6	126.3	125.8	125.2	123.5	124.2	125.4	127.3	132.1	135.0	127.5	114.8	126.2	153.0	151.7	148.0	148.0	125.6
Average	131.0	130.7	130.2	129.4	129.4	128.2	127.4	127.5	128.1	130.2	135.3	138.9	130.5	118.4	130.0	157.8	155.0	151.0	148.4	127.8

Source: RACQ calculations using Informed Sources data (2017 and 2016), MotorMouth data (2016 to 2012) and FUELtrac data (2011 and 2010)

**Table 15: Average LPG Prices for all Capital Cities**

	Jan-2017	Feb-2017	Mar-2017	Apr-2017	May-2017	Jun-2017	Jul-2017	Aug-2017	Sep-2017	Oct-2017	Nov-2017	Dec-2017	2017 Ave	2016 Ave	2015 Ave	2014 Ave	2013 Ave	2012 Ave
Brisbane	73.3	75.5	76.4	75.6	75.2	74.7	74.4	74.1	75.2	80.7	83.4	85.8	77.0	68.2	67.0	82.5	75.3	75.6
Adelaide	72.5	75.2	75.9	75.5	75.1	75.0	75.0	74.7	74.9	81.1	85.3	88.4	77.4	66.4	64.4	81.5	76.6	75.0
Canberra	70.3	73.8	73.2	70.2	70.2	70.0	69.8	69.7	70.0	77.7	78.7	85.3	73.2	64.5	68.5	87.4	80.7	76.8
Darwin	110.1	109.9	109.9	109.9	109.9	109.7	109.1	109.6	109.7	111.6	116.4	116.8	111.1	111.0	112.7	115.8	111.2	104.2
Hobart	88.4	91.9	92.8	93.0	92.9	93.2	88.7	88.5	88.5	89.2	92.3	93.6	91.1	85.3	85.7	99.2	93.6	86.4
Melbourne	67.5	68.9	68.5	67.6	66.8	65.9	64.6	63.7	63.6	70.6	74.4	75.8	68.1	58.5	53.6	73.2	68.0	67.1
Perth	81.4	82.3	82.3	82.0	81.7	78.7	81.2	80.8	80.5	84.5	89.9	93.9	83.3	70.1	74.4	89.0	79.6	79.6
Sydney	70.3	72.3	71.7	70.4	69.2	68.3	67.0	66.5	68.7	74.2	75.7	82.4	71.4	60.2	62.7	79.5	74.6	71.8
Average	79.2	81.2	81.3	80.5	80.1	79.4	78.7	78.5	78.9	83.7	87.0	90.3	81.6	73.0	64.4	88.5	82.4	78.9

Source: RACQ calculations using Informed Source data (2017 and 2016) and MotorMouth data (2016 to 2012)

## Regional Queensland

The average price for ULP across regional Queensland was 133.9 cpl. This price was the weighted average price for all Queensland centres excluding the metropolitan SEQ centres (the Rest of Queensland Price)<sup>3</sup>. The Rest of Queensland average for diesel for 2017 was 130.1 cpl, and for LPG it was 90.3 cpl.

The Rest of Queensland price was calculated using a different methodology compared to the 2016 Annual Report, using new data unavailable prior to 2017. Therefore, the 2017 prices cannot be compared to indicative average Queensland prices presented in previous annual reports. The methodology used to calculate the average price for individual centres is unchanged and the historic record for these centres can be compared.

Tables 16, 17 and 18 display the average monthly price of ULP, diesel and LPG in major Queensland cities and towns. The green shading highlights centres where the average monthly price was less than or the same as the price in Brisbane. The red shading highlights centres where the average monthly price was more than 10 cpl greater than the Brisbane price.

At an average of 122.6 cpl, Miles was the cheapest place to buy ULP (and diesel) in Queensland in 2017. The Miles average price was 7.4 cpl lower than the average price of 130.0 cpl in Brisbane. Ipswich was the second cheapest centre at 126.8 cpl, and Maryborough the third at 127.1 cpl, 2.9 cpl cheaper than Brisbane. Whitsunday, Bundaberg, Gold Coast, Gympie, Childers and Toowoomba were also cheaper than Brisbane. Longreach, with an average ULP price of 144.0 cpl, was the most expensive centre listed in Table 14<sup>4</sup>.

Along with ULP, Miles also had the cheapest diesel in Queensland during 2017 at an average of 121.5 cpl, 8.1 cpl cheaper than the Brisbane price of 129.6 cpl. Maryborough was the second cheapest in 2017 at 125.7 cpl, 3.6 cpl cheaper than Brisbane. Childers, Warwick, Ipswich, Kingaroy, Goondiwindi, Hervey Bay, Ingham, Gladstone, Mount Isa, Bowen, Charters Towers, Dalby, Townsville, Gympie and Toowoomba were also cheaper than Brisbane. Whitsunday, with an average diesel price of 136.7 cpl, was the most expensive of all centres listed in Table 15 for diesel fuel<sup>4</sup>.

At an average of 74.4 cpl, Ipswich had the cheapest LPG in Queensland during 2017, 2.6 cpl cheaper than Brisbane. The second cheapest centre was the Gold Coast, with an average LPG price of 76.2 cpl. LPG in the Gold Coast was 0.8 cpl cheaper than Brisbane. All other centres were dearer than Brisbane. Longreach recorded the most expensive LPG with an average price of 110.9 cpl<sup>4</sup>.

LPG in most regional centres was substantially more expensive than Brisbane. Of the 21 towns and cities listed in Table 16, the cheapest four centres were SEQ metropolitan centres. All centres recorded an average LPG price at least 10 cpl greater than the Brisbane price, except for Warwick, Toowoomba and Gympie.

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<sup>3</sup> The Rest of Queensland price is the weighted average of all regional retail prices available to RACQ, weighted by the number of retailers in each centre.

<sup>4</sup> RACQ does not have an exhaustive list of regional centres in Queensland. In discussing the cheapest or dearest centre in Queensland, it is implied that this only refers to the centres listed in Table 14. There may be other centres, not listed, that are more or less expensive.

Tables 19 and 20 display the average monthly indicative retail margin for ULP and diesel in major Queensland cities and towns. In these tables, the green shading highlights centres where the average monthly indicative retail margin was less than or the same as Brisbane. The red shading highlights centres where the margins were more than 10 cpl greater than the Brisbane.

## International Benchmark Prices

The global price of oil increased during 2017. The Brent price (in A\$) increased by 8.9% (A\$6.99), from A\$78.55 (US\$56.82) to A\$85.54 (US\$66.72). Brent crude oil reached a three-year record high of 86.5 A\$/bbl (67.0 US\$/bbl) on the 27 December 2017. This was the highest price since 8 December 2014, when it was 83.5A\$/bbl (69.1 US\$/bbl). At that time the Brent oil price was steadily falling from a high point of 122.3 A\$/bbl (115.1 US\$/bbl) observed on 20 June 2014. Prior to this the highest Brent price recorded was 149.6 A\$/bbl (143.7 US\$/bbl) on 14 July 2008, immediately prior to the onset of the global financial crisis.

