Monthly Fuel Price Report – January 2022

3 February 2022

The RACQ monthly fuel price report presents a summary of the fuel price trends in Queensland for January 2022.

Key points

- At 171.4 cpl, the average price of ULP in Brisbane for January 2022 hit a new monthly record high, 0.8 cpl higher than the previous record of 170.6 cpl observed for November 2021.
- January's ULP average was up 12.1 cpl compared to December, however due to price cycle effects the December average was unusually low, thus this price difference was unduly large.
- ULP total margins (retail, wholesale and refinery) were 32.4 cpl, 2.1 cpl greater than December, and 2.7 cpl higher than the average for 2021.
- Brisbane was the most expensive of the five large Australian capital cities to buy ULP.
- At 165.5 cpl, the monthly average Brisbane diesel price in January was up by 2.8 cpl.
- Brisbane was also the most expensive of the large capital cities for diesel.
- ULP and diesel prices in regional Queensland in January were relatively cheap compared to Brisbane.
- The average ULP price in regional Queensland was 163.9 cpl, 1.0 cpl higher than December.
- The average diesel price in regional Queensland was up 2.7 cpl, at 164.2 cpl.
- Bundaberg was the cheapest Queensland regional centre to buy ULP and diesel at 154.2 cpl and 159.6 cpl, respectively.
- Longreach was the most expensive Queensland regional centre to buy ULP and diesel in December, at 177.1 cpl and 173.5 cpl for ULP and diesel, respectively.
- A new record high daily average ULP price was observed in 18 regional centres in January 2022, and a new record high monthly average was observed in eight centres.
- The record high prices observed in January 2022 were largely caused by record high oil prices.
- At the end of January, Brent (priced in A$) hit a nine-year record high of 124.7 A$/bbl.

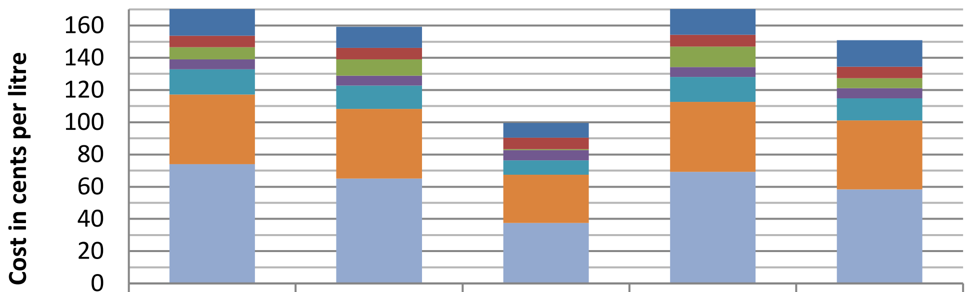
ULP cost breakdown in Brisbane

At 171.4 cpl, the average price of ULP in Brisbane for January recorded a new record high. January's average was 12.1 cpl greater than December and 0.8 cpl higher than the previous record high of 170.6 cpl observed in November 2021. The price difference between January and December was exaggerated due to the extended price cycle observed in November and December 2021. The cheaper half of this cycle fell in December and subsequently the December monthly average was unduly low.

The monthly average indicative retail margin for January was up 4.6 cpl, at 17.7 cpl. At 7.5 cpl, the average indicative refinery margin was down by 2.5 cpl. Total margins (retail, wholesale and refinery) at 32.4 cpl, were 2.1 cpl greater than the December average of 30.3 cpl, and 2.7 cpl higher than the 2021 annual average of 29.7 cpl.

The main RACQ pricing model assumes that oil is imported into Australia and refined locally – the onshore refining model. RACQ's alternate pricing model – the offshore refining model – assumes that fuel consumed in Queensland is refined in overseas refineries and imported into Australia as refined product. In this model, indicative importer margins replace refinery margins. Gross indicative importer margins on ULP in December were 1.9 cpl, 0.9 cpl lower than December, when they were 2.8 cpl.

The chart below shows the cost breakdown for a litre of ULP sold in Brisbane for January 2022. For comparison, the cost breakdown for last month – December 2021, last year, November 2021 – the second most expensive month and December 2008 – the cheapest month observed in recent years (since 2008), is also displayed.



