

OPIS AUSTRALIAN OIL MARKET PRICE REPORT



Full Coverage of Landed, TGP, and Retail Prices & Margins

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New Year Brings Cheaper Fuel Prices

So far 2020 has been kind to consumers and end-users wanting cheaper fuel prices. Following an initial step higher after the U.S. killed a top Iranian general, oil markets have turned much lower than most analysts expected. The decline comes despite a number of financial houses raising their Brent crude price forecasts, and fresh reports from the likes of OPEC and the International Energy Agency (IEA) pointing to statistics that do hint at a more balanced market this year.

Petrol prices out of Singapore are the lowest they have been since mid-November. And based upon end-of-the week price momentum it looks as though all grades of petrol, even the high-octane fuels, will see Singapore prices below \$70/bbl. That has not happened since September.

Trading in Singapore put the 95 RON petrol grade below 63cts/litre, FOB, when converted to Australian currency from dollars per barrel. That price was 70cts/litre as recently as 6 January following the death of the Iranian general.

Petrol prices on a TGP and a net buying basis at wholesale are also declining across Australia. Average petrol net buying prices declined from a half cent to more than 2 cents, depending on wholesale terminal.

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AUSTRALIA NATIONAL PRICING TRENDS 10/01/20 – 16/01/20 Shown in Australia cents per litre

	16/01/20	15/01/20	14/01/20	13/01/20	10/01/20	7-Day Avg	7-Day Avg
ULP	Thur	Wed	Tues	Mon	Fri		
Singapore Spot	62.80	65.10	65.49	66.10	66.69	65.65	(2.81)
Landed Spot	122.02	122.63	123.41	124.16	125.05	123.91	(1.49)
TGP ULP	136.84	137.58	138.08	138.35	138.37	137.99	(0.59)
TGP/LS Margin	14.72	14.84	14.56	14.07	13.20	13.96	0.90
Retail	156.28	157.31	157.63	155.64	151.96	155.40	9.12
Retail/TGP Margin	22.80	22.99	22.69	20.41	16.74	20.60	9.56
DSL							
Singapore Spot	68.95	69.80	69.51	71.46	72.42	71.00	(4.22)
Landed Spot	127.25	128.21	129.56	130.71	131.72	130.13	(2.10)
TGP DSL	141.63	142.76	143.51	143.97	143.95	143.39	(0.49)
TGP/LS Margin	14.22	14.39	13.78	13.10	12.05	13.10	1.62
Retail	152.53	152.50	152.40	152.38	152.45	152.49	0.02
Retail/TGP Margin	13.08	11.84	10.80	10.29	10.44	11.06	0.42

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AUSTRALIAN PETROL PRICING BENCHMARKS AVERAGES

EFFECTIVE 16/01/20 | WEEKLY AVG 10/01/20 – 16/01/20
Shown in Australia cents per litre

ULP	Landed Singapore	+/- Prev Period*	TGP	+/- Prev Period*	Whsle Margin	+/- Prev Period*	Retail	+/- Prev Period*	Retail Margin	+/- Prev Period*
New South Wales										
Sydney 16/01/20	123.39	(0.61)	132.92	(0.62)	9.53	(0.01)	161.87	(1.59)	28.52	(0.90)
Sydney 7-Day Avg	125.28	(1.60)	133.90	(0.72)	8.62	0.88	161.98	20.06	27.58	20.56
Newcastle 16/01/20	122.61	(0.61)	132.97	(0.62)	10.36	(0.01)	137.64	(0.29)	4.04	0.69
Newcastle 7-Day Avg	124.50	(1.54)	134.10	(0.55)	9.60	0.99	138.04	(0.97)	2.88	(0.63)
Northern Territory										
Darwin 16/01/20	121.20	(0.61)	137.49	(0.74)	16.29	(0.13)	140.92	(0.53)	4.19	0.34
Darwin 7-Day Avg	123.09	(1.43)	138.60	(0.37)	15.51	1.06	141.62	(0.24)	3.43	0.14
Queensland										
Brisbane 16/01/20	122.45	(0.61)	133.67	(0.67)	11.22	(0.06)	166.53	(2.63)	33.29	(1.84)
Brisbane 7-Day Avg	124.34	(1.52)	134.67	(0.57)	10.34	0.95	167.89	27.88	33.40	28.28
Cairns 16/01/20	121.98	(0.61)	136.73	(0.86)	14.75	(0.25)	163.16	15.73	26.37	16.54
Cairns 7-Day Avg	123.87	(1.49)	138.05	(0.50)	14.18	0.99	149.56	1.93	11.46	2.41
Gladstone 16/01/20	122.33	(0.61)	135.43	(0.72)	13.10	(0.11)	144.41	(0.42)	7.76	0.30
Gladstone 7-Day Avg	124.22	(1.52)	136.54	(0.62)	12.32	0.90	144.68	(0.33)	6.50	0.03
Mackay 16/01/20	122.28	(0.61)	136.48	(0.74)	14.20	(0.13)	146.59	0.08	9.02	0.85
Mackay 7-Day Avg	124.17	(1.51)	137.62	(0.63)	13.45	0.88	146.76	0.03	7.68	0.50
Townsville 16/01/20	122.04	(0.61)	137.15	(0.86)	15.11	(0.25)	145.36	(0.16)	8.18	0.66
Townsville 7-Day Avg	123.93	(1.49)	138.47	(0.50)	14.54	1.00	145.55	(0.33)	6.94	0.05
South Australia										
Adelaide 16/01/20	122.20	(0.61)	133.49	(0.65)	11.29	(0.04)	137.01	(3.63)	4.89	(2.83)
Adelaide 7-Day Avg	124.09	(1.50)	134.41	(0.73)	10.33	0.77	147.94	(19.00)	14.30	(18.60)
Port Lincoln 16/01/20	122.20	(0.61)	139.61	(0.73)	17.41	(0.12)	152.90	0.00	13.29	(0.31)
Port Lincoln 7-Day Avg	124.09	(1.50)	140.24	(0.69)	16.15	0.81	153.64	1.31	13.69	1.80
Tasmania										
Hobart 16/01/20	122.58	(0.61)	138.52	(0.73)	15.94	(0.12)	156.09	0.54	17.93	1.21
Hobart 7-Day Avg	124.47	(1.53)	139.85	(0.59)	15.38	0.95	155.71	0.03	16.31	0.28
Victoria										
Melbourne 16/01/20	122.46	(0.61)	132.97	(0.67)	10.51	(0.06)	164.32	(0.85)	31.77	0.07
Melbourne 7-Day Avg	124.35	(1.53)	133.94	(0.69)	9.59	0.84	159.49	19.29	25.67	19.71
Geelong 16/01/20	122.51	(0.61)	132.18	(0.96)	9.67	(0.35)	138.39	(0.29)	5.70	0.38
Geelong 7-Day Avg	124.40	(1.53)	133.72	(0.31)	9.32	1.22	138.93	(0.63)	4.86	(0.28)
Western Australia										
Perth 16/01/20	121.39	(0.61)	132.49	(0.67)	11.10	(0.06)	149.08	(4.47)	17.60	(3.65)
Perth 7-Day Avg	123.28	(1.45)	133.50	(0.54)	10.22	0.91	145.28	0.10	12.41	0.47
National Average										
Average 16/01/20	122.02	(0.61)	136.84	(0.74)	14.72	(0.12)	156.28	(1.03)	22.80	(0.19)
7-Day Avg	123.91	(1.49)	137.99	(0.59)	13.96	0.90	155.40	9.12	20.60	9.56

* Previous Period compares prices to the previous 7-Day period.

AUSTRALIAN DIESEL PRICING BENCHMARKS AVERAGES

EFFECTIVE 16/01/20 | WEEKLY AVG 10/01/20 – 16/01/20
Shown in Australia cents per litre

DSL	Landed Singapore	+/- Prev Period*	TGP	+/- Prev Period*	Whsle Margin	+/- Prev Period*	Retail	+/- Prev Period*	Retail Margin	+/- Prev Period*
New South Wales										
Sydney 16/01/20	128.83	(0.96)	139.20	(1.01)	10.37	(0.05)	150.40	(0.34)	10.93	0.73
Sydney 7-Day Avg	131.71	(2.23)	140.80	(0.54)	9.10	1.69	150.68	0.03	9.42	0.40
Newcastle 16/01/20	127.93	(0.96)	140.08	(1.04)	12.15	(0.08)	150.48	0.01	10.74	1.16
Newcastle 7-Day Avg	130.81	(2.15)	141.72	(0.49)	10.90	1.67	150.30	(0.02)	8.65	0.39
Northern Territory										
Darwin 16/01/20	126.31	(0.96)	142.69	(1.09)	16.38	(0.13)	144.18	(0.21)	2.54	1.09
Darwin 7-Day Avg	129.19	(2.03)	144.35	(0.27)	15.16	1.76	144.41	0.01	0.61	0.45
Queensland										
Brisbane 16/01/20	127.74	(0.96)	139.40	(0.92)	11.66	0.04	151.08	(0.18)	11.75	1.03
Brisbane 7-Day Avg	130.62	(2.14)	140.95	(0.46)	10.33	1.68	151.17	0.09	9.93	0.47
Cairns 16/01/20	127.20	(0.96)	141.83	(1.26)	14.63	(0.30)	165.85	14.29	23.97	15.50
Cairns 7-Day Avg	130.08	(2.10)	143.79	(0.51)	13.71	1.59	153.45	2.44	9.52	2.95
Gladstone 16/01/20	127.61	(0.96)	140.46	(1.17)	12.85	(0.21)	150.22	(0.61)	8.48	0.53
Gladstone 7-Day Avg	130.49	(2.13)	142.26	(0.50)	11.78	1.63	150.48	0.59	6.51	1.07
Mackay 16/01/20	127.55	(0.96)	140.91	(1.17)	13.36	(0.21)	150.17	(0.27)	8.14	0.99
Mackay 7-Day Avg	130.43	(2.13)	142.76	(0.49)	12.34	1.64	150.45	(0.13)	6.20	0.30
Townsville 16/01/20	127.28	(0.95)	141.32	(1.26)	14.04	(0.31)	151.22	(0.48)	9.77	0.82
Townsville 7-Day Avg	130.15	(2.10)	143.28	(0.45)	13.13	1.65	151.66	(0.12)	8.06	0.30
South Australia										
Adelaide 16/01/20	127.46	(0.95)	139.52	(1.02)	12.06	(0.07)	149.55	(0.04)	11.00	1.02
Adelaide 7-Day Avg	130.33	(2.12)	141.05	(0.50)	10.71	1.62	150.07	(0.82)	9.40	(0.32)
Port Lincoln 16/01/20	127.46	(0.95)	146.45	(0.99)	18.99	(0.04)	153.80	(1.77)	7.35	(1.70)
Tasmania										
Tasmania	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Hobart 16/01/20	127.90	(0.96)	144.56	(1.14)	16.66	(0.18)	162.47	(0.30)	18.20	0.89
Victoria										
Victoria	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Melbourne 16/01/20	127.76	(0.96)	139.13	(1.04)	11.37	(0.08)	149.08	(0.13)	10.57	1.09
Melbourne 7-Day Avg	130.64	(2.14)	140.69	(0.49)	10.05	1.65	149.10	(0.04)	8.78	0.29
Geelong 16/01/20	127.82	(0.95)	139.29	(1.34)	11.47	(0.39)	148.46	(0.11)	9.44	1.20
Western Australia										
Western Australia	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Perth 16/01/20	126.53	(0.96)	138.60	(1.06)	12.07	(0.10)	149.98	0.02	12.35	1.30
National Average										
National Average	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Average 16/01/20	127.25	(0.96)	141.63	(1.13)	14.22	(0.17)	152.53	0.03	13.08	1.24

* Previous Period compares prices to the previous 7-Day period.