In the first quarter of 2017 the Brent price, at 72.1 A\$/bbl (54.7 US\$/bbl), was relatively high compared to 2016 prices. This elevated price was due to an OPEC production cut announced in late 2016. As can be seen in Figure 16, oil prices remained high in the second quarter of 2017, before falling in the third quarter, to an average price of 65.9 A\$/bbl (52.0 US\$/bbl). These falls followed speculation that the OPEC deal on production cuts was failing and that compliance was low. OPEC quashed these rumours in the last quarter of 2017, and subsequently the average Brent price for the fourth quarter increased to 79.7 A\$/bbl (59.4 US\$/bbl). The OPEC production cut agreement had a large impact and the monthly average price of Brent oil increased from 46.9 US\$/bbl (62.4 A\$/bbl) in November 2016 to 63.9 US\$/bbl (83.9 A\$/bbl) in December 2017, an increase of US\$17 or 36%.

The price of the Asia-Pacific region refined fuel benchmark (Singapore MOGAS) started the year at 96.7 A\$/bbl (70.7 US\$/bbl). In the first quarter of 2017 the average MOGAS price was 90.5 A\$/bbl (68.3 US\$/bbl), it fell to 85.6 A\$/bbl (64.2 US\$/bbl) in the second quarter, before strengthening in the third and fourth quarters (Q4 average was 96.0 A\$/bbl, 60.4 cpl). After briefly passing 100 A\$/bbl (77 US\$/bbl) in November and December, MOGAS ended the year at 98.3 A\$/bbl (76.6 US\$/bbl), marginally higher than it started 2017.

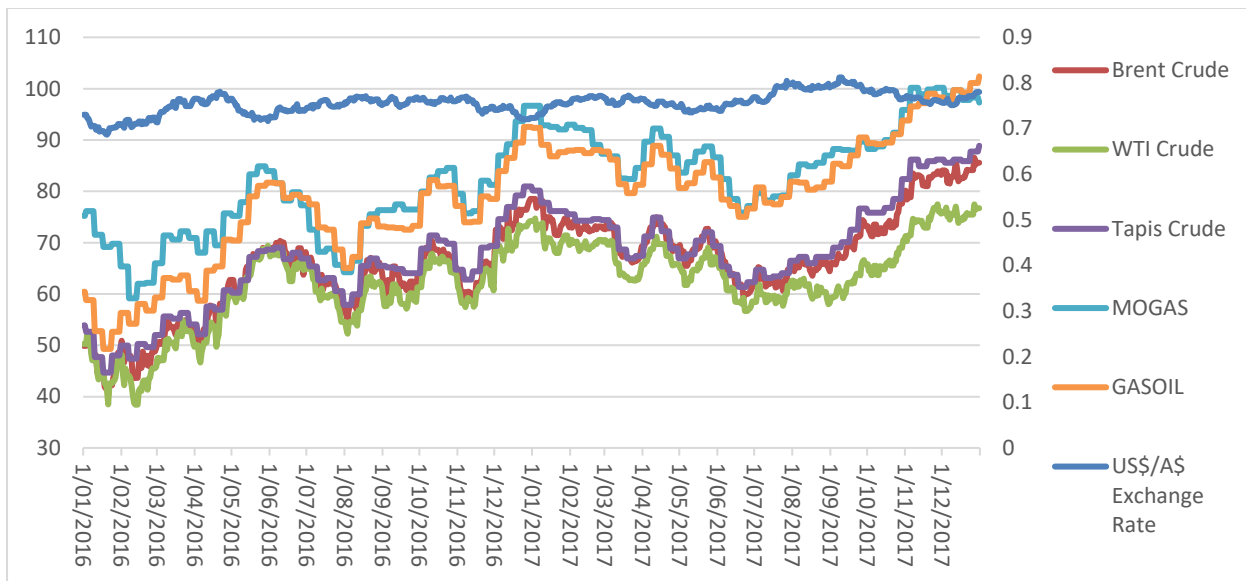
The strength of the Australian dollar fluctuated across 2017, but it ended the year stronger than it started. In broad terms the Australian dollar strengthened in the first quarter and softened in the second, before strengthening to a local high in September of the third quarter. In the fourth quarter of 2017, the dollar fell away from the high point observed in early September, falling to a local low in early December and finishing the year on an upward trend. The Australian dollar started 2017 valued at 72.4 US cents, and after rising, falling and rising again, it reached a high point for 2017 of 81.2 US cents on 9 September 2017. The dollar briefly softened following the release of worse than expected Australian economic growth statistics in September. By the end of 2017 the Australian dollar was again strengthening, ending the year buying 78.0 US cents.

The Reserve Bank of Australia held the cash rate unchanged at 1.5% for the whole of 2017. However, the US Federal Reserve increased the US cash rate from 0.75% at the beginning of 2017 to 1.5% by the end of the year, the same as Australia. It is unusual for the US to have the same or a higher cash rate than Australia. The last time the US cash rate was higher than Australia was between 1997 and 2001. At



that time the value of the Australia dollar was between 48 and 74 US cents. A fall in the value of the Australian dollar could lead to far greater increases in the price of imported crude oil and refined products, than an increase in the price of oil (in US\$).

Figure 16 displays the crude oil and refined product benchmarks prices, and the US\$/A\$ exchange rate. The Tapis crude oil price, and the MOGAS and GASOIL Singapore wholesale prices followed a similar trend as the Brent crude oil price. While the WTI oil price follows the broad trends of the other benchmark prices, a marked divergence can be observed starting in August 2017. This divergence was likely due to the OPEC production cut. The cut appeared to have had a greater influence on Brent and Tapis, and less of an influence on the WTI price.



Source: AIP, Bloomberg, RBA

**Figure 16: Global Crude Benchmark Prices and the Singapore Refined Product Benchmark Prices 2016 to 2017 (A\$ per barrel)**

Oil prices in 2017 were dominated by the OPEC production cut deal and increases in unconventional oil production in the US, notably shale oil. These two competing factors are likely to continue to influence prices moving into 2018.

The OPEC production cut was announced on 30 November 2016 and was the first production cut in eight years. The production cut saw OPEC producers reducing supply by 1.2 million bbl/day and non-OPEC producers reducing supply by 600,000 bbl/day. Of the non-OPEC countries, Russia agreed to a 300,000 bbl/day cut and Mexico a 100,000 bbl/day cut, with several other nations agreeing to smaller cuts. However, it was not until August 2017 that OPEC output fell. This fall was partly due to the production cut and partly due to political unrest in Libya disrupting production.