	Jan 2022	Dec 2021	Dec 2008 (cheapest)	Nov 2021 (second dearest)	2021 (last year)
Average Retail Price	171.4	159.3	99.5	170.6	150.8
Retail Margin	17.7	13.1	9.0	16.4	16.3
Wholesale Margin	7.2	7.2	7.2	7.2	7.2
Refinery Margin	7.5	10.0	0.6	12.7	6.2
Distribution and other costs	6.2	6.2	6.2	6.2	6.2
GST (Federal tax)	15.6	14.5	9.0	15.5	13.7
Excise (Federal tax)	43.3	43.3	29.8	43.3	42.9
Brent Crude Oil (A$ cpl)	73.9	65.0	37.6	69.3	58.2

Note: 2008 prices included the 8.5cpl Queensland fuel excise subsidy

Record high monthly average prices in SEQ

The monthly average ULP price in Brisbane and the Sunshine Coast (and eight regional centres) reached a new all-time record high in January 2022. A new record high monthly average of 171.4 cpl was observed in Brisbane, exceeding the previous record of 170.6 cpl, observed in November 2021. A new monthly average high of 166.6 cpl was observed on the Sunshine Coast.

City	Record High Daily Average Price	Observed	Previous Record High Daily Average	Observed	Record High Monthly Average Price	Observed	Previous Record High Monthly Average	Observed
Brisbane	186.3	24/11/21	178.8	19/10/21	171.4	Jan-22	170.6	Nov-21
Ipswich	182.4	24/11/21	174.8	19-20/10/21	169.2	Nov-21	162.9	Oct-21
Gold Coast	187.2	23/11/21	179.1	20/10/21	173.8	Nov-21	165.6	Oct-21
Sunshine Coast	176.8	19/10/21	173.5	14/12/19	166.6	Jan-22	165.8	Nov-21

The maximum daily average prices observed in January remained below the record highs observed in November 2021. As did monthly average ULP prices in Ipswich and the Gold Coast.

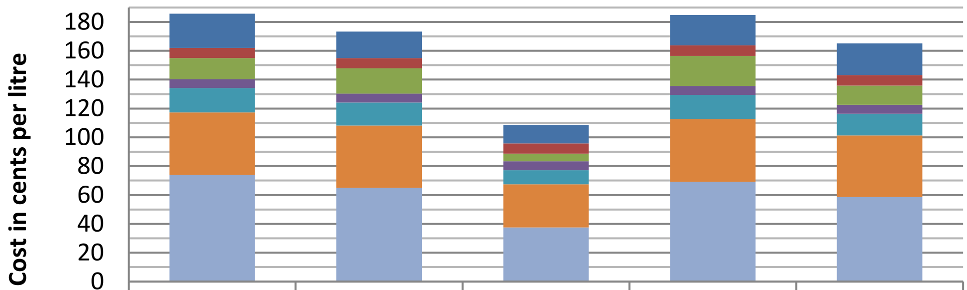
Record high daily and monthly average ULP prices were observed in many centres in regional Queensland. These are discussed further in the regional section below.

PULP 95 cost breakdown in Brisbane

The average PULP 95 price in Brisbane in January was 185.7 cpl – a new all-time record high. It was 12.4 cpl greater than December and 0.9 cpl greater than the previous record high of 184.8 cpl observed in November 2021.

The price difference between ULP and PULP 95 was largely unchanged from December, at 14.3 cpl. Indicative retail margins for PULP 95, at 23.7 cpl, were 5.3 cpl higher than December, and 1.7 cpl higher than the average for 2021. Refinery margins at 14.6 cpl, were 2.9 cpl lower than December. Total margins, at 45.5 cpl, were 2.4 cpl higher than December, when they were 43.1 cpl.

The chart below shows the cost breakdown for a litre of PULP 95 sold in Brisbane in January 2022. For comparison, the cost breakdown for last month – December 2021, last year, November 2021 – the second most expensive month and December 2008 – the cheapest month observed in recent years (since 2008), is also displayed.