PETROL vs DIESEL RETAIL PRICE MARGIN COMPARISON

PRICES ON 16/01/20, CHANGE FROM 10/01/20
Shown in Australia cents per litre

	Avg ULP Retail	+/- Prev Period*	Avg ULP Retail Margin	+/- Prev Period*	Avg DSL Retail	+/- Prev Period*	Avg DSL Retail Margin	+/- Prev Period*
Canberra 16/01/20	147.11	(0.04)	13.06	1.27	155.80	0.04	15.77	2.26
Canberra 7 Day Avg	147.07	(0.23)	11.65	(0.03)	155.86	(0.26)	13.91	(0.02)
Central Coast 16/01/20	137.27	(4.11)	3.39	(2.05)	150.40	(0.94)	10.33	1.22
Central Coast 7 Day Avg	139.85	(2.50)	4.70	(2.06)	150.42	(0.52)	8.76	(0.10)
Newcastle 16/01/20	137.64	(1.48)	4.04	0.36	150.48	0.05	10.74	2.36
Newcastle 7 Day Avg	138.04	(0.97)	2.88	(0.63)	150.30	(0.02)	8.65	0.39
Sydney 16/01/20	161.87	10.01	28.52	11.18	150.40	(0.44)	10.93	1.82
Sydney 7 Day Avg	161.98	20.06	27.58	20.56	150.68	0.03	9.42	0.40
Illawarra 16/01/20	160.70	16.67	26.90	18.34	149.86	(0.89)	9.66	0.90
Illawarra 7 Day Avg	153.49	9.32	18.40	9.65	150.61	(0.60)	8.92	(0.21)
Darwin 16/01/20	140.92	(0.94)	4.19	0.86	144.18	(0.31)	2.54	2.44
Darwin 7 Day Avg	141.62	(0.24)	3.43	0.14	144.41	0.01	0.61	0.45
Sunshine Coast 16/01/20	163.24	23.88	30.50	25.71	150.14	(0.07)	11.20	2.50
Sunshine Coast 7 Day Avg	152.65	9.00	18.44	9.46	150.27	(0.06)	9.24	0.37
Brisbane 16/01/20	166.53	15.73	33.29	17.12	151.08	(0.02)	11.75	2.25
Brisbane 7 Day Avg	167.89	27.88	33.40	28.28	151.17	0.09	9.93	0.47
Toowoomba 16/01/20	138.02	1.04	5.18	2.41	149.90	0.00	10.73	2.04
Toowoomba 7 Day Avg	136.94	(0.27)	2.77	0.25	149.82	(0.12)	8.82	0.22
Gold Coast 16/01/20	168.44	21.81	35.00	23.07	151.21	0.30	11.81	2.40
Gold Coast 7 Day Avg	165.87	26.73	31.28	27.13	151.04	0.07	9.83	0.44
Cairns 16/01/20	163.16	15.58	26.37	17.21	165.85	14.73	23.97	17.19
Cairns 7 Day Avg	149.56	1.93	11.46	2.41	153.45	2.44	9.52	2.95
Gladstone 16/01/20	144.41	(0.36)	7.76	1.58	150.22	0.00	8.48	2.74
Gladstone 7 Day Avg	144.68	(0.33)	6.50	0.03	150.48	0.59	6.51	1.07
Mackay 16/01/20	146.59	(0.23)	9.02	1.78	150.17	(0.71)	8.14	2.10
Mackay 7 Day Avg	146.76	0.03	7.68	0.50	150.45	(0.13)	6.20	0.30
Townsville 16/01/20	145.36	(0.43)	8.18	1.31	151.22	(0.56)	9.77	2.06
Townsville 7 Day Avg	145.55	(0.33)	6.94	0.05	151.66	(0.12)	8.06	0.30
Adelaide 16/01/20	137.01	(26.91)	4.89	(25.04)	149.55	(1.79)	11.00	0.98
Adelaide 7 Day Avg	147.94	(19.00)	14.30	(18.60)	150.07	(0.82)	9.40	(0.32)
Port Lincoln 16/01/20	152.90	(0.40)	13.29	(1.35)	153.80	(1.23)	7.35	(0.11)
Port Lincoln 7 Day Avg	153.64	1.31	13.69	1.80	154.58	(1.26)	7.78	(1.03)
Hobart 16/01/20	156.09	(0.17)	17.93	1.33	162.47	(0.20)	18.20	2.24
Hobart 7 Day Avg	155.71	0.03	16.31	0.28	162.38	0.38	16.12	0.79
Melbourne 16/01/20	164.32	18.41	31.77	19.83	149.08	(0.02)	10.57	2.13
Melbourne 7 Day Avg	159.49	19.29	25.67	19.71	149.10	(0.04)	8.78	0.29
Geelong 16/01/20	138.39	(0.60)	5.70	1.23	148.46	(0.02)	9.44	2.50
Geelong 7 Day Avg	138.93	(0.63)	4.86	(0.28)	148.54	0.23	7.45	0.61
Perth 16/01/20	149.08	(0.81)	17.60	0.97	149.98	(0.24)	12.35	2.39
Perth 7 Day Avg	145.28	0.10	12.41	0.47	149.98	(0.11)	10.23	0.26

* Previous Period compares prices to the previous 7-Day period.

Diesel prices had been outperforming petrol in advance of IMO, but diesel prices declined on the week more than petrol. Singapore FOB prices fell from an average of \$81.69/bbl to \$76.78/bbl, and on an outright basis have dropped from \$84/bbl to under \$76/bbl since the start of the year.

OPIS Asia reports that onshore light distillate inventories hit a nearly nine-month high, with stocks of petrol, naphtha and LPG climbing 1.070 million barrels to 13.132 million, the largest since 1 May, citing data from Enterprise Singapore.

Petrol stocks in Japan also hit a near 11-month peak on higher output and weaker demand at home and abroad.

The Australian government released its latest stock count for figures through November, and it showed total Calendar petrol demand county wide down 4.2% and Fiscal Year demand down 4.3%. All grades of petrol show declines of at least 3.7% to 5.7%.

While volume changes were mixed compared to the prior-month, the government data does show sizeable volume declines for November 2019 compared to November 2018 across the individual states. For example, volumes in New South Wales for the most recent month totaled 470.8 ML compared to 506.2 ML a year-ago. Queensland volumes fell to 302.1 ML from 324.5 the year prior. Victoria volumes held up the best, dropping to 406.4 ML from 408.8 ML.

Caltex Inks Confidentiality Agreement with Couche-Tard

One of Australia's largest fuel retailers, Caltex, confirms that it has entered into a confidentiality agreement with Alimentation Couche-Tard (ATD) to facilitate the provision of, "selected non-public information," as the two parties try to reach a potential deal for ATD to purchase Caltex.

Caltex reiterates that there is no certainty the talks with ATD will lead to a deal, or that ATD will up its offer or make a binding proposal for Caltex's assets, and this is the reason Caltex has agreed to make some of its non-public information available to ATD.

Caltex and its Board of Directors has maintained all along that ATD's offer undervalues Caltex and does not represent "compelling value" to Caltex shareholders. That offer to date has taken the form of an unsolicited, non-binding proposal by way of a \$34.50 per share buyout less any dividends declared by Caltex.

One of the potential valuation issues confronting Couche-Tard is Caltex having to surrender the brand back to Chevron now that Chevron is coming back into the market via its purchase of Puma Energy.

Caltex has said it will transition back to its Ampol brand that was a marquee brand decades ago, but a brand that might not be familiar with the younger generation.

Besides ATD, Caltex has confirmed that Europe's EG Group has expressed interest in Caltex, but to date has not made any offers.

Separately, OPIS Australia sources they have been told some Asia-based refiners needing an outlet for their growing fuel supplies have expressed an interest in some of Caltex assets.

Caltex did update its Q4 2019 refining margin financials reporting a US\$7.51/bbl margin, which trailed Q32019's \$10.53/bbl margin and Q42018's margin of \$7.77/bbl.

Some of Caltex's margin results have been dampened by the shipping industry's transition to IMO2020 in the first-quarter of this year, meaning that landed crude oil premiums have remained elevated to date.

For the 12 months ending 31 December 2019, the average refining margin was US\$8.08/bbl.

Improved operation performance did see sales from production in Q42019 rise to 1,586 ML higher than Q32019's 1,055ML and last year's 1,472 ML number.

Jefferies Evaluates Caltex as Takeover Target

Jefferies provided for its clients an assessment of Caltex as a takeover target, and gave a A\$37.00 stock price as an "upside scenario" that assumes a higher takeover offer from Alimentation Couche-Tard or another suitor.

Jefferies bases this on a 25% takeover premium relative to the undisturbed pre-bid price of \$29.79 on 25 November 2019 before takeover proposal became public.

Jefferies downside scenario is a share price target of A\$30.00 which assumes no acquisition is consummated, and the share price reverts to close to the undisturbed share value before the takeover proposal was announced.

Jefferies tells clients that Caltex has a dominant position in the fuels business, but that current economic conditions in the commercial sector where Caltex has a large exposure, "are weighing on volumes."

Caltex has undertaken an effort to strengthen its bottom line via a possible IPO and unloading some non-strategic sites, but Jefferies thinks some of these efforts have, “proven more difficult than expected,” resulting in management turnover compounded by compressed industry margins and a large exposure to retail diesel where volumes have suffered from economic weakness.

Jefferies does see refining showing signs of recovery after months of tight petrol crack spreads, and thinks refining gets a boost from IMO2020.

“The potential for Caltex to be acquired will be the key driver of the share price from here with the stock trading broadly in line with the last bid received,” Jefferies tells investors.

“We rate the stock a Hold,” is Jefferies current verdict on Caltex stock.

OPEC Increases Global Oil Demand Growth Estimates for 2020

OPEC has increased its projection for global oil demand growth in 2020 while also increasing its outlook for oil production by non-member nations around the globe as the cartel looks ahead to the coming year.

In its Monthly Oil Market Report for January, OPEC lowered its number for global oil demand growth in 2019 by 50,000 b/d to 930,000 b/d. The cartel estimates demand in 2020 will grow by 1.22 million b/d, an estimate that’s 140,000 b/d higher than the cartel’s December projection. The cartel believes demand in 2020 will be 100.98 million b/d in the coming year, compared to 99.77 million b/d in 2019.

OPEC said its revised 2020 demand forecast is, “mainly reflecting an improved economic outlook for 2020.”

The cartel expects demand growth to be strongest in non-OECD countries, especially India and China, with demand in this region climbing 1.13 million b/d. A 90,000-b/d growth in demand in OECD regions is expected to be led by OECD America, the OPEC report said.

On the supply side, the report revises 2019 non-OPEC oil supply growth upward by 40,000 b/d from December’s assessment, placing it at 1.86 million b/d, for an average 64.34 million b/d.

The report also raises the 2020 projection for Non-OPEC supply growth by 180,000 b/d over December’s projection. For 2020, OPEC forecasts non-cartel growth at 2.35 million b/d for an average production

of 66.68 million b/d. The report said that the United States, Brazil, Canada and Australia, which were the key drivers for growth in 2019, will continue to lead growth in 2020.

OPEC members and their allies agreed in December to extend and increase production cutbacks in an attempt to support oil prices amid surging production elsewhere in the globe.

The report pegs global economic growth in 2019 at an estimated 3%, remaining unchanged from December’s report.

Looking ahead, the cartel forecasts global GDP growth for 2020 at 3.1%, a 0.1% increase over last month’s assessment.

The report, however, warns that, “further developments on the horizon in US-China trade and Brexit, ongoing high debt levels, fiscal imbalances in some key economies, trade-related uncertainties and heightened geopolitical risks still constitute some headwinds” for global economic growth.

Still, the report projects OECD growth at 1.5%, an increase of 0.1% from December’s assessment.

The report projects U.S. economic growth at 2.3% for 2019 and at 1.9% for 2020. The 2020 figure is 0.1% higher than December’s assessment.

Eurozone growth estimates of 1.2% for 2019, and 1% for 2020 are unchanged from December projections.

OPEC’s 2019 growth estimate for China was unchanged at 6.2%, while estimates for 2020 also were the same at 5.9%. India’s GDP growth estimates for 2019 and 2020 were unchanged at 5.5% and 6.4%, respectively.

While OPEC kept 2019 growth estimates for Brazil and Russia unchanged at 1.0% and 1.1%, it revised 2020 forecasts upward. The Brazil growth estimate for 2020 is now 2%, compared to 1.7% in December, while Russia’s is 1.5%, which is 0.2% higher than December’s projection.

IEA: Oil Demand Growth in India Will Surpass China in the 2020s

India is using a lot of oil, and demand growth will likely surpass that of China within the next 10 years, according to the International Energy Agency (IEA), which notes that the country is becoming, “a very attractive market for refinery investment.”