Rumours of non-compliance and disagreement between the OPEC and non-OPEC countries persisted throughout much of 2017 and there was notable disagreement between Russia and Saudi Arabia. Reports stated that Russia was dissatisfied with the production cut agreement because they were concerned it was benefiting US shale producers. Such reports of disagreements tended to place downward pressure on the oil price. The issues of disagreement and non-compliance appeared to stop

ahead of the OPEC meeting in November 2017, when it was announced that the agreement would continue throughout 2018. Additionally, OPEC members Libya and Nigeria, who were not party to the initial agreement, agreed to limit production to the current level. The price of oil strengthened on this news and continued to strengthen to the end of 2017 and into 2018.

Balancing out the OPEC production cut has been the increased production by other producers, the most significant producer being the US. Production of oil in the US rose steadily in 2017, from 8.9 million bbl/day in the first week of January, to 9.8 million bbl/day at the end of December. Production in December exceeded the previous record high production of 9.6 million bbl/day set in 1970. The number of oil rigs in the US steadily increased throughout 2017, however the rig count remained substantially lower than the peak number of rigs observed in late 2014.

Short term supply disruption and political unrest placed upward pressure on oil prices at various times during 2017. Such events included the political unrest in Venezuela, Libya and Iran, an explosion at a Libyan oil pipeline and unscheduled maintenance work such as the shutdown of the North Sea Forties pipeline. These types of events are likely to continue into 2018 and beyond. These events can cause supply disruptions, but more often the possibility of disruption causes market nervousness and price increases.

Looking forward to 2018, the price of oil will depend on the competing factors of increases in US production and OPEC production cuts. US production is expected to reach record high levels in 2018, and an expected production increase has led to the US Energy Information Administration (US EIA) predicting the price of Brent will average 60 US\$/bbl across 2018 and 61 US\$/bbl in 2019. They note that global oil inventories fell in 2017, the first time since 2013, and this contributed to the price increases in 2017. However, the US EIA predict that inventories will increase (due to increases in US production) in 2018 and 2019, thus placing downward pressure on the oil price. Other analysts have predicted Brent prices of between 55 and 70 US\$/bbl for 2018. The differences in forecasts hinge on assumptions about whether US shale oil production will meet demand, or exceed demand.

## **Data Sources**

All data presented in this report is RACQ derived work from calculations based on various sources. Sources include FUELtrac, Informed Sources, MotorMouth, Australian Institute of Petroleum (AIP), Reserve Bank of Australia (RBA), Australian Bureau of Statistics (ABS), IRESS and Bloomberg.

**22 January 2018**

**RACQ Public Policy Department**

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Table 16: Average ULP Prices in Queensland

