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Petrol and diesel prices drop for third month in a row

Both petrol and diesel reduced by over a penny a litre in January making it three consecutive months of falling fuel prices.

Data from [RAC Fuel Watch](#)* shows the UK average price of unleaded came down by 1.32p to 120.92p while diesel dropped 1.27p to 130.01p.

This means it now costs an average of £65.78 to fill up a 55-litre family car with petrol – £6 less than it did at the end of October. A tank of diesel, however, has only come down £3.78 to £71.50 over the same period.

Prices at the country's four biggest supermarkets are an average of 3p a litre lower at 116.66p for petrol and 125.43p for diesel. At motorway service areas, however, a litre of unleaded sets drivers back 138.87p and diesel 147.55p.

RAC Fuel Watch figures show the wholesale price of petrol stayed flat in January while diesel increased by 2p a litre, but when compared to retail prices they were low still low enough to demand pump price reductions during the month. Sadly for drivers though, retailers decided not to pass these on.

The RAC says this explains why the UK average price of fuel has fallen despite the wholesale market being static for unleaded and rising for diesel. If retailers were to pass on existing savings in their wholesale costs the price of petrol ought to reduce by 3p a litre in the next two weeks, and diesel by 2p a litre.

RAC fuel spokesperson Simon Williams said: “While it’s obviously good news the price of fuel has fallen for three months in a row, the story behind the simple forecourt average figures is quite disturbing. Looking at the wholesale data over the last two months reveals that we should have been paying far less for our petrol and diesel than we have been.

“Unfortunately, three of supermarket fuel retailers appear to have changed their pricing policies for the long term by increasing the margin they take on a litre of petrol to about 2p. This has meant the average price of unleaded has not reduced by as much as it should have because smaller retailers nearby haven’t had to lower their prices as much in order to compete.

“The wholesale fuel market operates very transparently, but the same can’t be said of the retail market. We understand retailers are free to charge what they like for their fuel and that it’s then up to consumers whether they’re prepared to pay their prices or not. Unfortunately, consumers don’t have an easy way of knowing whether they are being charged a fair price so they have to trust they aren’t being ripped off. That’s why we always encourage drivers to check the current average price of petrol and diesel, and see if they can beat that price when paying for fuel locally.

“Combine this with the fact some bigger retailers vary their prices from location to location, fuel is an essential purchase for most people and that shopping around is not that easy, and you have the perfect recipe for drivers being charged over the odds for what is essentially a commodity.”

Regional fuel price variation

Regional average unleaded pump prices

The North West saw the greatest reduction in the price of unleaded in the UK with 1.36p coming off a litre taking it to 118.95p. The North East, however, had the cheapest petrol at the start and close of January (118.98p and 117.95p). The South East was once again the most expensive.

Unleaded	02/01/2019	31/01/2019	Change
UK average	120.72	119.60	-1.12
North West	120.31	118.95	-1.36

East	121.65	120.37	-1.28
Wales	119.96	118.76	-1.20
South East	121.76	120.62	-1.14
Scotland	120.03	118.91	-1.12
South West	121.23	120.16	-1.07
West Midlands	120.47	119.41	-1.06
North East	118.98	117.95	-1.03
Yorkshire And The Humber	119.82	118.90	-0.92
East Midlands	120.54	119.65	-0.89
London	120.80	119.94	-0.86
Northern Ireland	119.38	118.56	-0.82

Regional average diesel pump prices

The East of England enjoyed a 1.59p drop in the price of diesel, surpassing the UK average fall of 1.27p. Northern Ireland has the cheapest diesel at 127p a litre while the South East has the dearest at 129.57p.

Diesel	02/01/2019	31/01/2019	Change
UK average	130.01	128.74	-1.27
East	130.73	129.14	-1.59
North West	129.85	128.38	-1.47
South East	130.95	129.57	-1.38
East Midlands	129.98	128.70	-1.28
London	130.36	129.14	-1.22
Wales	129.49	128.27	-1.22
Northern Ireland	128.20	127.00	-1.20
North East	128.97	127.80	-1.17
South West	130.25	129.11	-1.14
Yorkshire And The Humber	129.33	128.25	-1.08
West Midlands	129.52	128.51	-1.01

Scotland	129.58	128.93	-0.65
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Notes to Editors

* UK average fuel prices quoted in the RAC Fuel Watch January 2019 report are based on Experian Catalist data from 1 to 31 January 2019 (pump prices). Regional prices are based on Experian Catalist data from 2-31 January. Wholesale prices, oil price and the value of sterling are based on data from 2 to 31 January 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.

Contacts



RAC Press Office

Press Contact

press.office@rac.co.uk

Emails monitored during normal office hours. For breakdown queries, call 0330 159 0740

ISDN number on request