



Feb 18, 2016 00:01 GMT

How could Brexit affect prices at the pumps?

[Analysts have predicted](#) Britain exiting the EU could lead to a 20% reduction in the strength of the pound against the dollar. Motorists are currently enjoying a period of low pump prices with petrol and diesel both priced under £1 at the cheapest retailers, but what could the impact be of a 20% reduction in the value of pound be on the forecourt?

RAC fuel spokesman Simon Williams said: “While the RAC has no view on the UK’s membership of the EU, the impact on fuel prices of Britain exiting is not likely to be as dramatic as motorists might be led to think.

“A 20% fall in the value of the pound would – based on current exchange rates – only add £2 to the cost of filling up an average 55-litre petrol car, as a result of the average price of a litre rising around 4p from 101.95p to 105.56p. This would mean a two-car household filling up with petrol twice a month would spend £232 as opposed to £224.

“While the strength of the pound is a significant factor in the price motorists pay for petrol and diesel due to wholesale fuel being traded in dollars, the oil price is currently a greater influence.

“Despite talk of a slight curb in oil production this week the price of a barrel has remained stable. While it is notoriously difficult to predict what will happen next with oil prices, OPEC appears to be sticking with the general principles of its over-production strategy so there is little reason to expect anything to change drastically in the meantime. This means lower retail fuel prices look likely to remain with us until at least the middle of this year.

“And, even after that, if the barrel price was to go above \$60 it would signal a major move away from OPEC’s strategy to maintain market share through a lower price and make it financially unattractive for the United States to produce oil from fracking.”

The press office email address is press.office@rac.co.uk and media centre is at media.rac.co.uk. **Please note:** the press office is unable to help with individual customer enquiries - please visit the [RAC contacts page](#) to find the right contact.

About the RAC

The RAC, an iconic UK brand, provides complete peace of mind to nearly 14 million UK private and business drivers, whatever their motoring needs. As well as its premium nationwide breakdown assistance service – with an expert branded patrol workforce attending more than two million breakdowns every year – it offers a wide range of market-leading products across insurance, legal services, vehicle inspections and service, maintenance and repair. Included in this is the first-of-its-kind nationwide Mobile

Mechanics service which brings the garage to homes and workplaces.

At the forefront of new solutions for business fleets and consumers, the RAC's breakdown service is electric-ready with mobile EV charging technology and can be called on using [myRAC](#) – the all-in-one route planner, fuel finder and breakdown reporting app.

Visit the [RAC website](#).

Contacts



RAC Press Office

Press Contact

press.office@rac.co.uk

Emails monitored during normal office hours. For breakdown queries, call 0330 159 0740

ISDN number on request