



2019-2020 Industry Snapshot: Fuel Retailing in Australia (Source: IBISworld)

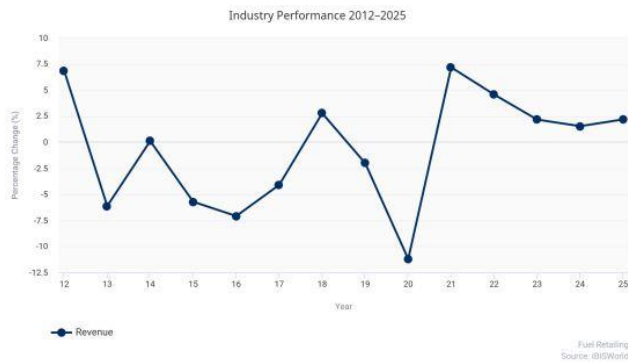


Industry Definition

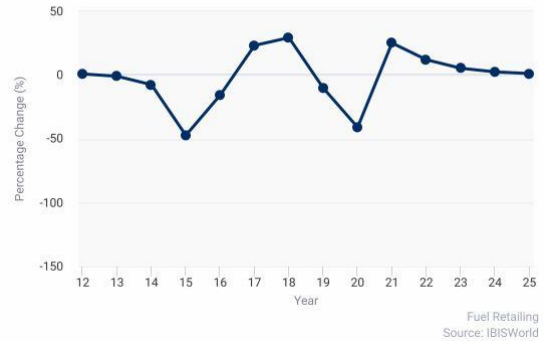
Fuel retailers sell automotive fuel and/or lubricating oils, typically at a service station. Often fuel retailers also retail convenience store goods and provide services such as car washing (Thomson, J. IBISworld. May 2020)

Total Revenue 2020: -\$31.4bn	Annual Growth 2015-20: -4.4%	Predicted annual growth 2020-25: +3.5%
Profit Margin 2020: +2.3%	Wages as a share of Revenue 2020: +5.2%	Number of Businesses 2015-20: -0.6%

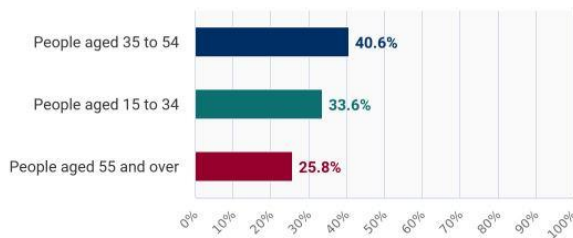
(Thomson, J. IBISworld. May 2020)



Annual Change in World price of crude oil 2012-2025



Major Market Segmentation

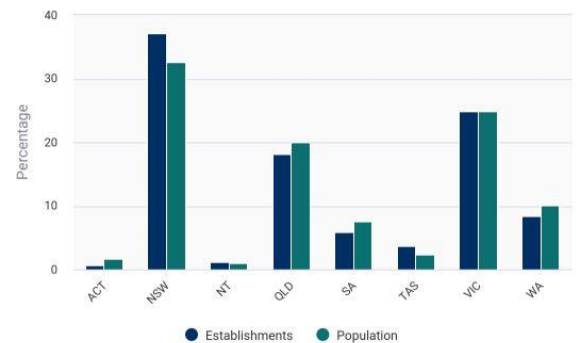


2020 INDUSTRY REVENUE

\$31.4bn

Fuel Retailing
Source: IBISWorld

Distribution of Establishments vs Population



Fuel Retailing
Source: IBISWorld

(Thomson, J. IBISworld. May 2020)

Industry Summary

- Revenue from fuel retailing over the last five years was volatile, primarily due to fluctuating fuel prices.
- Crude prices are projected to remain low and revenue is expected to contract by an annualized 4.4% over the five years through 2019-20, to \$31.4 billion (Thomson, J. IBISworld. May 2020).
- Deteriorating demand of oil due to the outbreak of COVID-19 in 2019-20 caused oil prices to fall dramatically in the second half of the year. Due to the falling prices and lower demand for fuel, industry revenue is expected to fall this year by 11.2%.
- Profit margins are slim with service stations normally earning only a few cents per litre of petrol sold. Most industry profit comes from the sale of non-fuel items such as confectionary and tobacco (Thomson, J. IBISworld. May 2020).
- The impact of alternative transport solutions such as hybrid cars and public transport, will negatively affect demand for current industry products and will likely result in further industry restructure.
- Industry revenue is projected to decrease by an annualised 3.4% over the five years through 2024-25, reaching \$37.3 billion. This projection is due to a forecast increase in the world price of crude oil (Thomson, J. IBISworld. May 2020).

Source: Thomson, J. (December 2017). IBISWorld industry report G4000: Fuel Retailing in Australia.