Even though India’s proven oil reserves are limited, the country, with a population of 1.353 billion in 2018, is currently the world’s third-largest consumer of oil, the fourth-largest oil refiner and a net exporter of refined products, the IEA said. China’s total population

was 1.393 billion in 2018, according to the World Bank, while the United States had a population of 327 million.

And while India is pursuing policies to reduce energy demand and promote renewable energy technologies, the government also has, “a very ambitious long-term roadmap,” aimed at expanding the country’s refining capacity in order to maintain its position as a refining hub and address projected demand growth through 2040, the IEA said in its recently published India 2020 Energy Policy Review.

The IEA said the report is its first in-depth review of India’s energy policies.

“India is becoming increasingly influential in global energy trends,” the IEA said in an announcement about the review. “The country’s demand for energy is set to double by 2040, and its electricity demand may triple. Indian oil consumption is expected to grow faster than that of any other major economy.

This makes further improving energy security a key priority for India’s economy.”

Oil is an important energy source for India, ranking second in the country’s total primary energy supply, while ranking first in its total final consumption, according to the IEA. In 2018, imports comprised about 83% of total consumption. Most imports (62%) come from the Middle East, with Iraq, Saudi Arabia and Iran being top suppliers. The majority of the rest of imports came from Africa, 15% and South America, 10%.

Crude oil net imports in 2017 totaled 4.3 million b/d, while total net oil imports, at 3.4 million b/d, represent a 54% increase in the decade since 2007, the IEA said. Meanwhile, domestic oil production was 840,000 b/d in 2018, an increase of 3% over the previous decade, but 8% off the 910,000 b/d peak in 2011.

In 2017, oil product net exports totaled 1 million b/d.

Oil demand is expected to grow about 3.9% annually through 2024, well ahead of the global average of 1.2%, and bringing net imports to about 6 million b/d by 2024, the IEA said.

Much of that growth in demand will come in the transport sector, which has seen oil use increase 91% over the last decade and accounts for 41% of total consumption. The IEA notes that India has one of the fastest-growing passenger car markets in the world. Diesel fuel is responsible for 35% of the country’s total 2018 oil consumption, with petrol having a 14% share. But petrol use is growing at an annual rate of 10%, double diesel’s 5% growth rate.

The residential and commercial building sector accounts for 19% of total oil demand, with four-fifths of residential use going toward cooking and one-fifth toward heating. Industry is responsible for 12% of total demand, followed by the petrochemical sector at 9%.

State-owned refining and marketing companies dominate India’s retail oil market, with companies such as Indian Oil, Hindustan Petroleum and Bharat Petroleum owning around 90% of India’s 63,000 fuel stations, the IEA said.

Shell, which operates 100 stations, is the only foreign company with a presence in the country. But India is changing restrictive regulations that have kept foreign companies out of the market. That has led to several companies making investments in the country’s energy industry, and getting into the retail sector and providing opportunities for investment in the future, according to the IEA.

Even as demand is likely to increase, India is trying to reduce its dependence on oil imports. Prime Minister Narendra Modi in 2015 announced a goal to cut imports by 10% by 2022. India has been increasing domestic upstream production with the Hydrocarbon Exploration and Licensing Policy, which the IEA said was a, “major upstream reform.” It’s also diversifying its sources of supply while also increasing Indian investments in oil fields in the Middle East and Africa, the IEA said.

India’s 23 refineries have a combined capacity of about 5.2 million b/d. Refinery throughput in 2018 was around 5.1 million b/d, with refinery’s operating at 99% of capacity, making Indian refineries among the most efficient in the world.

While the government has created a strategic petroleum reserve, its current capacity of 40 million bbl covers little more than 10 days of current net imports, and that is likely to decline to only four days of demand by 2040, the IEA said, stressing the need for the country to move ahead with efforts to increase reserves.

When it comes to exports, diesel and petrol were the major oil products sent to other countries, with top destinations being United Arab Emirates, Singapore, the Netherlands, China and Turkey, the IEA said.

In addition to importing large amounts of oil, India is the world’s second-largest importer of LPG, second only to China. India is expected to be the

world's largest importer of LPG by 2040, as the country moves ahead with efforts to promote the use of cleaner cooking fuels.

Data from the IEA shows Indian's overall demand for oil products to be just over 5 million b/d in 2019, and is expected to grow to just over 5.2 million barrels in 2020. The biggest product consumed is petrol/diesel fuel which this year is expected to top 1.85 million b/d, up from 1.78 million b/d in 2019. Motor petrol consumption is put at about 730,000 b/d for 2019 to grow to 760,000 b/d in 2020.

IEA also noted that from 2014 through 2018, consumption growth averaged 235,000 b/d, equal to nearly a fifth of the global total.

Long-Term Oil Prices Seen in \$65 to \$70/bbl Range

Long-term oil prices are expected to remain anchored in a price range of \$65 to \$70/bbl, according to the latest annual survey of energy professionals conducted by Reuters and reported by John Kemp.

Prices are going to be held in check by plentiful supplies of U.S. shale crude and growing supplies from other non-OPEC oil producers that will offset any production controls by OPEC.

Notably, fears about peaking oil supplies, common a decade ago, have vanished and have been replaced by greater concerns that demand for oil is peaking.

Brent crude is forecast to average \$65/bbl in each of the next five years based on the median, or \$67/bbl this year rising to \$69/bbl by 2024.

The Reuters survey indicated that most participants expect average prices to remain between \$60 and \$75/bbl in each of the next five years, with a very small number anticipating prices below \$50 or above \$90.

Reuters said its survey reached more than 9,000 energy market professionals with 950 responding between 7 and 10 January.

Price expectations are \$1 to \$2/bbl below consensus numbers a year-ago.

Fewer than 5% of those responding expect Brent to average \$100/bbl or more by 2024.

In contrast, 16% believed prices have the potential of averaging below \$50/bbl.

A breakdown of those responding showed 26% involved directly in oil and gas production, 19% in banking and finance, 11% in research, 7% hedge funds, 5% in physical commodity trading, and 5% in, "other energy related fields."

China May Look to Export More Petrol

The Saudi scheduled refinery turnarounds this month are expected to increase petrol imports, reports OPIS Asia.

The maintenance works include the 400,000 b/d Yasref from end-Jan. and 220,000 b/d Satorp from mid-Jan.

Increased demand from Saudi Arabia during this period may provide some relief to the petrol market in East Asia as barrels may also be sourced from the region to meet the additional requirements, market sources said.

China is expected to crank up petrol exports given its growing refining capacity and weaker domestic demand.

Petrol consumption in November dropped 4.9% from a year-ago, data from the National Development and Reform Commission (NDRC) showed. In the first 11 months of 2019, demand grew 2.8% on-year.

The economic planner did not reveal the absolute volume.

Demand in China is likely to stay under pressure due to the economic slowdown this year, a Singapore based analyst said.

"We are not very optimistic about petrol demand. We will see only marginal growth," said the analyst, predicting that the consumption may increase 1-2%.

China's refiners will focus more on overseas sales, the analyst said.

Middle East Refinery Turnarounds to Curb Exports

A string of refinery maintenance in the Middle East over the first quarter is likely to raise petrol imports and curb distillate exports while keeping crude sales unchanged as the plans dovetail with Saudi commitments to cut production, industry sources said.

The closures, which typically lasts for about a month each, allow Saudi Arabia to fulfill its pledge to voluntarily reduce crude output by an additional 400,000 barrels a day (b/d) as part of the OPEC+ agreement to cut production by a further 500,000 b/d in their last meeting in December.

A total of five refineries are scheduled to undergo maintenance in the kingdom as part of a heavy turnaround program in the region that also includes units in the United Arab Emirates (UAE) and Kuwait, they said.

“The expectation is that they will need to import more petrol, but we haven’t seen that yet,” said one source, adding that gasoil and jet fuel exports to Europe will be reduced which should be supportive to the overall middle distillate market.

The Middle East is a major exporter of ultra-low sulfur diesel (ULSD) and jet fuel while it is short petrol, which is covered from nearby sources such as the west coast of India and Mediterranean refiners, but also at times from Northwest Europe.

The Saudi turnarounds, which are typically carried out for around one month during the cooler winter months, cover the 400,000 b/d Yasref refinery from end-Jan., the 220,000 b/d Satorp from mid-Jan., the 400,000 b/d Rabigh from end-Feb for two months, the 550,000 b/d Ras Tanura in March and the 140,000 b/d Riyadh in February, they said.

The outages total 1.71 million b/d, which averages to about 700,000 b/d per month in the first-quarter if the works are carried out according to schedule, the sources said.

Abu Dhabi National Oil Co. (Adnoc) has plans to shut its 417,000 b/d Ruwais West refinery for works in February, while the 120,000 b/d East refinery will halt for maintenance in March, they said. Adnoc will keep its condensate splitters running during this period.

Finally, Kuwait Petroleum Corp. has scheduled works in February at its 450,000 b/d Mina al-Ahmadi refinery, they said.

The turnarounds will allow Saudi Arabia to take on the crude oil production cuts without reducing exports in the first-quarter, but it’s unclear if the UAE will export more when Ruwais is down, said one source.

Morgan Stanley Sees Big Winners and Big Losers Based on IMO

IMO 2020 is here and analysts at Morgan Stanley believe that performance among refiners is sticking to the script. That script suggests that large complex refiners in coastal areas are the beneficiaries, while simple processors, particularly in Europe, are the losers.

The bank notes that after a third-quarter that saw refinery turnarounds 32% higher than in 2018, complex U.S., Chinese and Indian refiners with high runs and strong diesel/petrol margins have fared well. But simple European and Asian refineries have

likely been victimized by ultra-cheap fuel oil prices that may have pushed margins below cash costs for almost the entire fourth-quarter.

Refinery run cuts among simple plants haven’t been witnessed yet largely because there is a lag time of two or three months before many processors can make the adjustments.

Complex refiners have most likely seen an upside surprise, the bank contends.

The divergence between complex and simple processors can be chronicled in Singapore. Sales of HSFO in Singapore were measured at about half the rate of the first-half 2019 average, resulting in a large build of inventories. Sales of the low sulfur compliant fuel nearly tripled during the period. The margins spanned a negative \$24/bbl for the HSFO and a positive \$14/bbl for the compliant bunker fuel. Essentially, refiners made more money on LSFO than on diesel.

The bank believes that petrol’s performance in the first-quarter should be better than usual thanks to processors maximizing the diesel cut and producing a compliant LSFO often at the expense of petrol production.

The bank maintains that complex refiners are able to generate midcycle margins, while simple refiners are seeing returns that trend below cash costs.

Earnings season should show the divergence in these paths for simple and complex refiners. Simple refiners struggled to break even in Q4 2019, and may even report losses in a trend that could persist for most of 2020.

The bank believes investors will do well if they buy coastal complex refiners like PBF and Valero in the U.S., and look at refiners such as Reliance, S-Oil, BPCL and IOCL in Asia.

