24 August 2026

Media Release

MeOH Weekly Liquid Fuel Markets Update – w/e 21.08.2026

Same. Same. Crude rises as Iran sanctions threats and Hormuz constraints drive Australian fuel costs higher.

- **Brent crude closed at US$94.39/bbl, gaining 6.39% for the week, while WTI settled at US$87.06/bbl, up 5.66%.**
- **Australia's national average terminal gate price rose to 196.4c/L for unleaded petrol and 242.9c/L for diesel by Friday.**
- **National retail averages finished near 204.5c/L for U91 and 251.2c/L for diesel, keeping pressure on households, freight and regional industry.**
- **The Federal Government has opened consultation on a one-billion-litre strategic reserve and measures to expand domestic low-carbon liquid fuel production.**

Global liquid fuel markets recorded a second consecutive weekly gain as geopolitical risk overtook softer demand signals. Brent and West Texas Intermediate crude reached their highest levels since late July as the United States threatened tougher sanctions against Iran and its trading partners, while tanker movements through the Strait of Hormuz remained restricted. For Australia, higher crude prices, refining margins and shipping costs pushed wholesale petrol and diesel prices upward, with diesel again carrying the greater risk for freight, agriculture, mining and construction.

BRENT CRUDE AND WTI
Brent Close: US$94.39/bbl | Weekly Change: +6.39% | Firm, with Elevated Volatility
WTI Close: US$87.06/bbl | Weekly Change: +5.66% | Firm

Brent crude settled at US$94.39/bbl on Friday, up US$0.61 for the session, while WTI closed at US$87.06/bbl, up US$0.23. Both benchmarks completed their second consecutive weekly advance after touching their highest levels since 24 July.

The immediate catalyst was the Trump administration's threat of further economic sanctions on Iran and countries continuing to trade with it. The measures raise the risk of retaliation, shipping incidents and tighter crude availability. The Strait of Hormuz remains the central physical constraint: Reuters reported that only seven commodity vessels sailed through on Thursday, around half the previous day's tally. Alternative pipelines and additional supply are helping the market adapt, but have not restored pre-conflict volumes or costs.

“The market is no longer pricing the Strait of Hormuz as a short interruption with a clear end date,” MeOH Chairman Simon Tolhurst said. “Every week of restricted traffic reinforces higher freight, insurance and replacement costs throughout the liquid fuel supply chain.”

MeOH NEW ENERGY

US STRATEGIC PETROLEUM RESERVE
Latest Holding: approximately 293.4 Million Barrels | Weekly Draw: 5.3 Million Barrels | Lowest Since 1983

The US Strategic Petroleum Reserve fell by a further 5.3 million barrels to approximately 293.4 million barrels. Commercial crude inventories increased and refinery utilisation improved, but lower emergency stocks reduce the available buffer if Middle East supplies deteriorate. This does not indicate an immediate shortage; it does make the market more sensitive to refinery outages and tanker disruptions. Diesel crack spreads above US$100/bbl showed that refined-product availability, rather than crude alone, remains a binding constraint.

MOTOR GASOLINE – ULP 91
Australian National Retail Average: approximately 204.5c/L | National TGP: 196.4c/L | Firm

Australia's national U91 retail average finished Friday near 204.5c/L. Local discounting cycles produced a widespread between service stations, but the underlying wholesale direction was higher.

Australian Institute of Petroleum data showed the national average ULP terminal gate price rising from 191.8c/L on 14 August to 196.4c/L on 21 August, an increase of 4.6c/L in one week. Friday's average ULP TGPs were Sydney 196.7c/L, Melbourne 195.5c/L, Brisbane 197.1c/L, Adelaide 195.4c/L, Perth 195.7c/L, Darwin 204.6c/L and Hobart 199.3c/L.

Metropolitan price cycles, existing inventories and retailer competition will delay or soften the pass-through in some markets. Nevertheless, Brent near US$95/bbl would maintain pressure on replacement costs and limit lasting pump-price relief.

