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## Average petrol price falls too slowly despite a 9p reduction in July

**The average price of petrol fell in July by nearly 9p (8.74p) to 182.69p a litre, with the actions of independent retailers prompting the biggest retailers to finally lower their prices, analysis of [RAC Fuel Watch](#) data shows.**

This led to nearly £5 being shaved off the cost of a 55-litre tank of petrol (£105.29 down to £100.48). Diesel came down by almost 7p (6.69p) a litre from 199.07p at the start of the month to 192.38p by the close, reducing a fill-up by £3.68 (£109.41 down to £105.81).

While these are the third and fourth biggest monthly reductions respectively in the last 20 years, the RAC says they still don't fairly reflect the fall in the wholesale price of fuel, meaning major retailers should be cutting pump prices much further. The wholesale cost of petrol delivered to forecourts has fallen for eight consecutive weeks by a whopping 20p from 151.93p at the start of June to 131.75p a litre in the last week of July. The last time unleaded was this price on the wholesale market was in early May which a week later led to a UK average pump price of just 167p a litre.

The high wholesale prices of late May and June caused average petrol prices to rocket by 29p (28.66p) a litre in two months to a new record high of 191.53p on 3 July and diesel to climb 22p (21.66p) to an all-time high of 199.09p on 25 June.

Despite wholesale petrol prices falling by 20p over the last eight weeks, the average price paid for unleaded by drivers across the UK has only dropped by 9p – all of which came off in July. This is far too slow even after factoring in the two weeks it generally takes for the smallest retailers to use up their existing fuel and buy more supply at a new – in this case – lower price.

The RAC believes the biggest retailers' failure to reduce petrol pump prices in line with the drop in the wholesale price of unleaded has cost drivers dear and is still doing so. Based on average wholesale prices last week, the RAC estimates petrol should be around 167p a litre which means drivers filling up now at the end July average of 182.69p are paying nearly £9 a tank more than they should be. And diesel should be closer to 182p – nearly £6 a tank lower than the end of July average.

### **RAC fuel spokesman Simon Williams said:**

“July has been an unnecessarily tough month for drivers due to the big four supermarkets' unwillingness to cut their prices to a more a reasonable level, reflecting the consistent and significant reductions in the wholesale cost of petrol and diesel.

“As it was, we saw independent retailers leading the charge with fairer pump prices appearing all around the country which eventually forced the supermarkets to finally implement a more substantial cut late last Friday afternoon (29 July).

“What ought to have happened is that the biggest retailers cut their prices more significantly on a daily basis, given the wholesale price of petrol has fallen steadily over the last eight weeks. Instead, average retailer margin for petrol across the industry has been up around 20p a litre for the last two weeks – more than three times its long-term average.

“The average cost of delivered wholesale unleaded in the first week of May was 131.73p which gave rise to forecourt prices across the country hitting 167p a week later. Wholesale petrol averaged virtually the same last week which should – if retailer’s pass on the savings they’re benefitting from – in theory bring pump prices down to a similar level to what we saw in mid-May.

“The best advice for filling up is no longer to assume the supermarkets are the cheapest, but to shop around as it’s highly likely you’ll find an independent retailer which is doing the right thing and fairly reflecting their lower wholesale costs by charging a lower price. This is really encouraging because the independents buy new stock less frequently than the supermarkets as they don’t sell as much, and consequently aren’t as well positioned as their rivals to be able to snap up fuel at lower prices when there are sudden market drops.”

### **Regional pump prices compared - all prices in pence per litre**

#### **Unleaded petrol**

<b>Unleaded</b>	<b>01/07/2022</b>	<b>31/07/2022</b>	<b>Change</b>
<b>UK average</b>	<b>191.43</b>	<b>182.69</b>	<b>-8.74</b>
East	192.02	184.38	-7.64
East Midlands	191.65	182.85	-8.8
London	191.35	183.17	-8.18
North East	190.33	180.87	-9.46
North West	191.03	181.26	-9.77
Northern Ireland	190.69	178.36	-12.33
Scotland	191.17	181.28	-9.89

South East	192.11	183.83	-8.28
South West	191.70	183.20	-8.5
Wales	191.27	181.84	-9.43
West Midlands	191.49	182.69	-8.8
Yorkshire and The Humber	190.57	181.40	-9.17

## Diesel

<b>Diesel</b>	<b>01/07/2022</b>	<b>31/07/2022</b>	<b>Change</b>
<b>UK average</b>	<b>199.07</b>	<b>192.38</b>	<b>-6.69</b>
East	199.31	193.73	-5.58
East Midlands	199.12	192.34	-6.78
London	198.95	193.42	-5.53
North East	199.00	191.84	-7.16
North West	198.78	191.43	-7.35
Northern Ireland	197.68	186.07	-11.61
Scotland	199.33	191.71	-7.62
South East	199.38	193.71	-5.67
South West	199.23	192.89	-6.34
Wales	199.23	191.64	-7.59
West Midlands	199.19	193.00	-6.19
Yorkshire and The Humber	198.72	191.82	-6.9

[\*Find out more about UK petrol and diesel prices on the RAC website.\*](#)

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\* UK national average pump prices quoted are based on Experian Catalist data from 1-31 July 2022. Wholesale prices, oil price and the value of sterling are based on data from 1-29 July 2022

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## About the RAC

The RAC, an iconic UK brand, provides complete peace of mind to 13 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. The RAC is also at the forefront in helping drivers make the switch to electric vehicles and leads in the development of new solutions for businesses and OEMs, partnering with the best in the motoring and mobility space.

Visit the [RAC website](#).

## Contacts



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