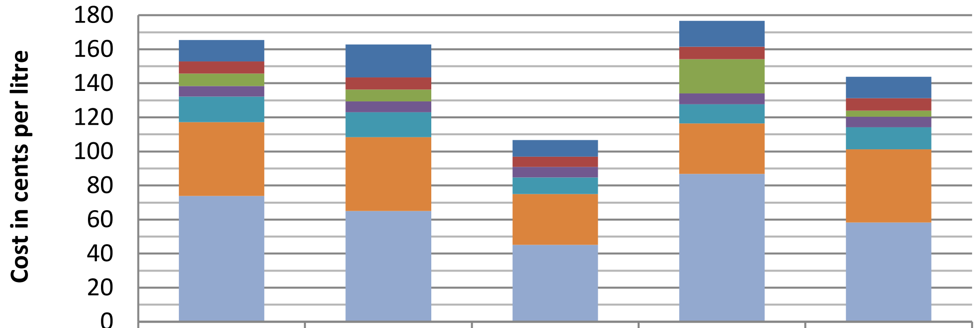
	Jan 2022	Dec 2021 (last month)	Dec 2008 (cheapest)	Nov 2021 (second dearest)	2021 (last year)
Average Retail Price	185.7	173.3	108.6	184.8	165.1
Retail Margin	23.7	18.4	12.8	21.1	22.0
Wholesale Margin	7.2	7.2	7.2	7.2	7.2
Refinery Margin	14.6	17.5	5.2	21.0	13.3
Distribution and other costs	6.2	6.2	6.2	6.2	6.2
GST (Federal tax)	16.9	15.8	9.9	16.8	15.0
Excise (Federal tax)	43.3	43.3	29.8	43.3	42.9
Brent Crude Oil (A$ cpl)	73.9	65.0	37.6	69.3	58.5

Note: 2008 prices included the 8.5cpl Queensland fuel excise subsidy

Diesel cost breakdown in Brisbane

The average price of diesel in January, at 165.5 cpl, was 2.8 cpl greater than December. Indicative retail margins at 12.6 cpl were down 6.6 cpl, and refinery margins were largely unchanged, at 7.3 cpl. Total margins (retail, wholesale and refinery) in January were 27.1 cpl, 6.3 cpl lower than December, when they were 33.4 cpl.

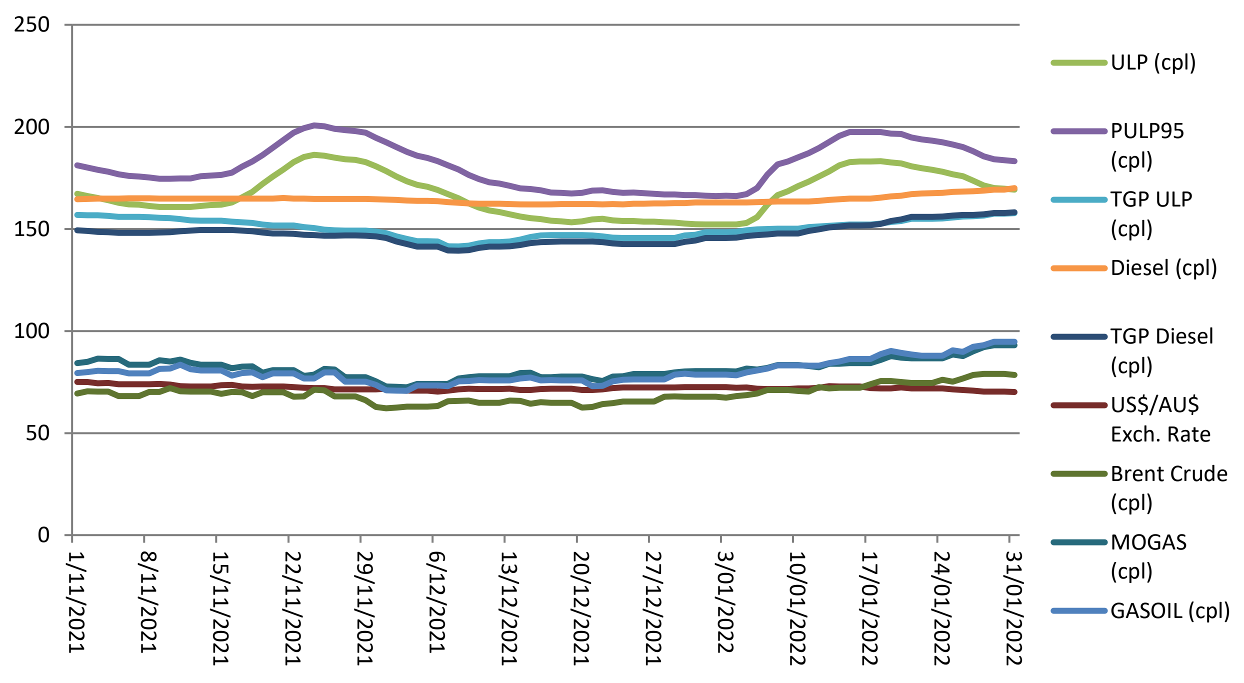
The chart below shows the cost breakdown for a litre of diesel sold in Brisbane for January 2022. For comparison, the cost breakdown for last month, last year, March 2009 – the cheapest month and July 2008 – the most expensive month observed in recent years (since 2008), is also displayed.