ADELAIDE, SA WHOLESALE TERMINAL PRICES 10/01/20 – 16/01/20 Shown in Australia cents per litre

ULP	ULP TGP	TGP Change	TGP/LS Margin	ULP Retail	Retail Change	Retail Margin/TGP
BP	131.55	(0.54)	7.46	147.94	(22.72)	16.39
Caltex	137.30	0.02	13.21	149.29	(18.43)	11.99
Freedom	129.43	(1.23)	5.34	0.00	0.00	0.00
Liberty	138.96	(0.80)	14.87	146.32	(9.18)	7.36
Mobil	134.15	(0.65)	10.06	144.09	(3.57)	9.95
Park Fuels	135.01	(1.23)	10.92	0.00	0.00	0.00
Petro Diamond	134.93	(1.23)	10.84	0.00	0.00	0.00
Puma	137.20	(0.75)	13.11	0.00	0.00	0.00
United	132.86	(0.57)	8.77	144.07	(8.33)	11.21
Viva Energy	132.76	(0.38)	8.68	149.43	(21.95)	16.67
Low	129.43	(1.23)	5.34	144.07	(22.72)	7.36
High	138.96	0.02	14.87	149.43	(3.57)	16.67
Average	134.42	(0.74)	10.33	146.86	(14.03)	12.26
Singapore Spot	65.65	(2.81)	0.00	0.00	0.00	0.00
Landed Spot	124.09	(1.50)	0.00	0.00	0.00	0.00

DSL	DSL TGP	TGP Change	TGP/LS Margin	DSL Retail	Retail Change	Retail Margin/TGP
BP	139.00	(0.77)	8.67	151.07	(1.34)	12.06
Caltex	144.52	0.04	14.18	151.14	(0.69)	6.62
Freedom	136.18	(0.62)	5.84	0.00	0.00	0.00
Liberty	144.32	(0.27)	13.99	144.78	1.70	0.46
Mobil	141.24	(0.19)	10.91	144.11	0.18	2.87
Park Fuels	142.25	(0.63)	11.91	0.00	0.00	0.00
Petro Diamond	141.90	(0.62)	11.56	0.00	0.00	0.00
Puma	142.97	(0.98)	12.63	0.00	0.00	0.00
United	139.15	(0.43)	8.82	144.31	0.37	5.16
Viva Energy	138.97	(0.52)	8.64	150.14	0.11	11.17
Low	136.18	(0.98)	5.84	144.11	(1.34)	0.46
High	144.52	0.04	14.18	151.14	1.70	12.06
Average	141.05	(0.50)	10.72	147.59	0.06	6.39
Singapore Spot	71.00	(4.22)	0.00	0.00	0.00	0.00
Landed Spot	130.33	(2.12)	0.00	0.00	0.00	0.00

BRISBANE, QLD WHOLESALE TERMINAL PRICES 10/01/20 – 16/01/20 Shown in Australia cents per litre

ULP	ULP TGP	TGP Change	TGP/LS Margin	ULP Retail	Retail Change	Retail Margin/TGP
BP	130.36	(0.55)	6.02	169.28	27.61	38.92
Caltex	138.92	0.01	14.58	168.88	28.23	29.96
Freedom	135.98	(0.57)	11.65	164.53	26.19	28.55
Liberty	138.12	(0.80)	13.79	149.96	8.77	11.83
Mobil	134.02	(0.66)	9.68	169.65	31.59	35.63
Park Fuels	135.16	(0.86)	10.82	0.00	0.00	0.00
Puma	135.55	(0.76)	11.21	163.38	25.92	27.83
United	132.02	(0.57)	7.69	159.12	24.12	27.09
Viva Energy	131.93	(0.39)	7.59	170.56	27.66	38.63
Low	130.36	(0.86)	6.02	149.96	8.77	11.83
High	138.92	0.01	14.58	170.56	31.59	38.92
Average	134.67	(0.57)	10.34	164.42	25.01	29.81
Singapore Spot	65.65	(2.81)	0.00	0.00	0.00	0.00
Landed Spot	124.34	(1.52)	0.00	0.00	0.00	0.00

DSL	DSL TGP	TGP Change	TGP/LS Margin	DSL Retail	Retail Change	Retail Margin/TGP
BP	138.74	(0.78)	8.13	151.70	0.45	12.96
Caltex	145.24	0.02	14.62	152.08	(0.31)	6.84
Freedom	140.77	(0.44)	10.15	151.49	1.64	10.72
Liberty	143.54	(0.28)	12.93	148.49	3.05	4.95
Mobil	141.14	(0.21)	10.52	149.96	0.05	8.82
Park Fuels	141.78	(0.50)	11.16	0.00	0.00	0.00
Puma	140.79	(0.98)	10.17	149.80	0.09	9.02
United	138.38	(0.44)	7.76	146.71	0.19	8.33
Viva Energy	138.20	(0.52)	7.58	152.92	0.13	14.72
Low	138.20	(0.98)	7.58	146.71	(0.31)	4.95
High	145.24	0.02	14.62	152.92	3.05	14.72
Average	140.95	(0.46)	10.34	150.39	0.66	9.55
Singapore Spot	71.00	(4.22)	0.00	0.00	0.00	0.00
Landed Spot	130.62	(2.14)	0.00	0.00	0.00	0.00

DARWIN, NT WHOLESALE TERMINAL PRICES

10/01/20 – 16/01/20
Shown in Australia cents per litre

ULP	ULP TGP	TGP Change	TGP/LS Margin	ULP Retail	Retail Change	Retail Margin/TGP
BP	135.91	(0.41)	12.82	140.05	(0.85)	4.14
Caltex	140.04	(0.02)	16.95	140.56	(0.20)	0.52
Liberty	143.44	(0.56)	20.35	0.00	0.00	0.00
Mobil	138.01	(0.48)	14.92	0.00	0.00	0.00
Puma	138.16	(0.60)	15.07	142.53	(0.20)	4.37
United	137.37	(0.34)	14.28	141.56	(0.10)	4.19
Viva Energy	137.28	(0.17)	14.19	141.61	0.00	4.33
Low	135.91	(0.60)	12.82	140.05	(0.85)	0.52
High	143.44	(0.02)	20.35	142.53	0.00	4.37
Average	138.60	(0.37)	15.51	141.26	(0.27)	3.51
Singapore Spot	65.65	(2.81)	0.00	0.00	0.00	0.00
Landed Spot	123.09	(1.43)	0.00	0.00	0.00	0.00

DSL	DSL TGP	TGP Change	TGP/LS Margin	DSL Retail	Retail Change	Retail Margin/TGP
BP	141.96	(0.63)	12.77	143.91	0.66	1.96
Caltex	147.21	0.00	18.02	144.86	(0.06)	(2.35)
Liberty	148.74	0.01	19.56	0.00	0.00	0.00
Mobil	144.26	(0.01)	15.08	0.00	0.00	0.00
Puma	143.26	(0.82)	14.08	144.74	0.10	1.47
United	142.59	(0.17)	13.40	144.19	0.00	1.60
Viva Energy	142.42	(0.28)	13.23	144.19	0.00	1.77
Low	141.96	(0.82)	12.77	143.91	(0.06)	(2.35)
High	148.74	0.01	19.56	144.86	0.66	1.96
Average	144.35	(0.27)	15.16	144.38	0.14	0.89
Singapore Spot	71.00	(4.22)	0.00	0.00	0.00	0.00
Landed Spot	129.19	(2.03)	0.00	0.00	0.00	0.00

HOBART, TAS WHOLESALE TERMINAL PRICES

10/01/20 – 16/01/20
Shown in Australia cents per litre

ULP	ULP TGP	TGP Change	TGP/LS Margin	ULP Retail	Retail Change	Retail Margin/TGP
BP	138.26	(0.11)	13.79	155.55	(0.12)	17.28
Caltex	140.32	(0.04)	15.85	155.92	(0.25)	15.60
Liberty	144.44	(1.36)	19.97	0.00	0.00	0.00
Puma	137.65	(0.85)	13.18	0.00	0.00	0.00
Viva Energy	138.59	(0.54)	14.12	155.59	(0.10)	17.00
Low	137.65	(1.36)	13.18	155.55	(0.25)	15.60
High	144.44	(0.04)	19.97	155.92	(0.10)	17.28
Average	139.85	(0.58)	15.38	155.69	(0.16)	16.63
Singapore Spot	65.65	(2.81)	0.00	0.00	0.00	0.00
Landed Spot	124.47	(1.53)	0.00	0.00	0.00	0.00

DSL	DSL TGP	TGP Change	TGP/LS Margin	DSL Retail	Retail Change	Retail Margin/TGP
BP	145.15	(0.83)	14.38	162.51	0.40	17.36
Caltex	147.71	(0.04)	16.94	162.63	(0.02)	14.92
Liberty	150.67	(0.51)	19.89	0.00	0.00	0.00
Puma	144.43	(1.09)	13.66	0.00	0.00	0.00
Viva Energy	144.30	(0.72)	13.52	162.06	0.49	17.77
Low	144.30	(1.09)	13.52	162.06	(0.02)	14.92
High	150.67	(0.04)	19.89	162.63	0.49	17.77
Average	146.45	(0.64)	15.68	162.40	0.29	16.68
Singapore Spot	71.00	(4.22)	0.00	0.00	0.00	0.00
Landed Spot	130.78	(2.15)	0.00	0.00	0.00	0.00

MELBOURNE, VIC WHOLESALE TERMINAL PRICES

10/01/20 – 16/01/20
Shown in Australia cents per litre

ULP	ULP TGP	TGP Change	TGP/LS Margin	ULP Retail	Retail Change	Retail Margin/TGP
BP	130.85	(0.52)	6.50	159.94	19.43	29.09
Caltex	137.80	0.01	13.45	161.37	20.87	23.57
Freedom	128.88	(1.24)	4.53	0.00	0.00	0.00
Liberty	138.27	(0.80)	13.92	146.31	10.67	8.03
Mobil	133.85	(0.64)	9.50	162.10	22.44	28.25
Park Fuels	136.04	(1.24)	11.69	171.90	27.20	35.86
Puma	135.56	(0.77)	11.21	155.21	20.75	19.65
United	132.17	(0.58)	7.82	149.96	12.50	17.80
Viva Energy	132.07	(0.40)	7.72	161.90	19.90	29.83
Low	128.88	(1.24)	4.53	146.31	10.67	8.03
High	138.27	0.01	13.92	171.90	27.20	35.86
Average	133.94	(0.69)	9.59	158.59	19.22	24.01
Singapore Spot	65.65	(2.81)	0.00	0.00	0.00	0.00
Landed Spot	124.35	(1.53)	0.00	0.00	0.00	0.00

DSL	DSL TGP	TGP Change	TGP/LS Margin	DSL Retail	Retail Change	Retail Margin/TGP
BP	136.95	(0.75)	6.32	149.68	0.36	12.73
Caltex	144.54	0.03	13.91	149.92	(0.56)	5.37
Freedom	136.28	(0.63)	5.65	0.00	0.00	0.00
Liberty	143.98	(0.28)	13.35	144.61	0.99	0.63
Mobil	140.46	(0.19)	9.82	149.70	(0.08)	9.24
Park Fuels	143.65	(0.64)	13.02	149.90	0.00	6.25
Puma	142.90	(1.00)	12.26	146.59	0.12	3.69
United	138.81	(0.44)	8.17	145.90	0.55	7.09
Viva Energy	138.63	(0.53)	8.00	149.69	(0.01)	11.06
Low	136.28	(1.00)	5.65	144.61	(0.56)	0.63
High	144.54	0.03	13.91	149.92	0.99	12.73
Average	140.69	(0.49)	10.06	148.25	0.17	7.01
Singapore Spot	71.00	(4.22)	0.00	0.00	0.00	0.00
Landed Spot	130.64	(2.14)	0.00	0.00	0.00	0.00

PERTH, WA WHOLESALE TERMINAL PRICES

10/01/20 – 16/01/20
Shown in Australia cents per litre

ULP	ULP TGP	TGP Change	TGP/LS Margin	ULP Retail	Retail Change	Retail Margin/TGP
BP	132.59	(0.42)	9.31	146.61	0.13	14.02
Caltex	133.54	(0.02)	10.26	145.37	(0.01)	11.83
Liberty	137.39	(0.60)	14.11	152.40	0.00	15.01
Mobil	134.37	(1.05)	11.09	144.69	(0.93)	10.32
Park Fuels	134.45	(1.05)	11.17	0.00	0.00	0.00
Puma	133.12	(0.61)	9.84	144.05	0.50	10.94
United	131.30	(0.38)	8.02	138.09	0.03	6.78
Viva Energy	131.21	(0.22)	7.93	148.29	0.23	17.08
Low	131.21	(1.05)	7.93	138.09	(0.93)	6.78
High	137.39	(0.02)	14.11	152.40	0.50	17.08
Average	133.50	(0.54)	10.22	145.64	(0.01)	12.28
Singapore Spot	65.65	(2.81)	0.00	0.00	0.00	0.00
Landed Spot	123.28	(1.45)	0.00	0.00	0.00	0.00