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	2017 Ave	2016 Ave	2015 Ave	2014 Ave	2013 Ave	2012 Ave	2011 Ave	2010 Ave	2009 Ave
Brisbane	131.7	128.1	130.0	124.9	127.4	129.5	120.8	125.6	127.6	132.3	139.5	141.9	130.0	118.6	130.1	150.1	147.9	145.4	142.5	127.6	117.9
Gold Coast	131.0	126.2	128.7	121.5	129.4	128.3	118.8	126.1	129.1	131.4	140.3	142.4	129.5	119.2	130.0	148.9	147.3	145.0	142.5	127.9	118.8
Ipswich	125.2	121.2	126.4	119.9	122.4	127.5	118.3	124.0	127.8	128.9	139.0	140.7	126.8	116.9	129.2	149.3	148.5	146.0	142.4	128.0	118.0
Sunshine Coast	134.2	133.7	132.8	134.1	132.3	132.5	123.9	127.1	129.1	134.1	139.5	142.4	133.0	120.6	129.7	147.4	145.7	143.9	142.7	128.2	118.4
Rest of Qld	137.3	138.9	136.0	133.4	132.0	131.4	129.0	129.0	130.1	131.7	137.9	140.0	133.9	nd	nd	nd	nd	nd	nd	nd	nd
Atherton	139.7	144.2	143.5	141.1	139.9	139.9	139.3	137.9	137.9	138.1	139.9	140.0	140.1	125.2	138.4	158.0	154.5	149.7	nd	nd	nd
Ayr	131.7	133.9	130.4	130.8	129.9	126.5	nd	nd	nd	nd	nd	nd	nd	115.0	123.1	152.1	155.7	147.2	nd	nd	nd
Biloela	138.2	139.9	139.6	137.9	137.8	135.8	133.7	132.5	132.8	136.2	139.8	141.9	137.2	125.8	138.5	154.3	154.5	149.2	nd	nd	nd
Blackall	139.2	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	139.9	151.4	165.1	164.0	160.6	nd	nd	nd
Blackwater	139.6	144.9	144.9	144.5	144.4	144.0	143.9	138.1	137.9	138.3	139.7	140.0	141.6	128.1	135.8	157.5	154.0	150.9	nd	nd	nd
Bowen	140.9	143.1	138.8	133.7	131.9	131.2	129.9	129.9	129.9	131.5	136.4	141.8	134.9	120.7	137.8	156.9	155.1	150.8	144.6	130.4	120.0
Bundaberg	135.4	135.6	130.2	126.9	125.7	125.2	121.2	122.0	126.0	125.5	133.0	137.1	128.6	117.3	130.7	152.9	151.8	146.9	142.1	126.2	119.3
Cairns	140.3	144.2	144.0	140.2	140.1	139.9	138.6	138.1	138.0	138.2	139.3	139.6	140.0	127.6	140.3	158.8	155.6	150.7	144.2	128.6	118.4
Charleville	132.7	131.6	130.6	129.3	129.4	131.5	132.5	132.5	nd	nd	nd	nd	nd	123.7	131.4	158.9	159.5	156.9	152.1	139.8	131.3
Charters Towers	136.7	139.7	135.9	130.9	128.3	128.2	127.8	127.4	128.3	130.0	136.3	136.4	132.1	124.0	137.3	156.7	154.2	151.7	146.2	131.5	122.5
Childers	133.4	133.5	130.3	128.2	127.8	127.3	124.8	125.3	126.2	127.7	134.2	137.6	129.6	118.5	132.0	152.6	152.2	147.9	nd	nd	nd
Cloncurry	139.0	141.9	141.9	141.9	141.9	141.1	139.9	139.9	139.9	139.9	140.0	149.9	141.5	130.0	145.1	170.3	171.6	168.0	159.0	nd	nd
Cunnamulla	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	144.5	150.9	162.9	162.9	162.3	154.3	nd	nd
Dalby	137.8	143.3	140.0	134.4	130.8	126.5	123.7	122.6	121.9	125.0	139.2	140.4	132.1	119.3	133.1	155.7	153.0	149.1	139.9	nd	nd
Emerald	138.9	144.9	143.4	142.9	142.9	142.9	142.3	138.3	137.9	138.2	138.0	139.8	140.8	127.7	134.8	154.9	154.6	150.3	144.5	130.6	118.5
Gladstone	138.4	139.8	133.2	128.4	127.4	126.7	122.6	123.8	125.8	128.6	139.1	140.7	131.2	118.5	133.1	156.1	152.9	148.6	141.4	130.5	120.2
Goondiwindi	135.1	137.4	136.2	135.2	132.9	132.4	132.9	133.0	133.1	134.5	137.4	139.5	134.9	121.0	137.2	155.6	153.3	150.4	145.0	129.4	117.1
Gympie	134.6	133.5	129.2	128.0	127.6	126.6	123.6	124.9	127.3	129.6	132.8	136.4	129.5	120.4	130.0	149.9	149.5	147.0	144.6	nd	nd
Hervey Bay	137.8	140.8	139.7	136.5	133.8	129.6	124.2	125.4	127.3	129.3	138.0	139.9	133.5	124.0	134.9	150.6	151.1	146.9	142.4	129.0	119.1
Ingham	138.0	144.0	139.0	136.9	136.4	135.5	133.7	133.0	133.0	134.2	138.8	140.4	136.9	121.3	138.1	155.7	154.1	150.6	nd	nd	nd
Innisfail	139.9	144.9	144.9	144.9	144.9	139.8	131.9	131.2	131.2	132.4	137.5	137.6	138.4	121.8	137.7	158.0	156.6	151.2	nd	nd	nd
Kingaroy	134.4	137.9	136.6	135.9	135.9	135.1	132.8	131.9	131.9	133.2	139.4	140.8	135.5	121.3	135.5	153.7	152.0	148.4	142.3	128.7	117.1
Longreach	141.4	143.4	143.1	143.4	143.2	143.6	143.6	144.0	144.2	145.1	146.0	146.6	144.0	130.1	144.1	167.0	160.7	158.5	152.2	136.9	126.4
Mackay	138.8	139.4	133.3	130.7	129.9	129.9	127.8	128.6	129.3	130.8	139.0	141.1	133.2	119.4	133.4	151.9	152.6	144.5	142.2	127.4	115.9
Mareeba	136.2	140.4	140.3	130.5	129.5	129.5	129.4	129.4	129.4	130.3	135.6	138.5	133.2	122.6	138.9	157.6	154.7	150.3	nd	nd	nd
Maryborough	129.6	128.5	127.8	126.8	126.6	126.1	121.9	122.0	123.6	125.5	130.8	135.7	127.1	118.1	129.4	150.9	150.2	147.1	142.5	128.7	119.1
Miles	115.7	118.9	117.9	117.6	119.9	121.5	123.8	124.5	124.5	125.7	127.5	132.9	122.6	119.0	134.8	157.9	158.5	156.4	nd	nd	nd
Moranbah	127.4	129.6	129.6	129.6	129.8	131.5	130.6	130.0	130.2	133.1	135.6	135.8	131.1	114.3	130.2	160.7	159.0	153.8	nd	nd	nd
Mount Isa	138.0	144.9	144.9	143.2	143.2	142.5	140.4	140.5	140.2	141.2	144.9	148.2	142.7	122.8	142.5	158.6	158.6	155.3	150.5	134.9	124.2
Rockhampton	139.7	144.0	142.6	139.5	139.2	137.4	134.2	133.1	132.7	133.9	139.4	141.1	138.0	122.4	134.6	155.5	154.6	150.2	145.8	131.6	121.6
Roma	137.2	142.3	133.4	129.9	127.6	125.1	124.9	125.0	124.9	127.8	139.9	140.0	131.4	123.7	138.4	157.3	153.4	149.8	146.4	132.2	122.5
Toowoomba	136.9	136.7	134.0	130.9	122.0	124.1	121.6	122.9	126.7	127.4	137.8	139.0	129.9	116.5	132.4	150.7	147.7	146.3	136.3	123.6	112.2
Townsville	140.0	139.7	133.9	130.5	128.7	127.9	124.4	124.3	125.2	128.5	139.5	141.5	132.0	121.7	135.8	152.5	152.1	147.6	141.6	126.7	115.8
Tully	139.6	144.9	143.1	140.1	139.5	139.5	136.8	129.9	129.9	132.2	135.4	140.2	137.4	122.1	135.7	157.8	156.6	151.9	nd	nd	nd
Warwick	140.1	142.8	139.8	132.2	129.9	129.5	128.4	127.6	127.9	130.2	139.9	140.4	134.0	119.5	129.9	148.8	146.3	146.0	141.8	128.4	116.2
Whitsunday	129.4	128.6	127.7	126.6	126.2	126.2	124.4	124.6	124.5	126.6	134.3	137.1	128.0	122.1	nd	nd	nd	nd	nd	nd	nd
Yeppoon	141.7	145.6	144.1	139.9	139.9	138.4	134.5	133.2	131.5	133.1	140.6	141.9	138.7	122.7	133.4	154.8	152.9	148.7	nd	nd	nd

Source: RACQ calculations using Informed Sources data (2017 and 2016), MotorMouth data (2016 to 2012) and FUELtrac data (2011, 2010 and 2009 data)