	Jan 2022	Dec 2021 (last month)	Mar 2009 (cheapest)	Jul 2008 (dearest)	2021 (last year)
Average Retail Price	165.5	162.7	106.7	176.7	143.8
Retail Margin	12.6	19.2	9.8	15.3	12.6
Wholesale Margin	7.2	7.2	6.1	7.2	7.2
Refinery Margin	7.3	7.0	0.0	20.2	3.6
Distribution and other costs	6.2	6.2	6.2	6.2	6.2
GST (Federal tax)	15.0	14.8	9.7	11.3	13.1
Excise (Federal tax)	43.3	43.3	29.8	29.8	42.9
Brent Crude Oil (A$ cpl)	73.9	65.0	45.2	86.7	58.2

Note: 2008 and 2009 prices included the 8.5cpl Queensland fuel excise subsidy

Price trends



Two partial price cycles were observed in the Brisbane ULP market in January. The final few days of the extra-long price cycle, that started on 13 November 2021, fell in January. This cycle ended at a low point of 152.2 cpl on 4 January 2022. The second cycle started on 5 January, average retail ULP prices increased for the next 14 days and peaked at 183.2 cpl on 18 January (3.1 cpl lower than the record high of 186.3 observed on 24 November 2021). Prices then slowly fell throughout the rest of January and into early February. At the time of writing the Brisbane ULP market was in the cheap phase of the cycle.

The average price of Brent in January 2022 at 117.5 A$/bbl, 83.7 US$/bbl or 73.9 cpl-A$, was 14.1 A$/bbl or 9.7 cpl-A$ greater than December 2021 (at 103.4 A$/bbl, 74.0 US$/bbl or 65.0 cpl-A$).

Brent started January at 107.0 A$/bbl (77.6 US$/bbl). The oil price trended up throughout January and ended the month at 124.7 A$/bbl (87.4 US$/bbl) on an upward trajectory. A Brent price this high was last observed in December 2013, when it peaked at 126.5 A$/bbl (observed 30/12/2013).

Comparison to other capital cities

Brisbane was the most expensive of the five largest capital cities for ULP. Only Hobart was more expensive than Brisbane by 6.8 cpl. The average ULP prices in Adelaide, Melbourne, Perth, Sydney, Canberra and Darwin were cheaper than Brisbane by 9.6 cpl, 7.4 cpl, 4.5 cpl, 2.8 cpl, 1.5 cpl and 1.2 cpl, respectively.

For diesel, Brisbane was the most expensive of the five largest capital cities, but was only marginally (0.7 cpl) more expensive than Perth and Sydney. Adelaide was the cheapest capital city at 3.5 cpl cheaper than Brisbane. Canberra, Darwin and Hobart were more expensive than Brisbane by 2.9 cpl, 2.9 cpl and 11.2 cpl, respectively.

The table below presents the average January prices and retail margins on ULP and diesel for Australian capital cities, with the change compared to December in parentheses.

City	Average ULP Price (cpl)	Indicative ULP Retail Margin* (cpl)	Average Diesel Price (cpl)	Indicative Diesel Retail Margin* (cpl)
Brisbane	171.4 (12.1)	17.7 (4.6)	165.5 (2.9)	12.6 (-6.6)
Adelaide	161.8 (8.1)	7.5 (0.4)	162.0 (4.1)	9.1 (-5.4)
Canberra	169.9 (0.5)	16.1 (-7.2)	168.4 (1.7)	15.4 (-7.7)
Darwin	170.2 (1.2)	11.8 (-6.1)	168.4 (2.6)	11.5 (-6.6)
Hobart	178.2 (1.0)	18.5 (-6.4)	176.7 (2.1)	17.9 (-7.1)
Melbourne	164.0 (10.4)	10.4 (2.6)	164.5 (2.4)	11.6 (-7.1)
Perth	166.9 (5.4)	12.5 (-2.9)	164.8 (1.5)	11.9 (-8.0)
Sydney	168.6 (-0.8)	14.8 (-8.6)	164.8 (2.4)	11.9 (-7.0)