DSL	DSL TGP	TGP Change	TGP/LS Margin	DSL Retail	Retail Change	Retail Margin/TGP
BP	139.27	(0.62)	9.87	151.64	0.49	12.37
Caltex	141.17	(0.01)	11.76	151.59	(1.49)	10.42
Liberty	142.80	(0.02)	13.39	163.70	0.00	20.90
Mobil	141.78	(0.42)	12.38	148.74	0.14	6.96
Park Fuels	142.08	(0.42)	12.68	0.00	0.00	0.00
Puma	139.62	(0.83)	10.22	147.37	0.72	7.75
United	137.64	(0.21)	8.23	145.74	0.35	8.10
Viva Energy	137.46	(0.32)	8.06	150.74	0.11	13.28
Low	137.46	(0.83)	8.06	145.74	(1.49)	6.96
High	142.80	(0.01)	13.39	163.70	0.72	20.90
Average	140.23	(0.36)	10.82	151.36	0.05	11.40
Singapore Spot	71.00	(4.22)	0.00	0.00	0.00	0.00
Landed Spot	129.41	(2.05)	0.00	0.00	0.00	0.00

SYDNEY, NSW WHOLESALE TERMINAL PRICES

10/01/20 – 16/01/20
Shown in Australia cents per litre

ULP	ULP TGP	TGP Change	TGP/LS Margin	ULP Retail	Retail Change	Retail Margin/TGP
BP	130.19	(0.83)	4.91	162.90	21.58	32.70
Caltex	138.89	0.02	13.61	165.65	22.12	26.76
Freedom	126.90	(1.29)	1.62	135.40	5.50	8.39
Liberty	139.31	(0.88)	14.03	144.17	13.49	4.86
Mobil	134.35	(0.78)	9.07	164.51	23.95	30.16
Park Fuels	131.57	(0.86)	6.29	145.96	12.63	14.39
Puma	137.58	(0.81)	12.30	139.49	2.62	1.91
United	133.21	(0.64)	7.93	164.54	26.07	31.34
Viva Energy	133.11	(0.45)	7.83	166.48	18.52	33.37
Low	126.90	(1.29)	1.62	135.40	2.62	1.91
High	139.31	0.02	14.03	166.48	26.07	33.37
Average	133.90	(0.72)	8.62	154.34	16.28	20.43
Singapore Spot	65.65	(2.81)	0.00	0.00	0.00	0.00
Landed Spot	125.28	(1.60)	0.00	0.00	0.00	0.00

DSL	DSL TGP	TGP Change	TGP/LS Margin	DSL Retail	Retail Change	Retail Margin/TGP
BP	137.77	(0.76)	6.06	151.46	0.31	13.69
Caltex	145.23	0.04	13.52	152.12	(0.66)	6.89
Freedom	135.49	(0.69)	3.78	144.90	0.40	9.47
Liberty	144.91	(0.30)	13.21	143.90	2.00	(1.01)
Mobil	141.27	(0.19)	9.56	150.21	0.36	8.95
Park Fuels	139.27	(0.86)	7.56	146.43	0.83	7.25
Puma	144.01	(1.03)	12.30	146.65	0.37	2.84
United	139.73	(0.46)	8.03	145.42	1.01	5.69
Viva Energy	139.55	(0.56)	7.85	153.13	0.55	13.58
Low	135.49	(1.03)	3.78	143.90	(0.66)	(1.01)
High	145.23	0.04	13.52	153.13	2.00	13.69
Average	140.80	(0.53)	9.10	148.25	0.57	7.48
Singapore Spot	71.00	(4.22)	0.00	0.00	0.00	0.00
Landed Spot	131.71	(2.23)	0.00	0.00	0.00	0.00

Methodology

OPIS Australia aggregates for publication critical oil pricing data from the bulk spot markets to the wholesale Terminal Gate Prices to station specific retail prices for diesel fuel and petrol.

Specific pricing data points for petrol and diesel made transparent by OPIS Australia include:

Singapore Spot Price: the FOB Singapore prices for 95 RON petrol and low-sulfur diesel imported by Australia for sell at wholesale terminals and consumption at retail locations. OPIS has a team of editors based in Singapore aggregating daily spot prices whose values are determined by verifiable transactions between bulk buyers and sellers.

Landed Spot Price: the terminal specific price for Singapore petrol and diesel fuel delivered from Singapore to individual Australian terminals. Pricing components used to arrive at the landed spot values include freight, applicable fuel quality premiums, insurance and loss, terminal through-put fees, taxes and other costs.

Terminal Gate Price: company specific, product specific TGP prices by city, by supplier displayed in individual markets by price low, price high and price average. Each wholesale terminal city also includes an FOB Singapore Spot Price and a Landed Spot price for ease of data comparison.

Retail Prices: OPIS Australia collects station-specific retail petrol and diesel prices by product, by brand on a daily basis. These prices are made available for the newsletter using weekly averages by brand. OPIS then calculates a competitive differential that displays how individual market prices compare.

Margin Comparisons: OPIS calculates wholesale and retail margins that compare the difference between TGP prices and Landed Spot prices for a wholesale margin, and retail pump prices to TGP prices for a retail/TGP margin for both petrol and automotive diesel.

Petrol and Diesel Pricing Benchmarks: 7-Day Average Prices for petrol and diesel are published for each terminal location for the critical data components that include landed spot, TGP, wholesale margin, retail price and retail margin. The data includes day of newsletter publication plus the average of the prior six days for the seven-day comprehensive average. Increment of changes daily or current day versus prior day, while seven-day averages express the increment of change from prior week's seven day average.

Wholesale Terminal Specific Prices: Supplier specific, terminal specific, product specific prices averaged over seven days with increment of change versus the last published newsletter. Market lows, highs, and averages are extracted from the specific price data displayed by terminal.

Competitive Price Summary: Retail competitive price summary that compares specific company brand price against its competition using average daily differential of the supplier against competitors for both petrol and diesel. Average retail price is shown and average differential to competition.

Retail Margin Snapshot: Retail Margin Snapshot bar graphs display margin comparisons between landed spot, TGP, and retail pump prices over several time frames: current, one-week ago, 4 weeks ago, 12 weeks ago, and rolling twelve weeks, offering insights into trends for each product.

ADELAIDE, SA COMPETITIVE RETAIL PRICE SUMMARY

10/01/20 – 16/01/20
Shown in Australia cents per litre

ULP City Avg 147.94	Avg	Comp Differential*	Prev Comp Differential**
Costco	133.70	(14.31)	(37.29)
Mobil	144.09	(4.07)	(20.51)
Unbranded	144.06	(3.95)	(18.87)
United	144.07	(3.92)	(14.79)
Woolworths	146.17	(1.92)	(2.93)
Liberty	146.32	(1.70)	(12.09)
On the Run	147.72	(0.40)	7.29
Coles	149.38	1.61	5.71
BP	149.61	1.78	2.06
Caltex	150.77	3.38	2.97
Shell	154.30	3.49	(16.99)

DSL City Avg 150.07	Avg	Comp Differential*	Prev Comp Differential**
Costco	138.70	(11.43)	(12.83)
Mobil	144.11	(6.35)	(7.43)
United	144.31	(5.83)	(7.03)
Liberty	144.78	(5.53)	(8.11)
Shell	146.23	(4.00)	(10.21)
Unbranded	146.27	(3.86)	(5.53)
Woolworths	149.25	(0.87)	(2.42)
Coles	150.25	0.20	(0.63)
BP	150.43	0.38	0.49
On the Run	151.15	2.01	3.11
Caltex	151.78	2.07	2.55

BRISBANE, QLD COMPETITIVE RETAIL PRICE SUMMARY

10/01/20 – 16/01/20
Shown in Australia cents per litre

ULP City Avg 167.89	Avg	Comp Differential*	Prev Comp Differential**
Costco	131.10	(36.27)	(12.04)
Metro	142.53	(25.59)	(6.09)
Liberty	149.96	(18.04)	1.18
Unbranded	155.70	(12.32)	10.16
United	159.12	(9.14)	(5.23)
Puma	163.38	(4.85)	(2.77)
Freedom	164.53	(3.51)	(1.72)
Shell	164.51	(3.41)	(4.50)
Pacific Petroleum	166.19	(2.15)	(4.13)
Woolworths	167.85	(0.05)	(1.59)
BP	169.28	1.68	2.02
Caltex	169.51	1.93	2.29
7-Eleven	169.79	2.44	(2.54)
Coles	170.90	3.51	3.74
Mobil	167.30	4.88	14.90

DSL City Avg 151.17	Avg	Comp Differential*	Prev Comp Differential**
Costco	137.70	(13.50)	(10.93)
Metro	144.67	(6.56)	(7.21)
United	146.71	(4.64)	(4.75)
Liberty	148.49	(2.69)	(5.66)
Pacific Petroleum	149.11	(2.08)	(3.04)
7-Eleven	149.97	(1.53)	(1.44)
Puma	149.80	(1.48)	(1.48)
Shell	150.03	(1.16)	(2.23)
Woolworths	150.15	(1.13)	(1.06)
Freedom	151.49	0.33	(1.26)
BP	151.70	0.65	0.21
Coles	153.15	2.29	2.26
Caltex	153.20	2.44	3.18
Unbranded	154.78	3.64	3.85
Mobil	155.80	4.71	(2.25)

* Comp Differential is the average difference between the brand and its local competitors.
** Previous Comp Differential is our last published 7-Day Comp Differential for comparison.

DARWIN, NT COMPETITIVE RETAIL PRICE SUMMARY

10/01/20 – 16/01/20
Shown in Australia cents per litre

ULP City Avg 141.62	Avg	Comp Differential*	Prev Comp Differential**
Unbranded	139.89	(1.80)	(0.48)
BP	140.05	(1.62)	(0.98)
Woolworths	140.38	(1.44)	(1.38)
Caltex	140.97	(0.69)	(0.94)
United	141.56	(0.07)	(0.25)
Coles	141.61	(0.01)	(0.29)
Puma	142.53	1.47	1.41

DSL City Avg 144.41	Avg	Comp Differential*	Prev Comp Differential**
Unbranded	141.70	(2.82)	(2.08)
Woolworths	143.84	(0.67)	(0.55)
BP	143.91	(0.53)	(1.19)
United	144.19	(0.29)	(0.27)
Coles	144.19	(0.26)	(0.25)
Puma	144.74	0.50	0.36
Caltex	146.65	2.42	2.44

HOBART, TAS COMPETITIVE RETAIL PRICE SUMMARY

10/01/20 – 16/01/20
Shown in Australia cents per litre

ULP City Avg 155.71	Avg	Comp Differential*	Prev Comp Differential**
Shell	147.90	(7.53)	(9.42)
Unbranded	151.90	(3.96)	(7.14)
Woolworths	154.24	(1.72)	(0.20)
United	154.85	(1.19)	(1.62)
BP	155.55	(0.19)	0.00
Coles	155.99	0.36	1.09
Caltex	156.58	1.40	1.20

DSL City Avg 162.38	Avg	Comp Differential*	Prev Comp Differential**
Shell	149.90	(12.27)	(10.09)
Unbranded	156.90	(5.88)	(10.17)
United	158.90	(3.83)	(3.94)
Woolworths	160.90	(1.73)	(0.68)
Coles	162.31	(0.11)	0.38
BP	162.51	0.18	0.15
Caltex	163.35	1.46	1.78

MELBOURNE, VIC COMPETITIVE RETAIL PRICE SUMMARY

10/01/20 – 16/01/20
Shown in Australia cents per litre

ULP City Avg 159.49	Avg	Comp Differential*	Prev Comp Differential**
Costco	134.49	(25.05)	(7.37)
Metro	138.01	(21.64)	(7.21)
Apco	140.48	(19.14)	(4.81)
Mobil	145.83	(13.70)	(4.97)
Liberty	146.31	(13.49)	(4.66)
United	149.96	(10.28)	(2.93)
Shell	150.59	(9.01)	(0.69)
Unbranded	152.19	(7.50)	0.72
Puma	155.21	(4.31)	(5.78)
Endeavour	156.31	(3.19)	(2.23)
Woolworths	159.42	(0.07)	(2.46)
Better Choice	160.90	0.15	(4.89)
BP	160.02	0.67	0.48
7-Eleven	162.37	3.58	(0.59)
Coles	162.57	3.87	2.44
Caltex	163.12	4.16	3.07
Enhance	171.90	12.69	3.65

DSL City Avg 149.10	Avg	Comp Differential*	Prev Comp Differential**
Metro	138.24	(10.95)	(8.37)
Costco	140.53	(8.57)	(9.53)
Apco	141.49	(7.66)	(8.09)
Mobil	143.31	(5.81)	(5.69)
Liberty	144.61	(4.59)	(5.64)
United	145.90	(3.46)	(4.07)
Puma	146.59	(2.54)	(2.70)
Shell	147.12	(2.01)	(1.81)
Unbranded	147.70	(1.43)	(2.33)
Woolworths	148.80	(0.34)	(0.36)
Pacific Petroleum	148.90	(0.19)	0.00
Better Choice	149.41	0.27	0.18
Endeavour	149.71	0.61	0.30
BP	149.68	0.72	0.21
Enhance	149.90	0.80	0.76
7-Eleven	149.82	0.89	0.92
Coles	149.85	0.94	0.90
Caltex	150.82	1.98	3.04

* Comp Differential is the average difference between the brand and its local competitors.
** Previous Comp Differential is our last published 7-Day Comp Differential for comparison.

