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September stops the rot of petrol price increases but dark clouds hang over UK forecourts

September was a mixed month for motorists at the pumps as petrol prices stayed flat but diesel climbed by another penny to its highest point for more than four years, data from RAC Fuel Watch shows.

A late month 2p-a-litre petrol price cut from the major supermarkets prevented a further rise, with unleaded staying at a UK average of 130.66p a litre (130.75p – 3 September). Diesel, however, hit 134.41p – an increase of 0.93p a litre, taking it to its highest since early August 2014.

More worryingly, oil shot up by nearly \$6 a barrel to \$83.73 – the highest price it has reached for almost four years. It also stayed above \$80 for the whole of the last week of September, again something that has not been seen since early November 2014. The strength of sterling, which is vital in the wholesale trading of fuel as it is purchased in dollars, improved by 1% going from \$1.28 to \$1.30.

RAC fuel spokesperson Simon Williams said: “Petrol drivers will be hoping that September was the month that stopped the rot in terms of rising pump prices, but this may well not be the case. A dark cloud is hanging over forecourts as oil is at a four-year high and there is lots of volatility in the exchange rate due to the increasing tension of the Brexit negotiations.

“While petrol prices were cut by 2p a litre at the end of the month due to a lower wholesale price, the biggest retailers should have been passing on those savings on a regular basis rather than saving them up for headline-grabbing cut. Instead they were almost certainly hedging their bets based on

the rising oil price and the fluctuating pound. This is sadly proof that rocket and feather pricing does exist among the major supermarkets.

“Latest market indications are showing prices are beginning to go the wrong way, perhaps taking us closer to the record highs of April 2012. We believe motorists have the right to expect the biggest fuel retailers to reflect the wholesale price more closely at the pump, as they purchase more frequently and therefore can easily do this. But that means moving prices down in a falling wholesale market as fast as they put them up when wholesale costs rise.”

Supermarket and motorway service area prices

Average unleaded prices at the four major supermarkets were unchanged throughout September (127.15p on 3 September to 127.07p on 30 September) yet the wholesale price of petrol came down by more than 2p a litre over the course of the month. The price for a litre of diesel is now 131.44p – 1p more than it was at the start of the month.

Despite wholesale costs of unleaded dropping the average price of motorway petrol increased by 1.32p a litre to 149.56p. Diesel, however, increased by twice the UK average for all forecourts, going up 2p a litre to 152.46p.

The cost of filling a 55-litre family car with petrol is now £71.86, at the supermarket average this would be £69.88 and at a motorway services it would be a whopping £82.25. The diesel equivalents are: £73.93 at the UK average (134.41p); £72.29 at the supermarket average and £83.85 at the motorway services' average.

Simon Williams added: “RAC Fuel Watch figures clearly show September was a bad month for diesel motorists – whether they are private drivers or businesses. Anyone who runs a diesel vehicle is without question feeling the pinch more now with the worst prices they’ve seen for over four years. We have now had three months of diesel price rises totalling more than 3p (3.28p) a litre which completely swallowed up the drop of 1.6p (1.57p) seen in June. Sadly, diesel is now 14p more expensive than it was a year ago (134.41p v 120.31p) but 19p dearer than the start of July 2017.

“Diesel prices generally rise at this time of year due to increased European demand for heating oil which is produced from the same ‘part of the barrel’, but the higher oil price and weaker exchange rate means the effect is exaggerated.”

Regional fuel price variation

Scotland experienced the greatest reduction in petrol prices with half a penny coming off the average in September in contrast to the UK average which remained static. The South East had the most expensive petrol and diesel and Northern Ireland was the cheapest for both fuels. Despite Northern Ireland diesel being the cheapest in the UK it actually saw the biggest jump in price in the month, increasing by more than a penny to 133.20p.

Regional average unleaded pump prices

Unleaded	3/9/2018	30/9/2018	Change
UK average	130.75	130.66	-0.09
Scotland	130.61	130.13	-0.48
London	131.45	131.14	-0.31
South East	131.77	131.48	-0.29
Wales	130.49	130.21	-0.28
North East	130.08	129.89	-0.19
East	131.16	131.07	-0.09
East Midlands	130.43	130.35	-0.08
North West	130.04	130.07	0.03
South West	131.09	131.15	0.06
Yorkshire And The Humber	129.92	129.98	0.06
West Midlands	130.29	130.41	0.12
Northern Ireland	129.60	129.76	0.16

Regional average diesel pump prices**

Diesel	3/9/2018	30/9/2018	Change
UK average	133.48	134.41	0.93
Northern Ireland	132.07	133.20	1.13
London	133.86	134.97	1.11
South East	134.33	135.31	0.98
South West	133.72	134.69	0.97
East	134.01	134.96	0.95
North West	133.44	134.39	0.95
North East	132.85	133.75	0.90
West Midlands	132.98	133.88	0.90
East Midlands	133.36	134.25	0.89
Wales	133.35	134.20	0.85
Yorkshire And The Humber	132.59	133.40	0.81
Scotland	133.52	134.19	0.67

Notes to Editors

* UK average fuel prices quoted in the RAC Fuel Watch September 2018 report are based on Experian Catalist data from 3 to 30 September 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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