* 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 Sunshine Coast was the cheapest centre in SEQ to buy ULP in January, with an average price of 166.6 cpl. Second was Ipswich and third was Brisbane South at 168.2 cpl and 168.8 cpl, respectively. Brisbane Inner/West was the most expensive area in SEQ at 176.1 cpl, 9.5 cpl dearer than the Sunshine Coast. The average ULP price rose in all SEQ centres compared to December. The average ULP price in Ipswich increased by 4.4 cpl compared to December and the Logan average increased by 15.7 cpl.

Ipswich was the cheapest SEQ centre to buy diesel in January at 163.7 cpl. Brisbane Bayside/Redlands was a close second at 164.0 cpl. The Gold Coast was the most expensive area in SEQ to buy diesel at 168.3 cpl, 4.6 cpl dearer than Ipswich. Average diesel prices increased in all SEQ centres compared to December, by up to 3.5 cpl. The average price in Moreton Bay was up 3.5 cpl, and the Sunshine Coast was up by 2.3 cpl. The price difference between the cheapest and dearest average diesel price in SEQ centres, at 4.6 cpl, was lower than ULP, for which the difference was 9.5 cpl.

The table below presents the average January prices and retail margins on ULP and diesel for SEQ metropolitan centres, with the change compared to December in parentheses. This analysis separates Brisbane into inner/west, northern, southern, and bayside regions.

City	Average ULP Price (cpl)	Indicative ULP Retail Margin* (cpl)	Average Diesel Price (cpl)	Indicative Diesel Retail Margin* (cpl)
Brisbane Inner/West	176.1 (15.3)	22.4 (7.8)	167.7 (2.6)	14.8 (-6.8)
Brisbane North	170.9 (15.1)	17.2 (7.6)	165.2 (2.8)	12.3 (-6.6)
Brisbane South	168.8 (12.1)	15.1 (4.6)	166.9 (3.0)	13.3 (-6.5)
Brisbane Bayside/Redlands	174.2 (11.3)	20.5 (3.8)	164.0 (2.9)	10.7 (-6.5)
Logan	171.6 (15.7)	17.9 (8.3)	165.6 (2.7)	12.3 (-6.7)
Ipswich	168.2 (4.4)	14.2 (-3.0)	163.7 (3.1)	9.9 (-6.3)
Moreton Bay	173.8 (15.3)	19.7 (7.9)	165.0 (3.5)	12.0 (-5.9)
Gold Coast	173.2 (8.9)	18.9 (1.5)	168.3 (3.2)	15.4 (-6.2)
Sunshine Coast	166.6 (6.1)	12.1 (-1.4)	167.7 (2.3)	14.7 (-7.1)

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

Fuel prices across Queensland

The average price of ULP across regional Queensland in January was 163.9 cpl, 1.0 cpl higher than December when the average price was 162.9 cpl. The average diesel price was 164.2 cpl, 2.7 cpl higher than December when the average price was 161.5 cpl.

Bundaberg, with an average ULP price of 154.2 cpl, was the cheapest centre to buy ULP (and diesel) in January and was 17.2 cpl cheaper than Brisbane. Whitsunday/Proserpine was second cheapest with an average ULP price of 157.9 cpl, and third cheapest at 159.4 cpl was Maryborough. Gympie, Biloela, Lockyer Valley, Warwick, Kingaroy, Miles, Hervey Bay, Dalby, Roma, Somerset, Yeppoon, Nambour, Gladstone, Ingham, Bowen, Moranbah, Mackay, Townsville, Beaudesert, Rockhampton, Tully, Atherton, Cairns, Childers, Goondiwindi, Toowoomba, Charters Towers, Innisfail, Blackwater, Mareeba and Noosa were also cheaper than Brisbane[1]. At 177.1 cpl, Longreach was the most expensive centre for ULP. Longreach was 5.7 cpl more expensive than Brisbane and 22.9 cpl more expensive than Bundaberg – the cheapest centre in Queensland.

