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Petrol and diesel prices rise and are at highest for 18 months

Petrol and diesel prices rose by around 3p a litre in December taking them to their highest average prices since July 2015.

[RAC Fuel Watch](#) data for the last month of 2016* shows unleaded hit 117.23p a litre on 29 December and diesel 119.63p having been 114.24p and 116.56p a litre at the beginning of the month.

The wholesale cost of both fuels rose nearly 4p a litre as a result of oil production cuts announced by the Organisation of the Petroleum Exporting Countries at the end of November. This led to oil rising 11.75% from \$49.09 on 30 November to \$54.86 on 30 December, with the price going back up through the \$50 a barrel mark for the first time since late October. The price of oil is more than double what it was in January 2016 when a low of \$26 a barrel was recorded.

The increased cost of fuel meant filling up an average 55-litre family car with petrol rose by £1.60 from £62.83 to £64.48 and for diesel from £64.11 to £65.80. In the course of 2016 unleaded went up 14.5p a litre from 102.99p at the beginning of January and diesel increased 13.64p from 105.99p a litre, although the diesel price went on to reach a low at the end of January of 101.05p, meaning motorists are now paying 18.5p more a litre now.

Consequently, it now costs £8 more for a tank of petrol than it did at the same time last year and £10 more for diesel based on the end of January low price of 101.05p a litre.

Interestingly, throughout December the average price of a litre of supermarket fuel increased more than it did among all retailers – 3.34p for

petrol and 3.16p for diesel compared to 2.99p and 3.07p nationally.



[Watch video on YouTube here](#)

RAC fuel spokesman Simon Williams said: “The rising oil price is bad news for motorists as it caused a nasty jump in pump prices in the most expensive month of the year.

“While forecourt prices rose by 3p a litre in December as the RAC predicted, they didn’t rocket as others had forecast. The big question now is how much further are they likely to go up, particularly in the long January wait to the next payday.

“So far the price rises we’ve seen are purely down to the announcement at the end of November that OPEC and non-OPEC countries would be cutting oil production this month. Everything now depends on the strength of the deal and each country sticking to the agreed production levels. Russia will be of particular interest as it is currently producing at near record levels.

“We are optimistic that prices will not increase by another 3p a litre in January based on what’s going on with oil and wholesale fuel now, but if in the months ahead the barrel price was to get nearer to \$60 and the pound was to weaken further then that would be the worst possible combination for motorists.

“Our current forecast for the next two weeks is for petrol to be around the 118p mark and for diesel to go up to around 121p a litre. We should also say

that we need the pound not to lose any more value against the dollar as fuel, like oil, is traded in dollars.”

Regional fuel price variation

By the end of December Northern Ireland was the cheapest place to buy petrol, with the average price of a litre of unleaded selling for 115.58p, but it also saw the smallest increase in price through the month at 1.9p a litre.

The South East remained the most expensive region for both petrol and diesel, with the average litre of unleaded costing 117.84p, and diesel 120.28p, but Scotland saw the biggest jump in the petrol price at 3.75p a litre. Northern Ireland also had the cheapest diesel at 117.88p per litre and the smallest increase in the diesel price at 2.71p a litre.

Regional average unleaded pump prices

Petrol - ppl	04/12/2016	29/12/2016	Change
UK average	114.24	117.23	2.99
East Anglia	114.25	117.06	2.81
East Midlands	114.15	117.13	2.98
North	113.66	117.01	3.35
North West	113.99	116.94	2.95
South East	114.97	117.84	2.87
South West	114.22	117.03	2.81
West Midlands	114.30	117.20	2.90
Yorkshire And Humber	113.57	116.81	3.24
Northern Ireland	113.68	115.58	1.90
Scotland	113.22	116.97	3.75
Wales	113.50	116.57	3.07

Regional average diesel pump prices

Diesel - ppl	04/12/2016	29/12/2016	Change
UK average	116.56	119.63	3.07
East Anglia	116.86	120.10	3.24
East Midlands	116.34	119.42	3.08
North	116.01	119.32	3.31
North West	116.29	119.09	2.80
South East	117.23	120.28	3.05
South West	116.58	119.66	3.08
West Midlands	116.65	119.63	2.98
Yorkshire And Humber	116.34	119.29	2.95
Northern Ireland	115.17	117.88	2.71
Scotland	116.07	119.66	3.59
Wales	116.04	119.23	3.19

Notes to Editors

* The core data for the December 2016 RAC Fuel Watch report is based on an analysis of Experian Catalist average prices from 4 to 29 December 2016.

About the RAC

With more than eight million members, the RAC 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, including advancing levels of road safety, supporting the needs of young drivers and voicing concerns about the increasing cost of motoring. 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](#). This 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



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