PERTH, WA COMPETITIVE RETAIL PRICE SUMMARY 10/01/20 – 16/01/20 Shown in Australia cents per litre

ULP City Avg 145.28	Avg	Comp Differential*	Prev Comp Differential**
United	138.09	(7.60)	(7.52)
Woolworths	140.21	(5.45)	(5.37)
Vibe	140.30	(5.20)	(6.38)
Better Choice	142.45	(2.88)	(3.40)
Shell	143.22	(2.12)	(1.94)
Puma	144.05	(1.42)	(1.88)
7-Eleven	144.69	(0.65)	0.49
BP	146.61	1.66	1.62
Unbranded	147.36	2.14	2.37
Caltex	147.21	2.40	2.56
Coles	149.34	4.72	4.51
Liberty	152.40	7.14	7.24

DSL City Avg 149.98	Avg	Comp Differential*	Prev Comp Differential**
Mobil	141.90	(8.10)	(8.21)
United	145.74	(4.48)	(4.97)
Better Choice	145.62	(4.44)	(4.90)
Vibe	145.94	(4.21)	(4.88)
Puma	147.37	(3.02)	(3.98)
Shell	148.57	(1.46)	(1.82)
7-Eleven	148.92	(1.17)	(1.45)
Woolworths	149.11	(0.93)	(1.00)
Coles	151.19	1.41	1.18
Unbranded	151.41	1.47	1.12
BP	151.64	2.07	1.31
Caltex	152.50	3.12	5.46
Liberty	163.70	13.75	13.64

SYDNEY, NSW COMPETITIVE RETAIL PRICE SUMMARY 10/01/20 – 16/01/20 Shown in Australia cents per litre

ULP City Avg 161.98	Avg	Comp Differential*	Prev Comp Differential**
Costco	128.10	(34.84)	(14.18)
Freedom	135.40	(26.82)	(12.96)
Puma	139.49	(22.56)	(5.83)
Liberty	144.17	(17.86)	(11.26)
Metro	145.74	(17.63)	(7.20)
Speedway Petroleum	146.33	(16.19)	(8.28)
Enhance	145.96	(16.06)	(8.61)
Unbranded	147.70	(14.66)	(4.97)
Mobil	149.79	(12.24)	(2.15)
Budget Petrol	152.10	(10.19)	(4.20)
Westside Petroleum	152.33	(9.71)	(0.78)
Shell	154.07	(7.96)	1.56
BP	162.90	1.13	(0.75)
United	164.54	2.58	(3.48)
Woolworths	164.51	2.80	(3.27)
Caltex	166.23	5.02	5.35
7-Eleven	166.58	5.83	(1.36)
Coles	167.62	6.59	7.47

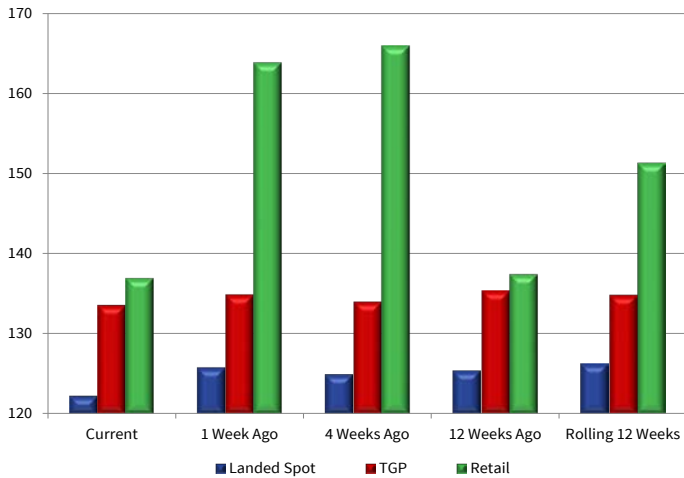
DSL City Avg 150.68	Avg	Comp Differential*	Prev Comp Differential**
Costco	139.10	(11.56)	(11.16)
Speedway Petroleum	143.09	(7.80)	(8.08)
Metro	143.46	(7.68)	(8.45)
Liberty	143.90	(6.79)	(8.77)
Freedom	144.90	(5.75)	(6.17)
United	145.42	(5.31)	(6.28)
Unbranded	146.26	(4.50)	(5.15)
Enhance	146.43	(4.23)	(5.07)
Puma	146.65	(4.00)	(4.38)
Budget Petrol	148.06	(2.69)	(3.60)
Mobil	148.67	(2.02)	(2.66)
Shell	150.01	(0.68)	(2.34)
Westside Petroleum	150.03	(0.65)	(0.24)
7-Eleven	150.52	(0.20)	(0.52)
Woolworths	151.14	0.51	0.29
BP	151.46	0.99	0.64
Caltex	152.74	2.47	4.02
Coles	153.35	3.12	2.55

* Comp Differential is the average difference between the brand and its local competitors.
 ** Previous Comp Differential is our last published 7-Day Comp Differential for comparison.

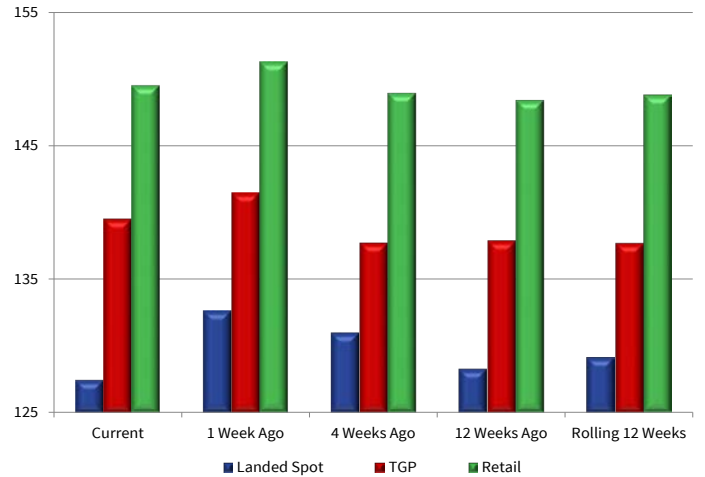
ADELAIDE RETAIL MARGIN SNAPSHOT

Current Week 10/01/20 – 16/01/20
Shown in Australia cents per litre

ULP



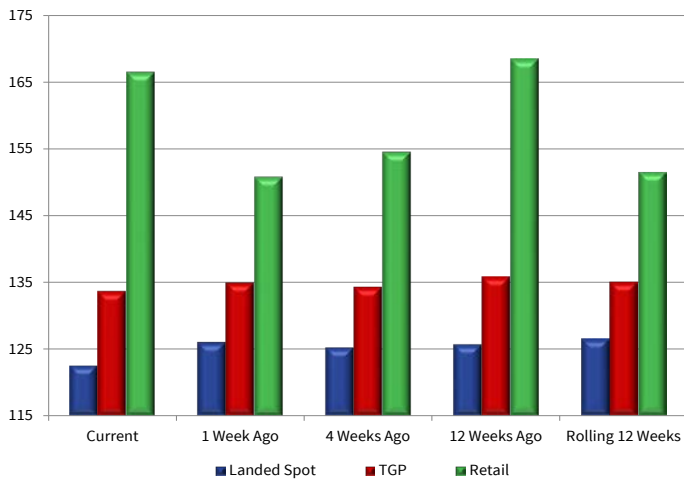
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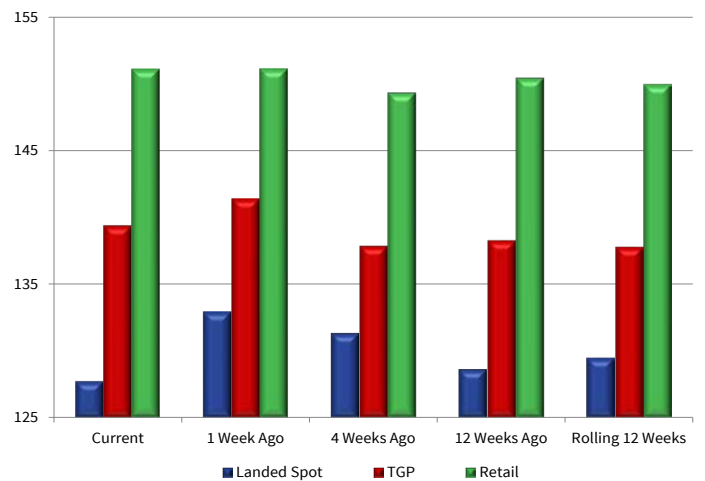
BRISBANE RETAIL MARGIN SNAPSHOT

Current Week 10/01/20 – 16/01/20
Shown in Australia cents per litre

ULP



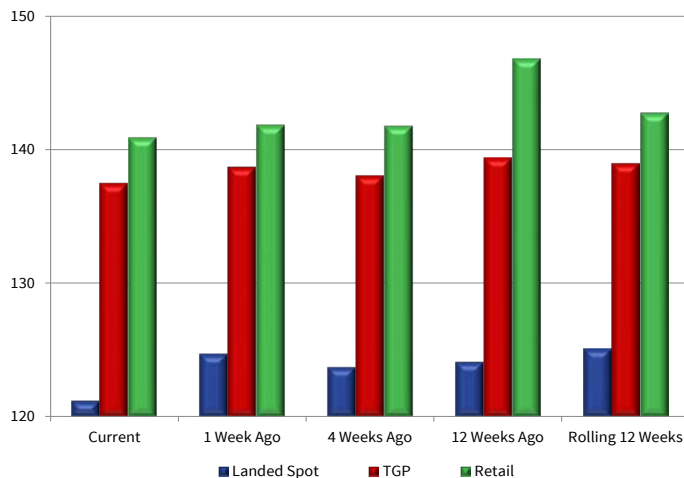
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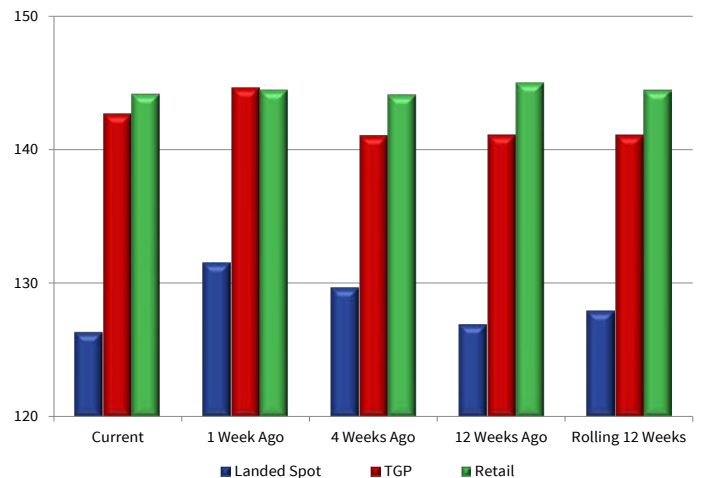
DARWIN RETAIL MARGIN SNAPSHOT

