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Unleaded price set to overtake diesel for the first time in over a year as US demand rockets

The RAC is warning drivers to expect a hike in unleaded petrol prices on the forecourt in the coming days, largely as a result of Storm Harvey in the southern United States.

The price of a litre of petrol could rise by up to 4p per litre, which would take the average price of the fuel above 121p per litre – a price not seen since December 2014. RAC Fuel Watch data shows that this would also mean the average price of a litre of unleaded moves above that of diesel, something that has not been seen in the UK since early June 2016.

RAC spokesman Pete Williams said: “The price of unleaded petrol will leapfrog diesel early next week, rising by up to 4p per litre as the impact of Storm Harvey and the shut-down of large refineries in the Gulf Coast drives up US demand for petrol imports.

“The average price of a litre of unleaded on Thursday 31 August was 117.29p and diesel was 118.14p but we could see unleaded rise in the coming days to around 121p a litre, with diesel likely to stay stable around 118.5p. This will be the first time unleaded has been higher than diesel since June 2016 and we expect this to be the case for some time to come, or at least until the US oil industry is able to get refineries back into operation and production in the Gulf Coast returns to normal - to meet the United States’ immense appetite for gasoline.

“One quarter of the refining capacity in the States remains offline leaving a shortfall of over four million barrels a day, and crude oil production in the

Gulf of Mexico is down 13.5%. In response, oil traders are acting to redirect fuel to the US ahead of the busy Labor Day weekend surge in travel.

“The price of a barrel of crude oil has also increased to \$52.79 dollars following the catastrophic floods in Houston. Americans are wedded to their petrol engines and while they have been endeavouring to become more self-sufficient through increased fracking they are now having to buy more unleaded from overseas which is reducing the availability of unleaded for the rest of the world.

“We have already seen the wholesale price of unleaded increase by 5p in just the last week and the ongoing crisis in the state of Texas could have a prolonged impact on demand and, in turn, the wholesale price – so we may see further price increases on UK forecourts.”

Notes to Editors

About the RAC

First formed in 1897 the RAC has been looking after the needs of its members and championing the interests of motorists for 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 motorists 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 – 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](#). RAC Fuel Watch 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 30 minutes
- RAC vans carry more than 500 parts and tools to get members' vehicles going again
- 92% of members would recommend RAC Rescue to their friends and family

Contacts



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