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Drivers in line for fuel price cut as low oil demand pushes prices down

Virtually static petrol prices in October should give way to pump price cuts of up to 5p per litre within the next two weeks, according to new RAC Fuel Watch data*, with Asda already leading the charge with a fuel price cut this morning.

Although the price of a litre of petrol was practically unchanged for a second month running at a little over 114p on average last month (114.53p at the start of the month, 114.43p at the end), wholesale unleaded prices dropped

4.62p to just 82.26p through October thanks to falling oil prices, which should herald lower prices at forecourts – just as England enters its second nationwide coronavirus lockdown. Indeed, Asda has been first out of the blocks, cutting up to 2p off a litre of petrol (charging no more than 108.7p) and 3p off diesel (charging no more than 111.7p).

Pressure had also been mounting on retailers to cut the price of diesel, which the RAC believes has been over-priced for nearly two months now. Between the middle of August and the middle of October, the wholesale price of diesel was below that of petrol and in October it fell yet again by 4.62p per litre to 83.73p. Yet diesel pump prices remain significantly higher than petrol at 117.82p at the end of last month, down just 0.27p compared to at the start of October.

While prices of petrol and diesel at supermarkets followed the UK average by barely changing last month, at 109.6p and just under 114p respectively. The price of a litre of unleaded is now 131.09p, up 4.26p, with diesel at 135.19p, up 4.05p.

The cost of filling up a 55-litre family car with petrol at a supermarket is now £2.65 less than the average (£60.29 per tank, compared to £62.94), and £2.24 less to fill with diesel (£62.56 per tank, compared to £64.80).

The falling oil price is as a result of ongoing concern about global demand as the second coronavirus wave continues to impact on trade and travel. In the shorter term, the result of the US election may also have some effect on prices, although analysts seem split on whether it could mean prices end up slightly higher or slightly lower, depending on who gets elected.

RAC fuel spokesman Simon Williams said:

“It’s likely to be a case of déjà-vu for drivers this month as once again fuel prices are starting to fall just at the point when we’re all driving less as a result of a coronavirus lockdown. It’s good to see Asda leading the way this morning with an initial price cut and we now need other retailers to follow suit as quickly as possible.

“While we’re not expecting prices to go as low as last time – March saw petrol prices under £1 a litre as a result of oil prices falling to a 21st century

low – any driver needing to fill up later in November should be greeted by the sight of lower prices, if retailers do the right thing.

“It remains to be seen, however, to what extent retailers pass on the wholesale savings they have been enjoying recently to drivers. While the volume of fuel sold in the coming weeks is likely to be lower than of late, we’re concerned some retailers may only choose to only cut by a few pence, or not at all, which would be bad news for drivers, especially as we don’t anticipate the roads will be as quiet as during the first lockdown.

“There is perhaps a cruel irony for motorists here in that the route to cheaper prices is cheaper oil, yet the main reason the oil price is lower is because so many of us across the world aren’t travelling.

“Diesel drivers in particular have reason to feel particularly hard done by, as arguably they have been paying over the odds for the fuel for two whole months now. We strongly urge retailers to lower the price of diesel, both for businesses and the country’s 12m-plus diesel car drivers.”

Regional pump prices compared

Unleaded	01/10/2020	29/10/2020	Change
UK average	114.53	114.43	-0.10
East	114.85	114.66	-0.19
East Midlands	114.39	114.39	0.00
London	115.84	115.38	-0.46
North East	113.17	112.97	-0.20
North West	114.29	114.23	-0.06
Northern Ireland	111.56	111.31	-0.25
Scotland	114.15	114.37	0.22
South East	115.46	115.26	-0.20
South West	114.40	114.24	-0.16
Wales	113.57	113.50	-0.07
West Midlands	114.42	114.35	-0.07

Yorkshire And The Humber	113.96	113.89	-0.07
Diesel	01/10/2020	29/10/2020	Change
UK average	118.09	117.82	-0.27
East	119.03	118.80	-0.23
East Midlands	118.01	117.78	-0.23
London	118.91	118.50	-0.41
North East	116.88	116.54	-0.34
North West	117.70	117.58	-0.12
Northern Ireland	114.25	114.13	-0.12
Scotland	117.73	117.61	-0.12
South East	119.54	119.12	-0.42
South West	118.01	117.69	-0.32
Wales	117.45	117.17	-0.28
West Midlands	118.06	117.76	-0.30
Yorkshire And The Humber	117.36	117.07	-0.29

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

Notes to Editors

The press office email address is press.enquiries@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.

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About the RAC

The RAC provides complete peace of mind to 12m UK private and business drivers, whatever their motoring needs. Its services include:

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[Breakdown assistance](#). Its highly-skilled, 1,600-strong branded patrol workforce attends more than two million breakdowns every year, fixing on average four out of five vehicles at the roadside. The RAC's patrol fleet is one of the most advanced in the UK, and was the first to roll out both an [All-Wheels-Up recovery system](#), allowing the vast majority of vehicles to be recovered from a single patrol van, and [EV Boost](#) mobile electric vehicle charging units

- [Insurance](#). The RAC is a top-five [car insurance](#) broker having surpassed the 500,000 policies-in-force milestone in 2018. It also offers '[black box](#)' [telematics policies](#), as well as home and travel insurance
- **Other motoring services**. The RAC leads in the development of new solutions for business, fleets, electric vehicles and future car technology. Its additional products and services include a [personal loans offering](#), a [used car buying website](#), [vehicle inspections and checks](#), [legal services](#) or up-to-the-minute [traffic and travel information](#). It also has a network of [Approved Dealers](#) and [Approved Garages](#) which combine the trust of RAC brand with local service and convenience

The RAC also works to support the interests of its members and UK drivers on the most important motoring issues which it identifies via the annual [RAC Report on Motoring](#) and the RAC Opinion Panel. The Report on Motoring is the longest running analysis of driver opinion in the UK having been published every year since 1989.

For more information about the RAC, visit the [RAC website](#).