Bundaberg also had the cheapest diesel in Queensland in January, at 159.6 cpl, 5.9 cpl cheaper than Brisbane. Lockyer Valley at 160.5 cpl, was second cheapest and 5.0 cpl cheaper than Brisbane and was closely followed by Somerset at 160.7 cpl. Maryborough, Nambour, Whitsunday/Proserpine, Miles, Beaudesert, Gympie, Warwick, Biloela, Gladstone, Toowoomba, Noosa, Charters Towers, Kingaroy, Moranbah, Roma, Hervey Bay, Bowen, Townsville, Yeppoon, Emerald, Childers and Tully were also cheaper than Brisbane. Like with ULP, Longreach[1] was the most expensive regional centre for diesel at

[1] 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.

173.5 cpl, 8.0 cpl higher than Brisbane.

Of the 37 regional centres monitored by RACQ, all centres, for both ULP and diesel, had average indicative retail margins lower than that charged in Brisbane. The lowest indicative retail margin on ULP, at negative 2.9 cpl, was charged in Bundaberg, 20.6 cpl lower than Brisbane. At 3.2 cpl, the lowest diesel indicative retail margin was observed in both Bundaberg and Mount Isa, 9.4 cpl lower than Brisbane.

The table below presents the average January prices and retail margins on ULP and diesel for Queensland localities, with the change compared to December in parentheses.

Locality	Average ULP Price (cpl)	Indicative ULP Retail Margin* (cpl)	Average Diesel Price (cpl)	Indicative Diesel Retail Margin* (cpl)
Brisbane	171.4 (12.1)	17.7 (4.6)	165.5 (2.9)	12.6 (-6.6)
Atherton	165.9 (0.1)	8.0 (-7.9)	166.0 (0.9)	8.4 (-9.2)
Beaudesert	164.3 (-0.6)	9.8 (-8.1)	162.1 (1.4)	8.3 (-8.0)
Biloela	160.3 (1.6)	3.3 (-6.3)	162.6 (0.1)	6.4 (-10.1)
Blackwater	167.0 (0.8)	8.3 (-7.1)	167.4 (2.3)	9.4 (-7.9)
Bowen	163.2 (-0.7)	4.5 (-8.5)	163.8 (4.4)	6.1 (-5.6)
Bundaberg	154.2 (-2.4)	-2.9 (-9.8)	159.6 (1.3)	3.2 (-8.2)
Cairns	165.9 (2.0)	8.8 (-5.9)	166.1 (2.9)	9.3 (-7.2)
Charters Towers	166.4 (-2.6)	8.4 (-10.3)	162.9 (1.7)	5.8 (-8.3)
Childers	165.9 (0.0)	9.3 (-7.4)	165.4 (3.4)	9.5 (-6.0)
Dalby	161.6 (0.0)	6.0 (-7.4)	166.0 (3.5)	11.2 (-5.9)
Emerald	172.0 (-2.6)	12.6 (-10.5)	164.7 (1.1)	6.0 (-9.1)
Gladstone	162.9 (1.0)	7.1 (-6.9)	162.6 (3.0)	7.5 (-7.2)
Goondiwindi	165.9 (1.3)	8.8 (-6.2)	166.2 (3.0)	9.9 (-6.4)
Gympie	160.1 (2.8)	4.9 (-4.7)	162.3 (4.8)	7.9 (-4.6)
Hervey Bay	161.3 (1.0)	4.9 (-6.5)	163.5 (2.1)	7.9 (-7.3)
Ingham	163.1 (1.0)	5.3 (-6.7)	167.5 (4.4)	10.6 (-5.6)
Innisfail	166.5 (2.5)	8.6 (-5.5)	165.5 (1.4)	7.8 (-8.6)
Kingaroy	160.8 (0.5)	5.2 (-6.9)	162.9 (2.3)	8.1 (-7.2)
Lockyer Valley	160.6 (-0.7)	5.9 (-8.1)	160.5 (2.5)	6.6 (-6.9)
Longreach	177.1 (0.5)	13.5 (-7.4)	173.5 (2.7)	10.7 (-7.5)
Mackay	164.1 (1.3)	7.8 (-6.5)	165.9 (2.5)	10.5 (-7.6)
Mareeba	168.9 (0.4)	11.1 (-7.5)	168.2 (2.9)	10.8 (-7.1)
Maryborough	159.4 (0.4)	3.3 (-7.0)	161.6 (2.2)	6.4 (-7.2)
Miles	161.0 (-0.4)	4.1 (-7.9)	161.9 (1.0)	5.8 (-8.4)
Moranbah	163.2 (0.6)	5.0 (-7.2)	162.9 (1.4)	5.6 (-8.7)
Mount Isa	171.7 (9.6)	6.0 (1.9)	167.9 (3.2)	3.2 (-6.8)
Nambour	162.6 (7.0)	8.1 (-0.4)	161.6 (3.5)	7.8 (-5.9)
Noosa	170.1 (-2.1)	15.4 (-9.5)	162.8 (3.3)	8.9 (-6.1)
Rockhampton	164.5 (0.3)	7.6 (-7.6)	167.4 (2.1)	11.2 (-8.1)
Roma	162.1 (0.6)	3.8 (-6.8)	162.9 (2.1)	5.4 (-7.4)
Somerset	162.2 (0.5)	7.5 (-7.0)	160.7 (2.1)	6.8 (-7.3)
Toowoomba	166.0 (-0.3)	11.2 (-7.7)	162.7 (2.1)	8.6 (-7.3)

