



Sep 29, 2016 15:17 BST

RAC comments on planned OPEC oil production cut

Responding to news that the Organization of Petroleum Exporting Countries (OPEC) has reached an initial deal on limiting oil production, RAC fuel spokesman Simon Williams said:

“News that OPEC has agreed a preliminary deal to cut production marks a major move away from its long-term over-supply strategy. This has been aimed at trying to maintain its market share by thwarting the threat of US shale oil with a lower barrel price than its break-even production point.

“While the detail of the production curb is to be decided next month, it is well worth remembering that OPEC members often struggle to reach a consensus and that the low price strategy of the last two and a half years will be wasted if the barrel price goes above \$55 and shale oil production kicks back in at full pace.

“From a motorists’ perspective we don’t feel there is cause to panic as, while pump prices may rise a little in the short-term from the current 112p a litre for petrol and 113p for diesel, we are very unlikely to see a return to the dark days of April 2012 when unleaded was 142p and diesel was 148p as a result of oil being well over \$100 a barrel.

“With the oil price as of close of trading on Wednesday standing at \$45 a barrel there is some way to go before motorists experience any major pain at the pumps, especially as the actual cost of the fuel only represents around a third of the pump price, with the lion’s share being made up of fuel duty and VAT.”

The press office email address is press.office@rac.co.uk and media centre is at media.rac.co.uk. **Please note:** the press office is unable to help with individual customer enquiries - please visit the [RAC contacts page](#) to find the right contact.

About the RAC

The RAC, an iconic UK brand, provides complete peace of mind to nearly 14 million UK private and business drivers, whatever their motoring needs. As well as its premium nationwide breakdown assistance service – with an expert branded patrol workforce attending more than two million breakdowns every year – it offers a wide range of market-leading products across insurance, legal services, vehicle inspections and service, maintenance and repair. Included in this is the first-of-its-kind nationwide Mobile Mechanics service which brings the garage to homes and workplaces.

At the forefront of new solutions for business fleets and consumers, the RAC’s breakdown service is electric-ready with mobile EV charging technology and

can be called on using [myRAC](#) – the all-in-one route planner, fuel finder and breakdown reporting app.

Visit the [RAC website](#).

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