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## **A landmark fuel month: diesel drops to lowest price in six years and petrol drops for fifth month in a row**

- *Unleaded hits lowest price since February six-year low as oil tumbles by \$3 a barrel*
- *Crude oil reaches \$40.40 – lowest since February 2009*
- *Petrol fill-up nearly £8 cheaper than 12 months ago; diesel £9 cheaper*
- *Will OPEC meeting tomorrow lead to a change in oil production?*

November was a landmark month for the UK fuel market with both the lowest average pump price for diesel in six years as oil tumbled to \$40.40 – the lowest barrel price since February 2009 – and the first widespread sight of petrol being sold for under £1 a litre again.

RAC Fuel Watch data for November also showed the average price of petrol reduced for the fifth month in a row from 107.67p at the start to 106.98p as well as hitting a nine-month low on 11 November at 106.92p. Diesel, however, reduced to its lowest average price since late December 2009 when it reached 109.48p a litre on 30 November, having started the month at 109.77p.

This means since this time last year the cost of filling up a 55-litre family car with petrol has plunged by £7.75 and a tank of diesel has come down even more, with a fill-up now £8.95 cheaper than a year ago.

The RAC's prediction of petrol being sold for under £1 also came true with one leading supermarket reacting to the falling oil price and cheaper wholesale fuel by treating customers at its 277 nationwide forecourts to a

three-day promotion of petrol at 99.7p a litre. Another linked a £40 in-store spend to a 7p-a-litre forecourt discount taking petrol below the £1 mark.

The RAC Fuel Watch report shows a barrel of crude oil fell over \$3 in November, coming down from \$47.32 to \$44.03, with the six-year low of \$40.40 being seen on 16 November. Unfortunately, the pound lost a little ground to the dollar – with a pound worth \$1.54 at the start of the month and \$1.51 at the end – undoing some of the positive effect of the lower oil price as oil is traded in dollars.

RAC Fuel Watch spokesman Simon Williams said: “In the expensive run-up to Christmas, drivers of both petrol and diesel vehicles are benefitting from far cheaper fill-ups than they did at this time last year. While petrol for under a pound a litre has become a reality at the cheapest retailers we would like to see this happen on a non-promotional basis. This depends, of course, on the cost of a barrel of oil staying low and ideally trading down a little closer to \$40 for longer – something which is very hard to predict, particularly as OPEC meet tomorrow (4 December) in Vienna to discuss oil production strategy.

“There has been talk of stabilising the barrel price which would mean stemming production, but it’s difficult to see how that would work when Iran begins to pump up to one million barrels a day in 2016, following on from its landmark nuclear agreement with the West.

“The lower forecourt prices we’re enjoying at the moment are a product of the fall in world crude oil prices, which began in September 2014. After a six-year low of \$45 a barrel in early February and two instances of going back up to the \$60 level twice briefly since, the price has been consistently below \$50 since mid-October, reaching a new six-year low in mid-November.

“As it stands we anticipate a very slight average petrol price reduction in the next two weeks and another 2p a litre coming off diesel, taking the new six-year average low price even lower.”

HMRC oil duty statistics for October\* show combined sales of petrol and diesel were 1.9% up on September at 3.905bn litres and up 1.8% on the previous October. Petrol sales (1.461bn litres) were static on September whereas October saw the fifth highest number of litres sold in any month since 1990 with 2.444bn. This was 2.9% up on the month before and 3.7% up

on October 2014.

Motorists can keep abreast of the latest fuel prices by visiting: [www.rac.co.uk/fuelwatch](http://www.rac.co.uk/fuelwatch) or following [#racfuelwatch on Twitter](https://twitter.com/racfuelwatch).

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## **Notes to Editors**

### **About the RAC**

With more than eight million members, the RAC 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 motorists at a national level, including advancing levels of road safety, supporting the needs of young drivers and voicing concerns about the increasing cost of motoring. The RAC's annual [Report on Motoring](#) – first published in 1989 – 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](#) or follow [#racfuelwatch on Twitter](https://twitter.com/racfuelwatch). This is a comprehensive guide to the latest UK unleaded petrol and diesel prices – both at the wholesale level and at the pump. RAC Fuel Watch analyses how prices changed through the previous month and compares the most recent prices with those from three, six and 12 months before.

Key facts:

- RAC patrols fix four out of five vehicles at the roadside and on average within 34 minutes
- RAC vans carry more than 500 parts and tools to get members' vehicles going again
- 98% of members would recommend RAC Rescue to their friends

and family

## Contacts



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