Table 17: Average Diesel Prices in Queensland

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	2017 Ave	2016 Ave	2015 Ave	2014 Ave	2013 Ave	2012 Ave	2011 Ave	2010 Ave	2009 Ave
Brisbane	130.9	130.7	129.6	128.5	128.1	127.3	125.9	126.4	127.6	129.7	133.9	136.7	129.6	119.1	129.1	155.4	153.4	149.3	147.1	127.6	117.8
Gold Coast	130.9	130.3	129.5	129.0	128.9	128.2	126.7	127.3	128.6	129.6	134.8	136.0	130.0	119.9	129.6	156.4	153.8	150.5	nd	nd	nd
Ipswich	129.2	128.7	127.4	127.2	126.5	125.1	122.4	124.0	125.6	127.7	131.4	134.2	127.4	117.7	127.7	154.6	152.5	148.2	146.0	138.0	131.7
Sunshine Coast	129.4	130.2	130.2	130.1	130.2	129.4	127.7	127.8	128.6	130.4	134.7	137.3	130.5	117.9	128.0	155.8	153.3	150.0	147.3	139.1	135.0
Rest of Qld	131.2	131.7	130.5	129.4	128.6	128.0	126.7	126.8	127.6	130.7	133.5	136.3	130.1	nd	nd	nd	nd	nd	nd	nd	nd
Atherton	134.6	136.0	135.9	134.9	134.9	135.1	133.5	131.9	131.9	134.0	133.5	139.5	134.6	122.8	nd	nd	nd	152.9	nd	nd	nd
Ayr	134.2	127.4	125.9	125.7	125.0	125.6	125.9	122.2	nd	nd	nd	nd	nd	111.4	123.4	153.9	153.8	149.5	nd	nd	nd
Biloela	136.6	135.2	133.0	134.1	135.0	132.8	131.0	131.4	132.8	134.8	138.6	139.9	134.6	120.6	134.0	157.0	156.8	153.0	nd	nd	nd
Blackall	123.8	nd	nd	127.8	nd	127.8	nd	nd	nd	nd	nd	nd	nd	124.2	141.1	166.7	166.2	162.0	nd	nd	nd
Blackwater	134.3	136.0	135.9	133.5	132.5	131.3	130.9	130.5	130.5	132.0	133.5	138.5	133.3	117.4	133.2	157.9	156.2	152.4	nd	nd	nd
Bowen	128.6	128.6	128.2	126.6	126.6	126.6	124.7	123.8	125.8	129.8	133.2	138.9	128.5	113.3	129.6	154.1	154.2	149.8	147.6	130.1	132.0
Bundaberg	129.5	132.6	131.6	130.8	130.2	129.3	126.8	125.7	126.6	128.9	131.8	136.0	130.0	114.3	128.2	154.9	154.4	151.1	147.9	138.2	130.8
Cairns	136.3	137.4	137.5	135.5	133.6	132.8	131.8	131.0	131.3	133.3	135.5	137.4	134.4	125.5	138.6	164.5	158.8	154.0	151.0	139.4	133.0
Charleville	130.3	129.9	129.9	129.9	129.9	132.9	133.4	133.2	nd	nd	nd	nd	nd	118.8	133.6	163.0	162.6	160.2	155.1	140.4	132.4
Charters Towers	129.1	130.8	129.4	126.7	126.1	125.9	125.2	125.2	125.3	129.2	132.2	139.0	128.7	114.5	134.0	158.0	156.1	151.7	150.3	132.4	134.2
Childers	128.0	128.6	126.5	125.2	124.7	124.1	121.5	122.7	124.9	128.3	131.6	135.9	126.8	114.4	127.9	154.5	154.2	150.1	nd	nd	nd
Cloncurry	131.4	130.9	130.9	130.9	130.9	133.2	133.8	130.9	133.9	133.9	135.4	135.6	132.7	128.5	143.9	173.0	174.5	172.1	164.8	nd	nd
Cunnamulla	129.0	130.5	131.0	130.9	130.9	130.8	130.3	130.5	130.5	132.4	136.4	143.2	132.2	140.1	150.6	165.6	166.8	168.8	159.1	nd	nd
Dalby	129.7	132.6	130.9	129.3	128.5	127.9	124.5	122.8	122.7	127.2	131.8	136.6	128.7	115.9	131.2	158.4	154.1	150.0	146.1	nd	nd
Emerald	130.7	131.3	129.8	128.7	128.7	128.7	128.7	128.2	128.6	133.6	136.0	137.4	130.9	115.5	133.5	156.8	156.4	152.0	148.8	131.1	139.2
Gladstone	130.1	129.4	127.9	126.5	126.8	126.0	124.1	124.2	124.2	129.0	133.5	134.6	128.0	117.6	132.1	157.3	156.3	152.1	147.1	131.0	131.8
Goondiwindi	126.7	127.5	127.2	126.8	126.4	126.6	126.8	126.0	126.2	128.1	130.8	134.5	127.8	117.5	131.2	156.9	154.2	149.7	147.1	138.2	131.1
Gympie	131.1	131.2	129.8	128.1	127.6	126.3	124.8	125.7	127.3	130.4	133.8	136.2	129.4	116.1	128.4	152.4	152.0	149.1	nd	nd	nd
Hervey Bay	128.7	129.4	129.5	128.3	126.8	125.1	123.4	123.9	124.7	128.5	131.7	135.2	127.9	122.7	133.1	154.5	154.3	150.6	147.0	130.0	118.0
Ingham	129.0	129.6	128.2	127.9	127.2	126.8	124.4	123.8	124.4	127.6	130.1	136.8	128.0	118.6	132.5	158.0	154.9	149.6	nd	nd	nd
Innisfail	132.7	134.9	134.9	134.9	135.2	135.2	132.4	131.3	131.3	132.5	133.9	136.0	133.7	119.2	135.0	163.7	159.3	154.5	nd	nd	nd
Kingaroy	127.0	127.7	127.3	127.1	127.0	126.5	125.4	125.2	125.6	127.8	131.0	134.6	127.7	116.3	129.7	156.1	155.0	151.7	148.3	139.8	118.5
Longreach	131.5	130.9	130.1	130.1	130.2	131.2	131.4	131.4	131.5	135.8	138.0	139.5	132.6	122.7	140.7	167.2	162.5	160.1	157.0	137.8	119.8
Mackay	132.4	133.9	131.2	130.5	130.6	130.6	129.5	129.7	129.8	133.8	135.4	137.3	132.0	118.0	132.6	158.2	156.8	150.9	146.9	139.9	137.5
Mareeba	131.3	133.0	132.2	128.7	128.8	127.9	127.4	127.4	126.9	128.4	131.4	134.1	129.8	120.5	135.4	164.3	157.7	153.3	nd	nd	nd
Maryborough	127.2	127.5	125.9	124.8	124.7	123.7	120.5	121.6	123.4	126.4	130.0	132.8	125.7	114.0	127.1	153.7	153.0	149.7	146.7	138.7	119.4
Miles	114.3	116.7	118.6	119.2	120.3	120.8	120.5	120.7	121.5	125.2	128.8	130.5	121.5	117.2	134.2	160.7	158.6	155.8	nd	nd	nd
Moranbah	125.7	129.3	129.6	129.6	129.7	129.6	129.7	129.4	129.6	131.8	133.7	133.9	130.1	110.2	130.8	162.9	161.9	156.1	nd	nd	nd
Mount Isa	127.4	127.7	126.4	126.1	125.6	125.6	125.6	126.0	126.6	130.8	132.5	138.5	128.2	123.3	138.9	161.3	162.4	156.4	154.0	132.6	119.4
Rockhampton	134.1	133.2	131.0	129.8	129.1	128.5	127.6	127.9	128.4	131.2	134.9	137.5	131.1	118.6	132.4	157.6	155.5	151.9	150.0	132.4	137.0
Roma	133.5	135.6	136.2	136.5	135.7	134.8	134.9	134.6	135.0	136.7	138.7	143.2	136.3	124.6	134.1	157.3	155.1	152.7	149.6	133.1	133.5
Toowoomba	131.3	132.7	132.1	129.7	126.4	125.5	124.1	125.1	126.2	130.1	134.2	135.6	129.4	118.4	132.9	157.6	153.9	150.3	147.0	138.1	118.5
Townsville	132.4	131.6	127.6	127.0	126.4	126.0	124.1	125.8	127.8	131.2	132.6	137.4	129.1	116.1	132.5	155.3	152.7	148.1	145.3	138.5	118.0
Tully	133.8	136.6	134.2	131.5	130.3	128.0	125.3	124.7	125.2	127.1	132.4	135.5	130.2	122.6	128.3	162.6	157.8	153.1	nd	nd	nd
Warwick	127.0	129.1	127.4	126.1	126.1	124.4	122.4	121.9	122.8	128.8	131.3	135.4	126.9	118.3	132.0	155.5	152.7	149.1	146.8	139.4	118.8
Whitsunday	135.1	135.6	136.6	134.9	134.9	135.0	134.0	134.5	135.5	139.3	141.5	143.9	136.7	124.6	nd	156.2	153.1	149.0	nd	nd	nd
Yeppoon	136.0	136.4	135.3	130.9	129.9	130.5	129.6	129.8	129.7	132.3	135.4	137.3	132.7	119.9	130.8	156.3	154.0	nd	nd	nd	nd