Current Week 10/01/20 – 16/01/20
Shown in Australia cents per litre

ULP



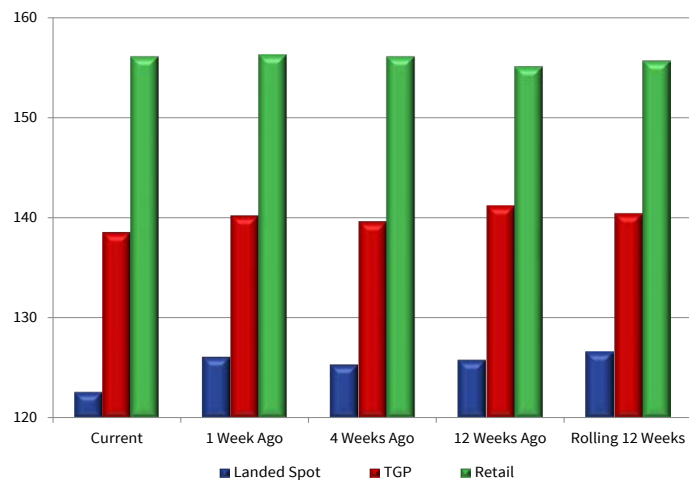
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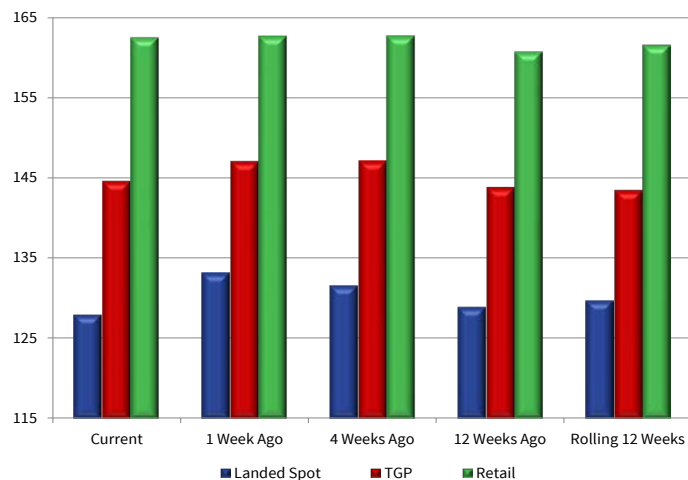
HOBBART RETAIL MARGIN SNAPSHOT

Current Week 10/01/20 – 16/01/20
Shown in Australia cents per litre

ULP



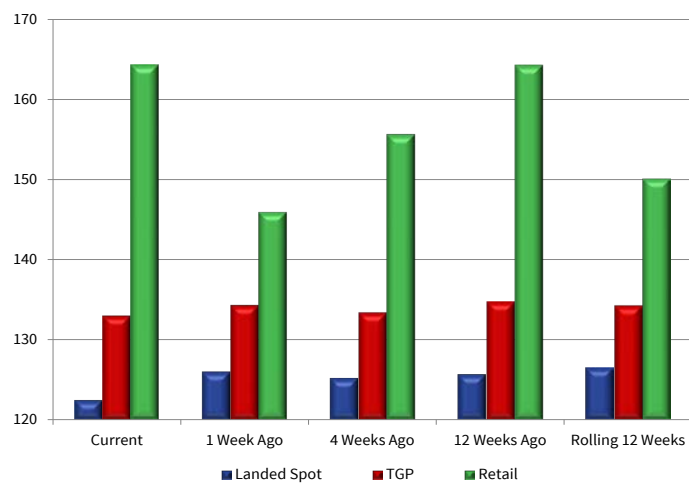
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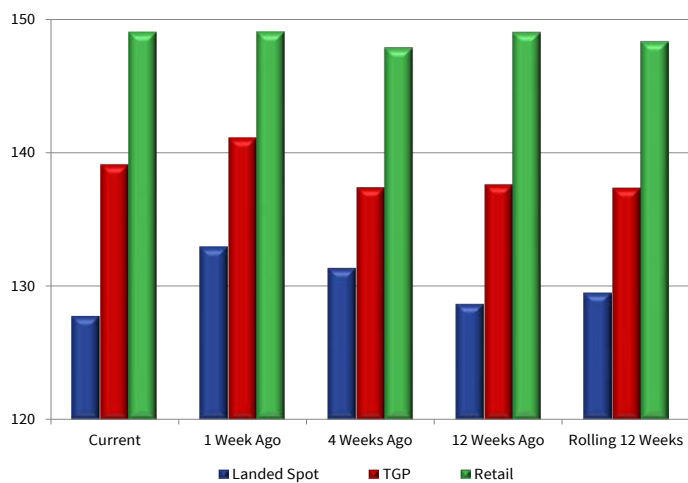
MELBOURNE RETAIL MARGIN SNAPSHOT

Current Week 10/01/20 – 16/01/20
Shown in Australia cents per litre

ULP



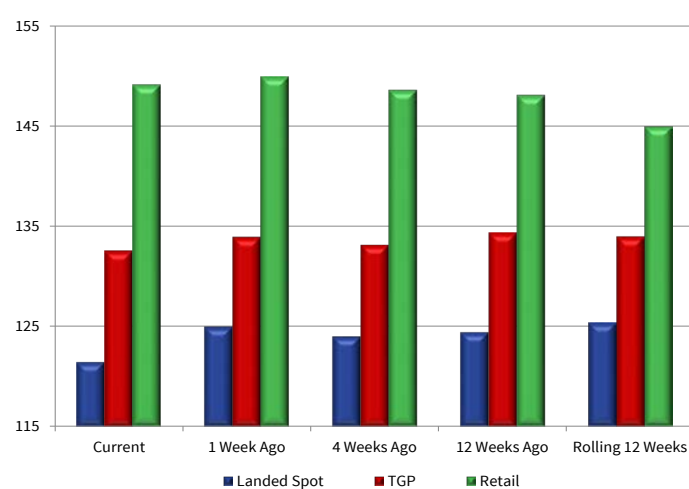
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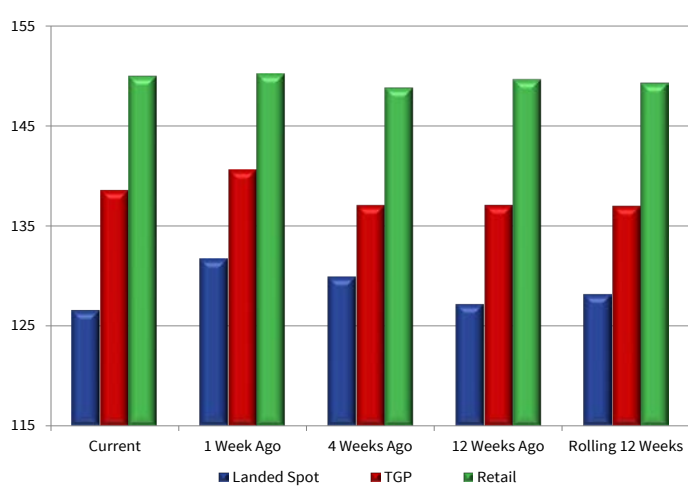
PERTH RETAIL MARGIN SNAPSHOT

Current Week 10/01/20 – 16/01/20
Shown in Australia cents per litre

ULP



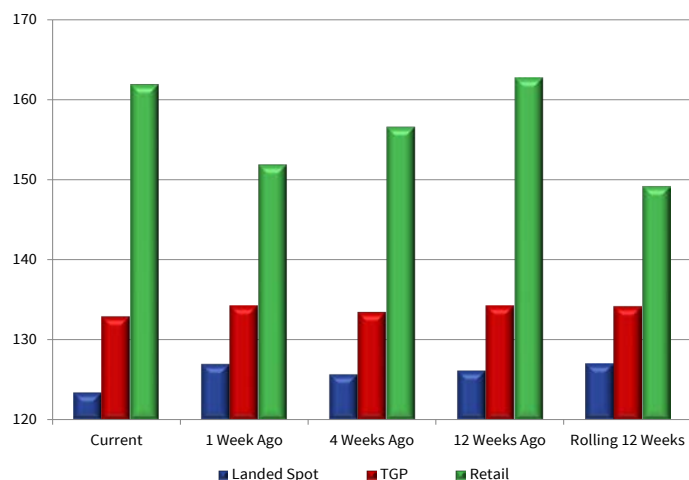
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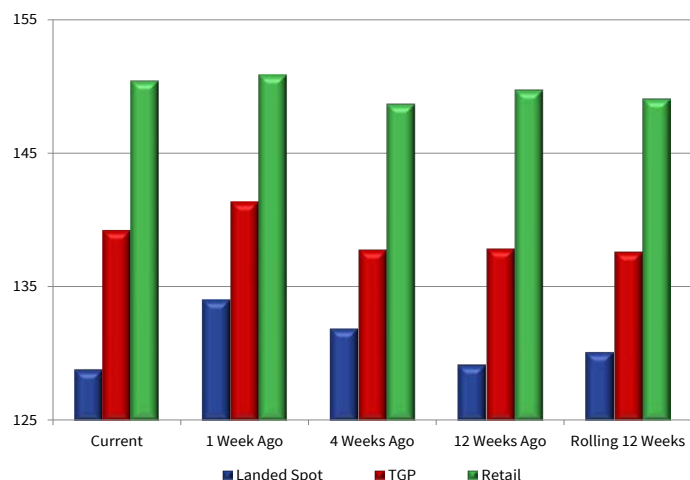
SYDNEY RETAIL MARGIN SNAPSHOT

Current Week 10/01/20 – 16/01/20
Shown in Australia cents per litre

ULP



DSL

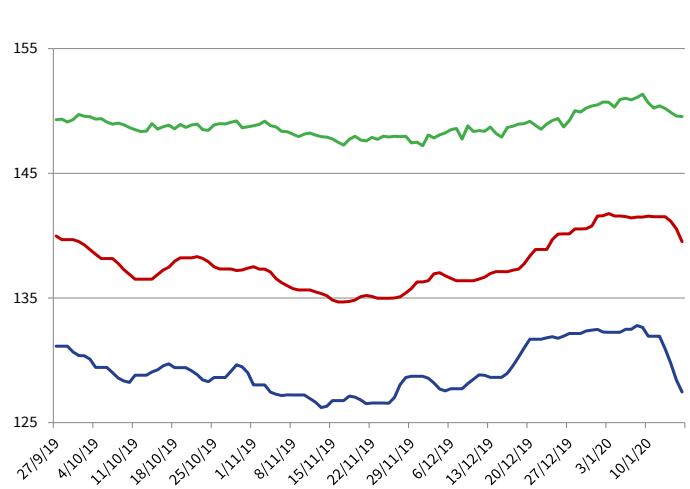


ADELAIDE 16 WEEK RETAIL PRICING CYCLES

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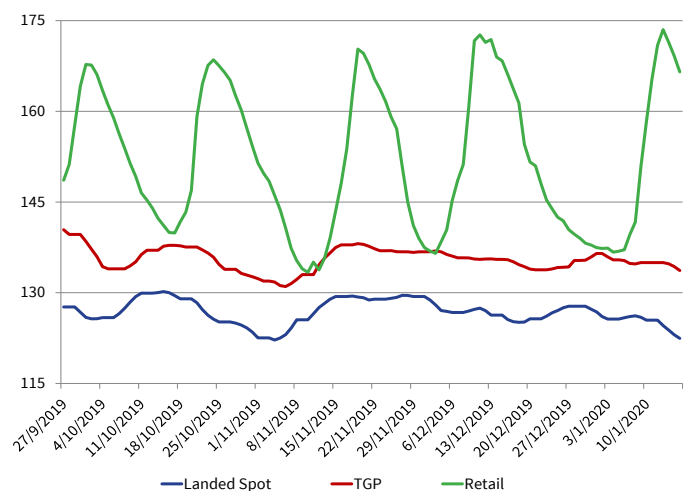


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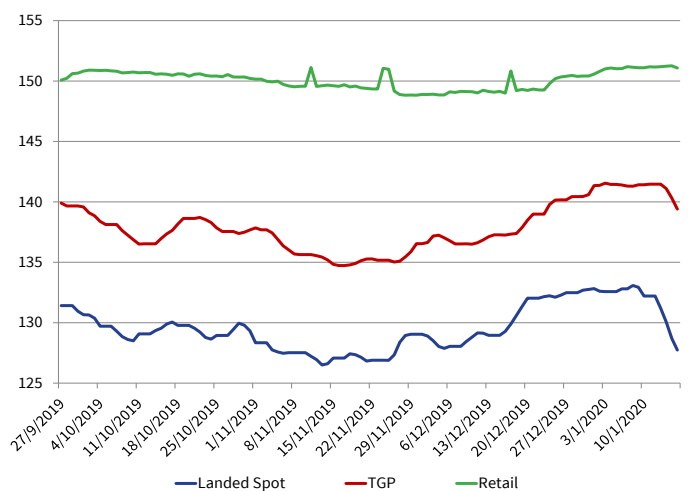


