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## Petrol records second monthly rise in a row as oil price jumps to \$85

The average price of petrol rose in July making for the second consecutive monthly increase while diesel remained stable, data from [RAC Fuel Watch](#)\* reveals.

A litre of unleaded across the UK now costs 145p, up a penny since the start of the month and nearly 2p since the beginning of June. Worryingly though, the wholesale price of petrol rose 6p a litre from 19 July on the back of the rising cost of oil with retailers wasting no time in passing this on to drivers as

the average price has increased by nearly 2p in that time.

Diesel stayed the same at 146p (145.84p), ending a run of eight months of falling prices. This means filling a tank for a 55-litre family car costs around £80 for either fuel – £80.21 for diesel and £79.75 for petrol.

The price of oil went up by \$10 a barrel in July, rising to \$85.56 by the close of the month – a price not seen since mid-April. This has caused the wholesale price of both fuels to increase – 7p for unleaded and nearly 9.5p for diesel.

The RAC's analysis of the data shows this has led to a squeeze on previously inflated retailer margins. It is now waiting to see how quickly prices rise and whether the supermarkets, which dominate UK fuel retailing, will operate with smaller margins that are closer to their longer-term averages, or whether they look to make more per litre than they have historically.

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

“July marks a turning point in the year for fuel prices as diesel stopped falling while petrol recorded its second consecutive monthly increase. But more concerning is the fact that oil has gone back up to \$85 a barrel, causing wholesale prices to rise significantly. While we're fortunately not in the kind of upward price spiral we experienced last year, it feels like the better times at the pump are over for the time being. If oil producers continue to curb production then bigger forecourt price rises could be on the cards.

“This has led to a squeeze on retailer margins which were too large, so we're currently seeing a return to them making an amount per litre more similar to their longer-term averages. The big question now is how quickly and how far pump prices rise. We sincerely hope we won't see them shoot up like the proverbial rocket as this would indicate the Competition and Markets Authority's fuel market investigation findings and recommendations have not had an immediate impact. Encouragingly, there has so far been very little upward movement from the big four supermarkets but only time will tell.

“But interestingly, petrol and diesel are still considerably cheaper in Northern Ireland despite them going up by 1p and 3p respectively. Unleaded is 4p less than the UK average (£2.20 a tank) and diesel almost 5p (£2.75 a tank). Sadly,

this shows drivers on this side of the Irish Sea are still losing out. If and when we finally see the two sets of prices coming together we hope it will be as a result of lower forecourt prices in the rest of the UK.”

Drivers looking to make sure they always buy the best priced fuel should [download the free myRAC app from the App Store or Google Play](#) and start using the Fuel Finder feature as it can help them save up to 6p a litre – or as much as £3.30 for every full 55-litre tank\*\*.

Users can make up to five searches a day over a two, five or 10-mile radius from their chosen locations with each presenting the five cheapest sites. Prices can be easily compared to the UK average prices for both petrol and diesel as these are also displayed in the app.

Visitors to [RAC Fuel Watch](#) can also keep an eye on the UK averages alongside the average price of petrol and diesel at the big four supermarkets and at motorway services. There are also graphs showing average retailer margin and the average prices charged per year since 2000 as well as a daily financial breakdown of the cost of a litre of petrol and diesel.

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The press office email address is [press.office@rac.co.uk](mailto:press.office@rac.co.uk) and media centre is at [media.rac.co.uk](http://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 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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