Townsville	164.2 (1.5)	7.5 (-6.2)	164.2 (3.8)	8.4 (-6.2)
Tully	165.3 (0.7)	6.9 (-7.3)	165.4 (1.9)	7.2 (-8.1)
Warwick	160.6 (1.5)	5.5 (-6.0)	162.5 (3.0)	8.2 (-6.4)
Whitsunday/Proserpine	157.9 (0.8)	0.3 (-7.0)	161.7 (3.0)	5.1 (-7.1)
Yeppoon	162.5 (2.9)	5.2 (-5.0)	164.4 (4.1)	7.8 (-6.1)

* 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.

Record high prices in regional Queensland

A new record daily average high ULP price was observed in 18 centres monitored by RACQ, in January 2022. An additional 11 centres observed new daily record highs in November or December 2021. The only centre not to observe a new high in recent months was Roma, where the daily record of 166.7 cpl was observed in July 2008.

A new record monthly average high ULP price was also observed in a few centres, these were: Bowen, Ingham, Innisfail, Longreach, Mackay, Mount Isa, Toowoomba and Warwick. The monthly average ULP price of 177.1 cpl observed in Longreach was the all-time highest monthly average observed in any of the centres monitored by RACQ.

The record high retail prices observed in regional Queensland were caused by high oil prices. They were not caused by excessive margins being leveed by fuel companies. In general, considering the TGP and oil prices, most regional centres were reasonably priced in January.

The previous record highs displayed below are the record highs observed prior to January 2022. Most of the previous record highs were observed in 2018, and a few in 2014 or 2008.

In the table below new records are indicated by bold italic formatting.

City	Record High Daily Average Price	Observed	Previous Record High	Observed	Record High Monthly Average Price	Observed	Previous Record High	Observed
Atherton	***168.7***	***31/01/2022***	167.3	7-9/11/2021	166.8	Nov-21	161.9	Oct-18
Biloela	***164.6***	***31/01/2022***	164.4	8-14/11/2021	164.3	Oct-18		
Blackwater	***168.0***	***31/01/2022***	166.2	10-30/11/2021	***167.0***	***Jan-22***	165.9	Nov-21
Bowen	164.9	13-18/11/2021	164.6	23/10/2018	163.7	Nov-21	160.2	Jan-14
Bundaberg	162.2	18/11/2021	164.6	23/10/2018	161.4	Nov-21	157.4	Jul-08
Cairns	***168.9***	***31/01/2022***	167.1	7-8/11/2021	166.4	Nov-21	162.4	Oct-18
Charters Towers	171.5	30/10/2021 to 4/11/2021	162.7	4/07/2008	171.4	Nov-21	157.1	Aug-13 and Jan-14
Dalby	166.4	13/11/2021	162.2	20/02/2014	165.7	Nov-21	160.3	Apr-14
Emerald	***175.9***	***23/12/2021 to 6/01/2022***	174.7	5-14/11/2021	174.2	Nov-21	163.9	Oct-18
Gladstone	166.3	10-11/11/2021	163.1	15/10/2018	165.7	Nov-21	160.5	Oct-18