DIESEL – GASOIL 10 ppm
Australian National Retail Average: approximately 251.2c/L | National TGP: 242.9c/L | Firm to Higher

AIP data showed the national average diesel TGP rising from 234.0c/L on 14 August to 242.9c/L on 21 August, an increase of 8.9c/L in five business days. Friday's average diesel TGPs were Sydney 244.0c/L, Melbourne 244.3c/L, Brisbane 243.9c/L, Adelaide 242.5c/L, Perth 238.3c/L, Darwin 254.2c/L and Hobart 244.4c/L.

The sharper rise in diesel than petrol reflects the continuing shortage of middle-distillate production and inventory. It also has broader economic consequences: diesel is embedded in the cost of moving food, fertiliser, manufactured goods and construction materials, meaning sustained wholesale increases can flow well beyond the service-station forecourt.

“An 8.9-cent weekly increase in the national diesel Terminal Gate Price is not simply a motoring story,” Mr Tolhurst said. “It is a freight, agriculture, mining and cost-of-living story, because diesel is one of the basic inputs connecting almost every Australian supply chain.”

AVIATION FUEL – JET A-1
Market Direction: Volatile and Elevated

Jet fuel remains highly sensitive to Middle East supply constraints and strong refining margins. Earlier this year, Qantas lifted its estimated fuel cost for the second half of FY2026 to A$3.1–3.3 billion, compared with approximately A$2.5 billion in its February guidance. Although the airline had hedged about 90% of its crude exposure, it remained substantially exposed to jet refining margins, which rose from US$20/bbl in February to a peak near US$120/bbl.

For passengers and freight customers, the impact may appear through fares, capacity decisions and route economics. Asian refining and storage capacity remain important for Australia, but cannot fully insulate aviation from a prolonged middle-distillate shortage.

AUSTRALIAN FUEL SECURITY AND DOMESTIC PRODUCTION

The Federal Government this week opened consultation on a government-owned Australian Fuel Security Reserve, higher minimum stockholding obligations and domestic low-carbon liquid fuel production. The proposed A$3.2 billion reserve would hold one billion litres of diesel and jet fuel, while mandatory industry holdings would rise by an additional 10 days for petrol, diesel and jet fuel by 2030.

A separate consultation is examining a domestic low-carbon liquid fuels industry for aviation, heavy transport, mining and agriculture. These initiatives are strategically important, but reserves provide time rather than permanent immunity. Australia's exposure will remain high while it depends predominantly on imported fuels delivered through vulnerable shipping routes.

“Strategic reserves are an essential insurance policy, but Australia also needs the capacity to manufacture more of its own liquid fuels,” Mr Tolhurst said. “Domestic low-carbon fuel production strengthens sovereign supply, retains value within the Australian economy and reduces our exposure to the next international disruption.”

Sources: Reuters; Australian Institute of Petroleum; Qantas Group; Australian Government Department of Climate Change, Energy, the Environment and Water; Oil & Gas Journal; FuelRadar Australia.

ENDS

“MeOH welcomes the Federal Government’s consultation on developing a domestic low-carbon liquid fuels industry for aviation, heavy transport, mining and agriculture,” said Chairman Simon Tolhurst.

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MeOH Energy
Australia exports three times more energy than it consumes, yet imports 91% of its liquid transportation fuels.

MeOH Energy's advanced carbon transformation technology converts a wide range of stranded carbon resources into sustainable, low-emission liquid transportation fuels: end-of-life tyres, agricultural residues, biomass, plastics, paper, fibre and other carbon resources can all be converted into valuable liquid fuels, keeping valuable carbon resources in the Australian economy instead of sending them to landfill, while strengthening Australian industry and agriculture and reducing environmental impacts.

Australia has an opportunity to pursue a commercially proven pathway to stronger energy security, advanced manufacturing and lower-emission transportation fuels.
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