Source: RACQ calculations using Informed Sources data (2017 and 2016), MotorMouth data (2012 to 2016) and FUELtrac data (2011, 2010 and 2009 data)

Table 18: Average LPG Prices in Queensland

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	2017 Ave	2016 Ave	2015 Ave	2014 Ave	2013 Ave	2012 Ave
Brisbane	73.3	75.5	76.4	75.6	75.2	74.7	74.4	74.1	75.2	80.7	83.4	85.8	77.0	68.2	67.0	82.5	75.3	75.6
Gold Coast	72.1	73.8	75.2	74.3	73.8	73.0	72.7	72.8	75.2	81.0	83.7	86.3	76.2	67.9	68.5	83.3	75.9	76.9
Ipswich	71.4	72.2	71.8	71.2	71.1	71.2	71.2	71.3	73.3	80.2	83.0	84.4	74.4	69.0	68.6	83.9	75.7	76.7
Sunshine Coast	74.0	75.4	77.7	77.4	76.7	75.8	75.1	75.1	75.6	79.6	83.3	84.8	77.5	69.5	69.4	84.3	75.1	77.0
Rest of Qld	86.2	86.6	89.0	88.7	88.1	90.9	91.8	90.8	91.6	92.4	92.9	94.2	90.3	nd	nd	nd	nd	nd
Atherton	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd
Ayr	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	110.7	101.9	87.0
Biloela	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	108.6	nd	nd
Blackall	117.0	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	100.3	88.3	98.1	91.7	104.9
Blackwater	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	107.6	100.8	99.5
Bowen	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	102.5	106.0	114.0	97.3	92.2
Bundaberg	89.9	91.3	90.9	90.0	90.0	95.2	94.8	90.0	90.0	89.1	89.0	89.0	90.8	90.7	95.2	100.0	90.8	88.1
Cairns	94.9	97.5	108.4	102.8	95.5	108.5	108.6	101.2	110.3	110.0	103.5	99.3	103.4	96.9	103.2	106.5	99.6	95.2
Charleville	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	109.9	nd	nd
Charters Towers	90.3	90.9	96.3	97.5	98.0	97.0	96.9	96.9	96.9	96.9	98.5	101.2	96.5	87.8	91.4	105.0	98.3	95.4
Childers	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	89.0	nd	105.1	95.6	89.5
Cloncurry	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	124.6	nd	133.2
Cunnamulla	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd
Dalby	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	89.5	89.7	98.0	90.3	90.4
Emerald	90.1	90.1	90.1	90.1	90.1	93.2	93.4	94.0	94.7	94.7	94.7	94.4	92.5	92.3	90.3	97.7	92.2	92.6
Gladstone	89.9	89.9	89.9	89.9	89.9	89.9	89.9	89.9	89.9	89.9	89.9	92.4	90.1	89.8	90.6	98.5	95.6	90.3
Goondiwindi	89.9	89.9	89.9	89.9	89.9	89.9	89.9	89.9	89.9	89.9	89.9	89.9	89.9	89.9	nd	92.8	86.9	86.3
Gympie	83.0	83.8	84.6	84.6	84.6	84.8	84.7	84.7	84.3	85.1	86.6	89.6	85.1	83.6	88.3	95.3	85.8	85.8
Hervey Bay	89.6	89.4	89.6	89.6	89.6	89.4	89.5	89.5	89.5	89.5	89.5	89.5	89.5	91.1	92.5	101.1	85.6	87.3
Ingham	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	90.9	91.0	98.4	94.6	92.4
Innisfail	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd
Kingaroy	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	101.3	86.9	81.8
Longreach	110.9	110.9	110.9	110.9	110.9	110.9	110.9	110.9	110.9	110.9	110.9	110.9	110.9	110.5	nd	101.2	nd	106.0
Mackay	100.4	97.9	99.9	99.3	99.1	98.8	98.6	98.6	98.6	98.6	98.6	100.7	99.1	93.1	94.1	101.1	90.7	91.7
Mareeba	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	114.7	97.9	96.3
Maryborough	87.9	91.5	97.3	96.6	96.5	96.4	96.5	95.9	95.9	96.3	97.0	98.7	95.6	86.3	88.1	106.3	95.0	92.3
Miles	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	104.9	98.8	93.4
Moranbah	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd
Mount Isa	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	95.7	95.7	91.3
Rockhampton	89.9	89.9	89.9	89.9	89.9	92.5	94.9	96.6	97.4	98.9	99.9	99.9	94.2	89.9	90.1	97.3	94.8	90.4
Roma	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	108.9	110.9	117.1	101.2	95.1
Toowoomba	70.4	73.4	76.9	76.7	76.3	82.2	85.0	84.0	84.1	87.8	89.1	89.0	81.3	69.5	70.2	89.7	75.4	77.4
Townsville	85.9	85.9	85.9	85.9	86.2	92.0	93.9	93.9	93.9	93.9	95.7	96.4	90.8	82.1	87.5	94.3	91.5	90.8
Tully	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	95.8	nd	nd
Warwick	79.9	80.4	80.1	80.1	80.9	80.9	80.9	80.9	80.9	81.9	84.5	86.4	81.1	81.2	83.9	nd	85.5	87.8
Whitsunday	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	119.4	119.4	nd	nd	nd	98.9	92.6	84.6
Yeppoon	89.9	89.9	89.9	89.9	89.9	97.9	99.9	99.9	99.9	99.9	99.9	99.9	95.6	89.9	90.1	96.3	90.8	88.3

Source: RACQ calculations using Informed Sources (2017 and 2016) and MotorMouth data (2016 to 2012)