BRISBANE 16 WEEK RETAIL PRICING CYCLES

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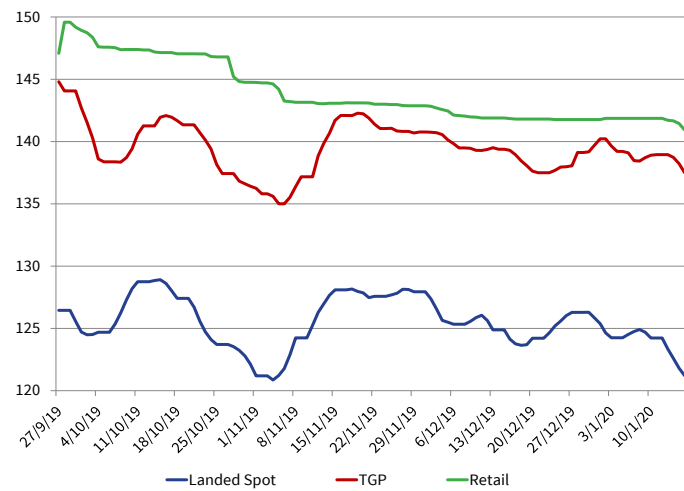


DSL

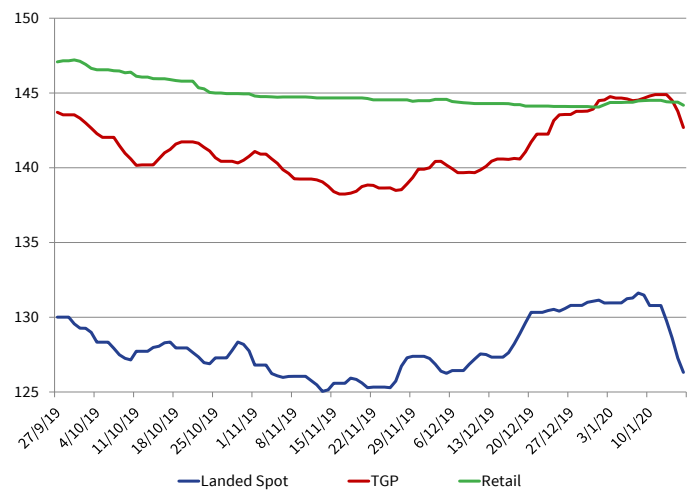


DARWIN 16 WEEK RETAIL PRICING CYCLES

ULP

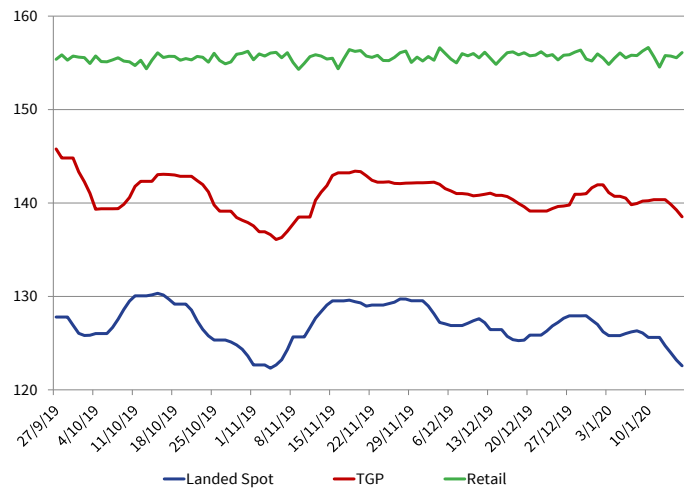


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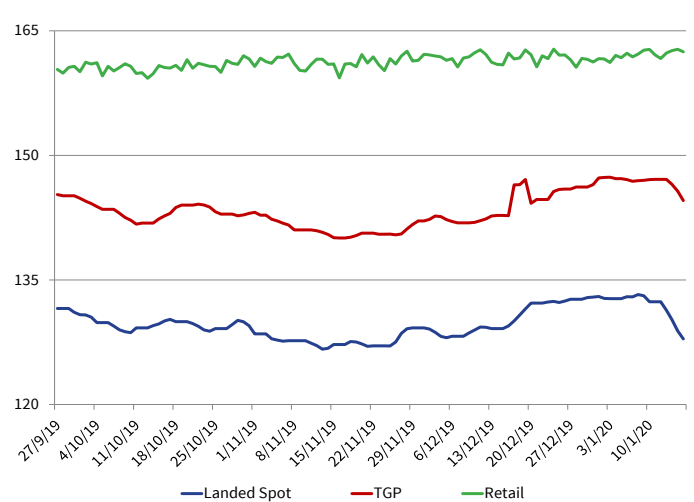


HOBART 16 WEEK RETAIL PRICING CYCLES

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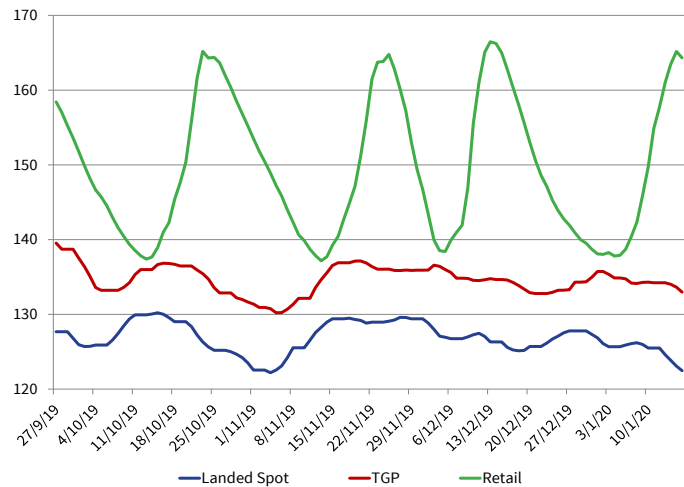


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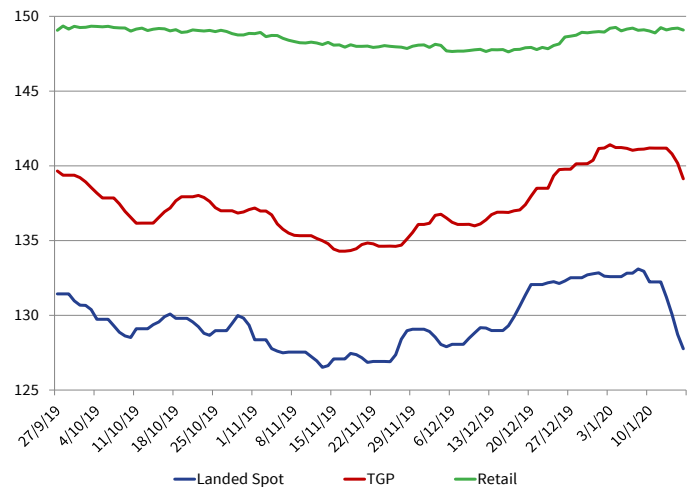


MELBOURNE 16 WEEK RETAIL PRICING CYCLES

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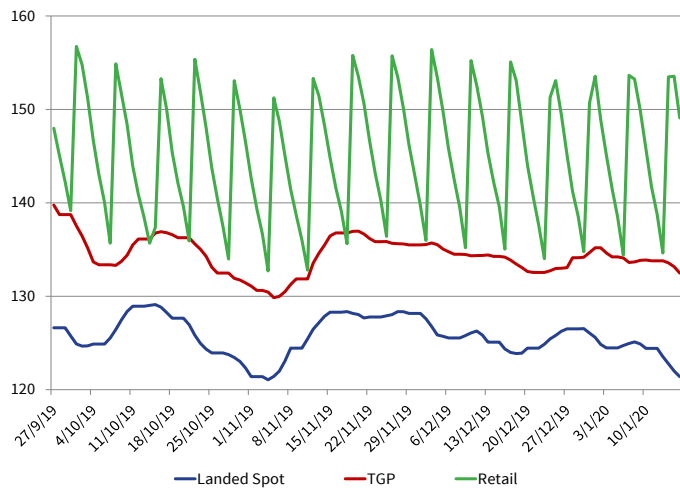


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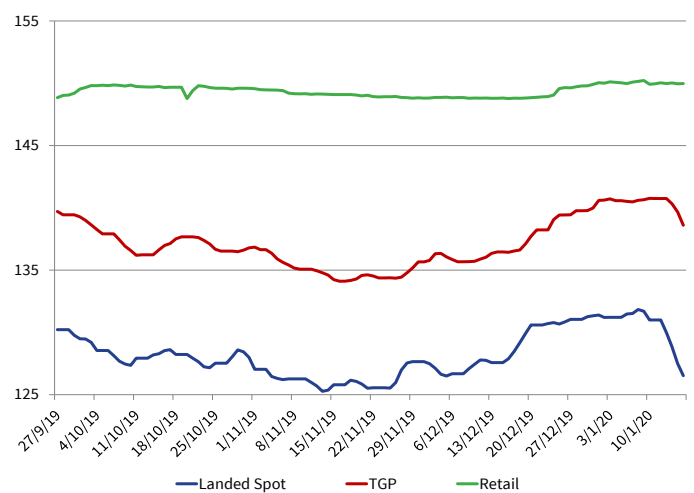


PERTH 16 WEEK RETAIL PRICING CYCLES

ULP

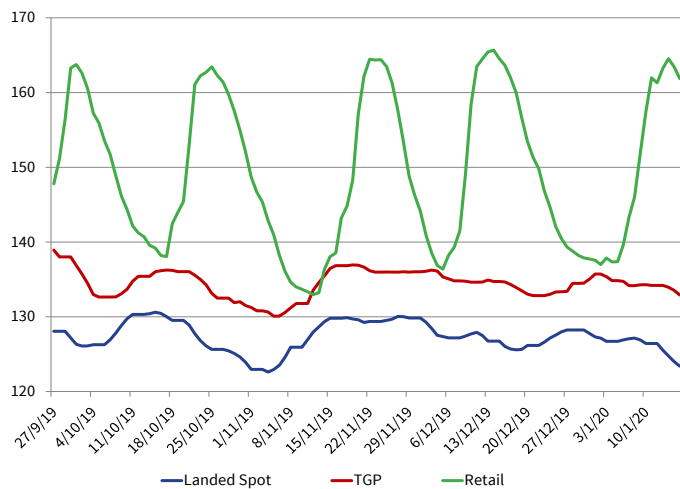


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SYDNEY 16 WEEK RETAIL PRICING CYCLES

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EDITORIAL TEAM

Director – Data and Pricing:

BEN BROCKWELL

+1 732.730.2519

ICE IM: bbrockwell1

ben.brockwell@ihsmarkit.com

President:

FRED ROZELL

+1 732.730.2568

fred.rozell@ihsmarkit.com

VP – Strategic Content, Director Asia Products Singapore:

STEVE TAN

+64 396 2671

steve.tan@ihsmarkit.com

Director – Information Technology:

DAN PUTZIGER

+1 703.887.2168

dan.putziger@ihsmarkit.com

Associate Director, Global Business Development:

DANIELLE LEVINE

+1 301.284.2033

danielle.levine@ihsmarkit.com

Director, Rack Product Development:

TANYA LEE

+1 301.284.2135

tanya.lee@ihsmarkit.com

Quality and Data Governance:

SUE BUCK

+1 301.284.2120

susanne.buck@ihsmarkit.com

Australia Advisory Team:

NIC MOULIS

+61 (0) 4 1974.7071

nic@crdata.com.au

MICK JARVIE

+61 (0) 4 3418.4033

mick.jarvie@thepricingproject.com.au

BEN EVERITT

+61 (0) 4 2716.9548

ben.everitt@thepricingproject.com.au

Singapore Bulk Prices:

JOHN KOH

+65 6439 6283

ICE IM: jkoh9

john.koh@ihsmarkit.com

HANWEI WU

+65 6439 628

ICE IM: hww

hanwei.wu@ihsmarkit.com

Production/Layout:

STEPHANIE NEWTON

+1 732.730.2542

stephanie.newton@ihsmarkit.com

OPIS Customer Service:

+1 301.284.2000

OPIS-Energy-CustomerService@ihsmarkit.com



OPIS
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