Goondiwindi	***168.9***	***26/01/2022***	168.1	3-7/11/2021	166.5	Nov-21	164.5	Oct-18
Gympie	***164.5***	***31/01/2022***	164.3	5-7/11/2021	162.8	Nov-21	157.4	Oct-18
Hervey Bay	***164.5***	***31/01/2022***	163.2	12-15/11/2021	162.4	Nov-21	161.3	Oct-18
Ingham	***164.1***	***31/01/2022***	162.7	2-29/11/2021	***163.1***	***Jan-22***	162.7	Nov-21
Innisfail	***168.9***	***31/01/2022***	167.6	6-8/11/2021	***166.5***	***Jan-22***	165.8	Nov-21
Kingaroy	164.2	5-15/11/2021	162.3	27/10/2018	163.7	Nov-21	158.5	Oct-18
Longreach	***178.9***	***22-31/1/2022***	176.9	8-9/11/2021	***177.1***	***Jan-22***	176.3	Nov-21
Mackay	***166.3***	***31/01/2022***	163.9	12-23/11/2021	***164.1***	***Jan-22***	163.7	Nov-21
Mareeba	170.7	27-29/11/2021	166.7	27/10/2018	170.1	Nov-21	163.5	Oct-18
Maryborough	***163.2***	***31/01/2022***	162.1	12-14/11/2021	161.5	Nov-21	157	Aug-13
Miles	165.9	9/11/2021	165.5	10/01/14	164.7	Nov-21	164.4	Jan-14 and Mar-14
Moranbah	***168.5***	***31/01/2022***	163.6	9-30/11/2021	165.7	Feb-14		
Mount Isa	***178.7***	***27-31/01/2022***	169.9	11/11/2018	***171.7***	***Jan-22***	167.1	Oct-18
Rockhampton	165.8	12-15/11/2021	165.7	28/10/2018	165.4	Nov-21	163	Oct-18
Roma	166.7	23/07/2008			163.2	Jul-08		
Toowoomba	***181.2***	***29/01/2022***	178.4	28-29/11/2021	***166.0***	***Jan-22***	164.3	Nov-21
Townsville	167.0	8-9/11/2021	163.4	23/10/2018	166.4	Nov-21	160.7	Oct-18
Tully	***169.5***	***31/01/2022***	167.9	3-4/11/2021	166.4	Nov-21	159.9	Jan-14 to Aug-14
Warwick	***165.0***	***31/01/2022***	161.9	24/10/2018	***160.6***	***Jan-22***	160.3	Nov-21
Yeppoon	***167.0***	***31/01/2022***	164.7	21/10/2018	163.8	Nov-21	162.3	Oct-18

Outlook

Oil prices recovered all the falls observed in late 2021 and continued to strengthen in January hitting a nine-year record high. This was caused by the underlying market fundamentals of demand outstripping supply. A situation that is likely to persist for the foreseeable future.

In late January the Brent crude oil price exceeded 90 US$/bbl, a seven-year record high. The Brent price was last this high in October 2014. In 2014 the Australian dollar was substantially stronger than it is currently. In October 2014 the A$ bought about 83 US cents, currently it is buying about 70 US cents. Subsequently the current Brent price in A$ is an eight-year record high and was last observed in December 2013.

The Omicron COVID surge has not significantly impacted demand for oil. While the historic impacts of the COVID pandemic have had, and continue to have, a strong effect on oil prices, the current Omicron surge has not caused any additional or substantial effect on retail fuel prices.

Conflict in the Middle East, notably the on-going conflict in Yemen and associated attacks on Saudi Arabia and the UEA, has added a degree of uncertainty and nervousness to oil markets, which in turn has placed upward pressure on prices. Similarly, concerns about the potential for Russia to invade Ukraine adds to market nerves and places additional upward pressure on oil prices.

The on-going production limits imposed by OPEC+ continue to constrain oil supply. Adding to this have been reports that some OPEC+ nations may not have the capacity to substantially increase production, even if they chose to do so. However, Saudi Arabia is believed to retain substantial additional unused production capacity. Oil producers in the rest of the world continue to slowly ramp-up production. However, demand is likely to outstrip supply for the next few months.

The high and strengthening oil price has placed, and will continue to place, upward pressure on Australian wholesale prices. In turn this is likely to lead to new record high retail ULP prices in the coming weeks and months.

Longer-term resumption of oil production will hopefully start to balance supply and demand, and oil prices should ease somewhat. However, this may not occur until several months into 2022.

The next monthly fuel price report will be released on 3 March 2022.

Data sources

Data and analyses presented in this report supersedes all previous reports. All data presented in this report are RACQ calculations using OPIS data.