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Motorists lose out as retailers refuse to cut petrol prices in October despite drop in wholesale cost

The price of petrol remained unchanged in October despite a drop in wholesale costs which should have been passed on to motorists at the pump.

[RAC Fuel Watch](#) data shows there was a 3.5p fall in the wholesale price yet unleaded started and finished the month at 130.6p a litre. This means the average cost of filling a 55-litre family car with petrol has stayed at £71.84 when it should have been nearly £2 less (£1.92) had retailers done the right thing and reflected the lower wholesale price on the forecourt.

Even though conditions were ripe for a petrol price cut from the middle of the month the big four supermarket fuel retailers – which play a vital role in setting the market for fuel prices across the UK – refused to lower the price for drivers. It was not until the end of the month that Asda finally reduced unleaded by an average of 2.4p across all its forecourts.

But this has sadly not led to other retailers following suit by lowering their prices and has therefore had little effect either on the average price of unleaded at the supermarkets, or on the UK average. The average price of petrol at Asda, Tesco, Sainsbury's and Morrisons actually increased by 0.6p a litre in October (126.88p to 127.48p) despite the drop in the wholesale cost.

Diesel, however, suffered its fourth consecutive monthly price increase, rising by 2.38p from 134.50p to 136.88p, making the cost of a 55-litre tank £75.28. Buying it at a supermarket saves 3p a litre with the average price standing at 133.67p a litre at the end of October, having risen 2.35p from 131.32p.

Refilling with petrol at a motorway service area, however, now costs an average of 149.32p – a slight reduction of 0.3p a litre on the start of the month when it was 149.62p. Frighteningly, a litre of diesel at a motorway forecourt is an average of 155.22p – an increase of 2.7p in October. A tank of petrol is therefore £82.29 while diesel is an eye-watering £85.37.

RAC fuel spokesperson Simon Williams said:

“Every motorist driving a petrol car should feel aggrieved that the price of a litre stayed the same in October when it should have fallen by more than 3p. The biggest retailers who are responsible for selling the most fuel have taken drivers for a ride.

“In doing so they have inadvertently but categorically proved that ‘rocket and feather’ pricing does exist. Had wholesale costs increased at the same rate the supermarkets would have passed these on at the pump straightaway just as they did in April and May this year.

“Unfortunately, other retailers that don’t buy wholesale fuel as frequently are just as guilty as they have now had plenty of time to cut their prices. They were, more than likely, waiting for the supermarkets to lead the way, but this surely isn’t a valid excuse.

“So while there are times when fuel pricing in relation to wholesale prices does operate transparently, sadly October just wasn’t one of those months.

“We strongly urge all retailers to lower their petrol prices in line with the reduced wholesale cost of unleaded. And, with the pound gaining strength against the dollar on 1 November, there will be even greater scope for a cut.”

The lower wholesale price of petrol has been brought about by an 11% fall in the price of oil which has gone from \$84.73 at the start of October to \$75.55 at the close. Sterling – the other important factor in determining wholesale costs – lost 2% on the dollar, dropping from \$1.30 to \$1.27 in the month.

Regional fuel price variation

The North East had the cheapest petrol in the UK at the end of October at 129.25p a litre. The South East had the most expensive at 131.45p. It also

had the dearest diesel at 137.72p. Northern Ireland had the lowest priced diesel at 135.55p. The North East, however, made up for having the lowest price petrol as it suffered the biggest diesel price increase at 2.71p taking a litre to 136.55p.

Regional average unleaded pump prices

Unleaded	01/10/2018	31/10/2018	Change
UK average	130.62	130.61	-0.01
Northern Ireland	129.65	129.33	-0.32
Wales	130.43	130.21	-0.22
North East	129.45	129.25	-0.20
London	131.05	130.92	-0.13
West Midlands	130.32	130.27	-0.05
North West	130.12	130.11	-0.01
South East	131.45	131.45	0.00
Yorkshire And The Humber	129.91	129.91	0.00
East	131.30	131.33	0.03
East Midlands	130.44	130.49	0.05
Scotland	130.20	130.27	0.07
South West	130.89	131.01	0.12

Regional average diesel pump prices**

Diesel	01/10/2018	31/10/2018	Change
UK average	134.50	136.88	2.38
North East	133.84	136.55	2.71
Yorkshire And The Humber	133.44	136.01	2.57
London	134.85	137.34	2.49

East Midlands	134.36	136.83	2.47
Scotland	134.64	137.06	2.42
East	135.05	137.42	2.37
South East	135.36	137.72	2.36
North West	134.39	136.71	2.32
Wales	134.32	136.62	2.30
West Midlands	133.97	136.25	2.28
Northern Ireland	133.30	135.55	2.25
South West	134.76	136.96	2.20

Notes to Editors

* UK average fuel prices quoted in the RAC Fuel Watch October 2018 report are based on Experian Catalyst data from 1 to 31 October 2018 (pump prices).

About the RAC

First formed in 1897, the RAC has been looking after the needs of its members and championing the interests of drivers for more than 120 years.

Today it has more than eight million members and is one of the UK's most progressive motoring organisations, providing services for both private and business motorists. Whether it's [roadside assistance](#), [insurance](#), [buying a used car](#), [vehicle inspections and checks](#), [legal services](#) or up-to-the-minute [traffic and travel information](#) – the RAC offers a solution for all motoring needs. The RAC is committed to making motoring easier, safer, more affordable and more enjoyable for drivers and road users.

The RAC is the motorist's champion and campaigns to support the interests of its members and UK drivers at a national level. This includes voicing concerns about the increasing cost of motoring, particularly the price of fuel and the high level of tax levied on it, advancing levels of road safety, and supporting the needs of all drivers, from young to old.

The RAC's annual [Report on Motoring](#) – first published in 1989 – is one of a

kind and provides a clear insight into the concerns and issues facing today's motorists.

For the very latest news on UK fuel prices, check [RAC Fuel Watch](#). It provides a comprehensive guide to the latest UK unleaded petrol and diesel prices – both at the wholesale level and at the pump - and tracks these prices daily to help drivers check if the price they pay to fill up is a fair one.

Contacts



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