Table 19: Average ULP Indicative Retail Margins in Queensland

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	2017 Ave	2016 Ave	2015 Ave	2014 Ave	2013 Ave
Brisbane	10.3	8.2	14.7	7.3	11.5	17.0	10.4	11.2	10.2	13.9	14.8	15.9	12.2	11.0	9.9	10.2	8.5
Gold Coast	9.1	5.6	12.8	3.2	12.8	15.1	7.8	11.1	11.0	12.4	15.0	15.8	11.0	10.1	9.5	9.0	7.5
Ipswich	3.6	1.0	10.9	1.9	6.2	14.6	7.6	9.3	10.1	10.3	14.0	14.4	8.7	8.4	8.7	9.4	9.1
Sunshine Coast	12.1	12.9	16.8	15.6	15.5	19.2	12.7	11.9	10.9	14.9	14.0	15.6	14.4	12.2	8.3	6.7	5.1
Atherton	15.0	20.7	24.7	19.9	20.4	23.8	25.3	19.9	17.0	16.2	11.5	10.4	18.7	14.1	17.7	15.4	12.3
Ayr	6.6	9.7	10.2	7.9	10.9	13.5	nd	nd	nd	nd	nd	nd	nd	3.7	-0.5	8.8	12.7
Biloela	17.0	19.5	21.7	19.4	21.0	21.7	20.3	16.9	14.1	14.1	13.1	12.7	17.6	18.1	15.2	11.0	10.8
Blackall	6.5	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	22.3	nd	nd	nd
Blackwater	12.5	19.1	23.8	21.0	22.6	25.6	27.7	17.9	14.7	14.1	9.2	8.3	18.0	14.7	9.9	11.7	7.8
Bowen	14.7	18.2	18.5	11.0	10.9	13.6	14.5	10.4	7.5	8.1	6.6	10.9	12.0	8.3	13.8	13.2	11.7
Bundaberg	10.7	12.3	11.6	5.8	6.3	9.2	7.4	4.2	5.2	3.8	4.9	7.7	7.4	6.3	7.3	10.3	9.1
Cairns	16.4	21.4	26.0	19.7	21.3	24.5	25.4	20.8	17.8	17.0	11.7	10.7	19.4	17.2	17.9	17.5	13.7
Charleville	4.1	4.4	8.0	4.3	6.2	11.7	14.8	14.3	nd	nd	nd	nd	nd	8.8	3.1	11.3	11.9
Charters Towers	9.4	13.5	14.4	7.0	6.1	9.4	11.1	6.8	4.7	5.4	5.4	4.3	8.1	10.5	13.3	13.0	10.7
Childers	9.1	10.8	12.5	7.6	8.9	11.9	11.5	7.9	5.9	6.4	6.6	8.7	8.9	7.7	nd	nd	nd
Cloncurry	15.6	19.7	24.4	21.9	23.6	26.3	27.2	23.2	20.2	19.2	13.0	21.8	21.4	18.5	15.6	21.2	22.7
Cunnamulla	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	29.8	24.0	15.6	15.6
Dalby	14.6	21.5	22.8	14.8	12.9	12.0	11.4	6.2	2.6	4.7	12.6	12.5	12.3	9.8	11.4	14.7	12.0
Emerald	11.1	18.4	21.6	18.7	20.4	23.8	25.3	17.3	14.0	13.3	6.7	7.4	16.5	13.5	10.1	10.3	9.5
Gladstone	14.2	17.0	15.1	7.8	8.5	11.2	9.3	6.5	5.5	7.3	11.5	11.9	10.4	8.0	10.3	13.3	9.8
Goondiwindi	10.4	14.1	17.7	14.2	13.6	16.5	19.2	15.2	12.4	12.8	9.3	10.2	13.8	10.0	13.1	12.0	9.8
Gympie	11.8	12.1	12.5	8.8	10.2	12.6	11.7	9.0	8.4	9.8	6.6	9.0	10.2	11.3	8.5	9.0	8.7
Hervey Bay	13.8	18.2	21.7	16.1	15.2	14.3	11.1	8.3	7.2	8.2	10.6	11.2	13.0	13.7	13.0	9.3	9.8
Ingham	12.7	19.8	19.5	15.1	16.2	18.7	19.1	14.4	11.5	11.6	9.9	10.4	14.9	9.8	nd	nd	nd
Innisfail	15.2	21.3	26.0	23.6	25.3	23.6	17.8	13.2	10.2	10.4	9.1	7.9	16.9	10.6	14.6	15.0	14.1
Kingaroy	11.2	16.1	19.4	16.3	18.0	20.6	20.5	15.6	12.6	12.9	12.8	12.9	15.7	11.8	12.8	11.6	9.9
Longreach	9.4	12.7	17.1	15.0	16.5	20.3	22.5	18.8	16.1	16.0	10.6	10.0	15.4	11.8	12.5	15.5	8.8
Mackay	14.1	16.0	14.5	9.6	10.5	13.8	13.9	10.7	8.4	9.0	10.8	11.8	11.9	8.4	10.5	8.8	9.8
Mareeba	11.6	17.1	21.6	9.5	10.1	13.5	15.6	11.6	8.6	8.5	7.4	9.1	12.0	11.6	15.6	14.3	12.0
Maryborough	5.9	6.3	10.3	6.8	8.4	11.2	9.2	5.2	3.9	4.8	3.7	7.4	6.9	8.1	7.2	9.3	8.7
Miles	-8.8	-4.2	-0.5	-3.3	0.8	5.7	10.2	6.8	3.9	4.1	-0.4	3.7	1.6	8.2	nd	nd	nd
Moranbah	0.8	4.3	9.0	6.5	8.4	13.5	14.8	10.2	7.4	9.3	5.5	4.6	7.9	1.4	4.2	14.5	13.1
Mount Isa	4.8	12.9	17.6	13.5	15.2	17.9	18.0	14.0	10.8	10.7	8.2	10.3	12.8	3.4	12.2	8.6	nd
Rockhampton	14.5	20.0	23.4	17.8	19.2	20.9	19.8	14.7	11.3	11.5	10.6	11.3	16.2	10.9	11.2	12.1	10.9
Roma	11.2	17.7	13.6	7.6	7.0	7.9	9.9	6.0	2.9	4.8	10.6	9.4	9.0	11.5	14.4	13.9	10.1
Toowoomba	14.5	15.6	17.7	12.1	5.0	10.4	10.1	7.4	8.1	7.9	11.9	12.0	11.0	7.8	11.1	10.1	7.1
Townsville	15.8	16.7	15.6	9.7	9.7	12.2	10.9	6.8	4.7	7.0	11.7	12.6	11.1	11.3	13.4	10.4	10.3
Tully	14.2	20.8	24.1	18.2	19.3	22.8	22.2	11.3	8.4	9.6	6.5	9.9	15.4	9.4	nd	nd	nd
Warwick	17.4	21.4	23.2	13.1	12.5	15.5	16.6	11.7	9.1	10.4	13.8	13.0	14.8	10.5	8.4	8.0	5.5
Whitsunday	nd	nd	nd	nd	nd	nd	nd	5.1	2.4	3.4	4.8	6.5	nd	7.4	nd	nd	nd
Yeppoon	16.0	21.3	24.5	17.8	19.5	21.4	19.7	14.4	9.7	10.3	11.5	11.6	16.4	10.7	9.3	10.9	8.5

