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November sees largest petrol price drop in four years – but retailers still didn't cut far enough

The price of petrol fell by more than 5p per litre in November, the biggest monthly drop since January 2015 and the first major price reduction since June as retailers finally reacted to falling wholesale prices.

Data from RAC Fuel Watch* shows unleaded fell from 130.61p to 125.43p (down 5.18p) in November and diesel dropped 2.5p from 136.93p to 134.42p.

Petrol at the end of November was back to a price last seen in mid-May whereas diesel went back to its end of September level. Despite the positive news at the pumps the RAC's analysis of wholesale fuel prices shows drivers have been overcharged on the forecourt to the tune of 10p a litre for unleaded and 7p for diesel, and average prices should still fall considerably over the course of the next fortnight if retailers play fair.

RAC fuel spokesperson Simon Williams said: "The oil price plummeted by 24% throughout November which proved to be positive for motorists – indeed we haven't seen such a large drop in average prices in nearly four years. Having finished October at $75, a barrel of crude ended the month only costing $57** which sent wholesale prices tumbling even though the value of sterling dropped by 2%.

"This should have translated to the average price of petrol being around 120p a litre, but retailers chose not to pass on the savings meaning the current average still remains unnecessarily high at 125.43p. While one of the big four supermarkets has consistently cut the price of unleaded the others haven't by as much which has meant the UK average price didn't drop as much as it

should have done.

“Based on our data, petrol still ought to come down by 7p a litre in the next two weeks and diesel by 5p. While this seems unlikely based on retailers’ current track record, we can only hope they are planning some cuts in the run-up to Christmas with a view to getting more shoppers into their stores.

“In the last six years we haven’t seen retailers take this much margin from selling a litre of petrol over such a protracted length of time. Wholesale unleaded began falling from mid-October but retailers were reluctant to reflect this on the forecourt despite the RAC highlighting the issue on numerous occasions. For some time prior to this we had been happy to praise retailers for passing on wholesale savings on the forecourt and say there was little evidence of ‘rocket and feather’ pricing. Now, however, there is very clear proof that many retailers are operating ‘rocket and feather’ policies.”

The cost of filling up a family-sized car with 55 litres of unleaded at the end of November stood at £68.98 – a saving of £2.85 on a month ago. The equivalent for a diesel vehicle is £73.19 which translates to £1.38 less for a tank since the end of October.

On 29 November the average price at the big four supermarkets was 121.27p for petrol and 130.96p for diesel. Motorway services, which have been even slower to reduce their prices, were charging an average of 145.40p for unleaded and 153.70p for diesel. On 20 November, however, the average price of diesel at services reached 155.40p a litre which matched the previous high of April 2012 when average fuel prices across the UK were at record levels.

Regional fuel price variation

Regional average unleaded pump prices

Scotland saw the largest reduction in the price of petrol throughout November with a 5.61p drop, exceeding the UK average fall of 5.18p. The North East had the cheapest unleaded at both the start and end of the month, with a price of 123.92p being recorded on 29 November. The East of England stole the title of the most expensive place to buy fuel from the South East

with a litre costing 126.29p at the close of November – 2.37p more than it does in the North East.

Unleaded	01/11/2018	29/11/2018	Change
UK average	**130.61**	**125.43**	**-5.18**
Scotland	130.30	124.69	-5.61
London	130.88	125.28	-5.60
North East	129.44	123.92	-5.52
South East	131.42	126.04	-5.38
South West	131.12	125.83	-5.29
Yorkshire And The Humber	129.93	124.77	-5.16
East	131.42	126.29	-5.13
West Midlands	130.27	125.24	-5.03
Wales	129.76	124.73	-5.03
North West	130.15	125.30	-4.85
East Midlands	130.41	125.71	-4.70
Northern Ireland	129.79	125.24	-4.55

Regional average diesel pump prices

Northern Ireland not only enjoyed the greatest drop in the price of diesel, it was also the cheapest place in the UK to buy the fuel at 132.60p at the end of the month. The South East once again was the dearest for diesel at an average of 135.17p a litre.

Diesel	01/11/2018	29/11/2018	Change
UK average	**136.93**	**134.42**	**-2.51**
Northern Ireland	135.65	132.60	-3.05
London	137.38	134.72	-2.66
North East	136.50	133.86	-2.64
Scotland	137.11	134.50	-2.61
South East	137.78	135.17	-2.61

Wales	136.65	134.06	-2.59
East	137.47	134.92	-2.55
West Midlands	136.39	133.96	-2.43
East Midlands	136.89	134.49	-2.40
South West	136.96	134.58	-2.38
North West	136.78	134.46	-2.32
Yorkshire And The Humber	136.04	133.81	-2.23

Notes to Editors

* UK average fuel prices quoted in the RAC Fuel Watch November 2018 report are based on Experian Catalist data from 1 to 29 November 2018 (pump prices).

** 30 November 2018

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.

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