Source: RACQ calculations using informed Sources, MotorMouth and FUELtrac data

Table 20: Average Diesel Indicative Retail Margins in Queensland

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	2017 Ave	2016 Ave	2015 Ave	2014 Ave	2013 Ave
Brisbane	13.5	14.3	15.6	14.0	15.2	17.2	16.5	14.7	12.9	11.7	11.2	11.5	14.0	15.2	12.2	13.9	10.6
Gold Coast	12.9	13.3	14.9	13.8	15.4	17.4	16.7	15.0	13.3	10.9	11.5	10.2	13.8	15.5	11.6	11.1	10.4
Ipswich	12.9	13.4	14.5	13.7	14.7	16.1	14.0	13.4	12.0	10.7	9.8	10.0	12.9	12.9	12.9	19.3	9.5
Sunshine Coast	11.3	13.0	15.5	14.8	16.6	18.5	17.5	15.4	13.2	11.5	11.2	11.3	14.1	13.3	13.4	12.2	9.1
Atherton	14.1	16.3	18.7	17.1	18.8	21.8	20.9	17.0	13.9	12.7	7.4	10.9	15.8	11.9	nd	14.7	nd
Ayr	14.0	8.1	9.0	9.8	9.6	14.8	13.4	7.2	nd	nd	nd	nd	nd	6.1	9.4	13.4	8.3
Biloela	15.4	14.9	15.1	15.6	18.2	18.7	17.6	15.7	14.1	12.7	11.8	10.7	15.1	12.9	12.7	nd	10.9
Blackall	-5.0	nd	nd	3.1	nd	4.4	nd	nd	nd	nd	nd	nd	nd	10.6	nd	9.4	nd
Blackwater	11.3	14.0	16.3	13.3	14.0	15.5	15.8	13.1	10.1	8.2	5.0	7.6	12.0	8.0	11.2	12.7	7.9
Bowen	7.3	8.2	10.2	8.1	9.7	12.4	11.3	8.1	7.1	7.7	6.5	9.8	8.9	5.7	9.2	nd	8.3
Bundaberg	8.7	12.8	14.3	12.9	13.9	15.8	14.0	10.7	8.5	7.4	5.7	7.5	11.0	7.0	10.4	11.2	8.2
Cairns	16.6	18.5	21.0	18.5	18.2	20.2	19.9	16.9	14.1	12.7	10.2	9.6	16.3	19.3	20.8	9.2	14.1
Charleville	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	13.5	10.4	11.3
Charters Towers	6.6	9.1	10.2	7.0	8.0	10.5	10.6	8.3	5.4	5.9	4.3	8.7	7.9	5.7	13.1	20.8	10.3
Childers	7.7	9.3	10.3	7.8	9.0	11.1	9.2	8.2	7.3	7.3	6.0	7.8	8.4	9.0	nd	13.5	nd
Cloncurry	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	22.7	13.1	23.2
Cunnamulla	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	nd	17.5	nd	15.9
Dalby	10.4	14.3	15.0	12.8	13.7	15.8	13.1	9.2	6.1	7.2	7.2	9.5	11.2	10.2	15.6	22.7	9.5
Emerald	7.0	8.5	9.4	7.8	9.4	12.2	12.8	10.1	7.4	9.0	6.8	5.7	8.9	5.3	11.1	17.5	9.2
Gladstone	10.0	10.2	11.1	9.2	11.2	13.2	11.9	9.7	6.7	8.1	7.9	6.6	9.7	11.1	13.6	15.6	11.0
Goondiwindi	6.0	7.8	10.0	9.0	10.2	13.2	14.1	11.0	8.2	6.8	4.8	6.0	8.9	10.4	14.7	13.6	7.1
Gympie	12.3	13.3	14.4	12.1	13.2	14.7	13.9	12.6	11.1	10.9	9.6	9.6	12.3	10.8	9.8	11.6	7.6
Hervey Bay	8.6	10.3	12.9	11.0	11.3	12.3	11.3	9.6	7.4	7.7	6.3	7.3	9.7	17.1	11.3	9.8	9.4
Ingham	8.6	10.0	11.1	10.2	11.1	13.5	11.8	9.0	6.5	6.4	4.3	8.5	9.2	11.5	nd	11.3	nd
Innisfail	12.1	15.2	17.6	17.0	19.0	21.8	19.7	16.3	13.2	11.1	7.7	7.3	14.8	12.2	19.3	nd	14.0
Kingaroy	7.7	9.4	11.5	10.7	12.3	14.5	14.1	11.6	9.1	7.9	6.3	7.5	10.2	9.6	12.2	12.9	9.4
Longreach	2.5	3.8	5.3	1.5	1.8	3.6	2.4	0.2	-1.7	-0.5	-0.7	-1.6	1.3	8.4	14.7	12.2	8.4
Mackay	12.5	14.9	14.7	13.5	15.2	17.9	17.5	15.4	12.6	13.1	10.2	9.6	13.9	11.7	14.9	14.7	11.7
Mareeba	11.0	13.5	15.2	11.1	12.8	14.7	14.8	12.6	9.1	7.2	5.5	5.7	11.1	13.8	19.8	14.9	12.1
Maryborough	7.5	8.8	9.6	8.0	9.5	11.3	8.8	7.6	6.4	6.0	5.0	5.3	7.8	7.9	10.4	19.8	7.9
Miles	-18.2	-13.8	-7.6	-9.0	-6.9	-2.5	-0.6	-4.4	-7.0	-4.5	-6.9	-6.2	-7.2	nd	nd	10.4	nd
Moranbah	4.0	8.4	11.2	10.6	12.3	15.0	15.8	13.2	10.4	9.3	6.5	4.3	10.1	2.0	17.5	nd	13.7
Mount Isa	-0.9	0.3	1.4	0.5	1.7	4.4	5.1	3.2	0.9	1.7	-1.3	2.4	1.6	8.6	10.2	17.5	nd
Rockhampton	12.9	12.9	13.2	11.4	12.4	14.6	14.4	12.4	9.8	9.3	8.2	8.4	11.7	11.0	13.3	10.2	9.7
Roma	11.6	14.6	17.7	17.4	18.2	20.1	20.8	18.3	15.7	14.0	11.4	13.4	16.1	17.2	12.2	13.3	8.2
Toowoomba	12.8	15.2	17.0	14.0	12.4	14.2	13.5	12.3	10.5	11.0	10.3	9.3	12.7	13.5	15.2	15.2	9.7
Townsville	13.1	13.1	11.6	10.4	11.5	13.8	12.6	12.1	11.0	11.0	7.8	10.3	11.5	10.4	12.1	12.1	8.5
Tully	12.6	16.4	17.1	13.1	13.6	14.1	12.0	9.2	6.6	5.1	5.7	6.3	10.8	14.9	nd	nd	nd
Warwick	8.2	11.3	12.1	10.2	11.8	12.8	11.6	8.8	6.7	9.3	7.1	8.8	9.9	13.1	12.9	12.9	8.4
Whitsunday	14.0	15.4	18.8	16.5	18.2	21.0	20.7	19.0	17.0	17.4	15.0	15.0	17.3	17.1	nd	nd	nd
Yeppoon	14.4	15.7	17.1	12.1	12.8	16.2	15.9	13.8	10.8	9.9	8.4	7.8	12.9	12.7	11.4	11.4	7.4

Source: RACQ calculations using informed Sources, MotorMouth and FUELtrac data