



Diesel fuel price rip-off continues despite drops in wholesale prices, says the RAC

Published: March 29, 2023

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Online version:

<https://www.wheels-alive.co.uk/diesel-fuel-price-rip-off-continues-despite-drops-in-wholesale-prices-says-the-rac/>



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Forecourt price differential between petrol and diesel is now 17.5 pence per litre on average, despite wholesale prices being similar for the two fuels...

The RAC tells us:

'Forecourt price disparity between petrol and diesel is absolutely shocking'



If retailers were to do pass on savings diesel should fall to under 150p...

The wholesale price of diesel is now on a par with petrol yet diesel is still being sold for 17.5p a litre more on average at forecourts across the UK, data from **RAC Fuel Watch** reveals.

The average price of petrol stands at 146.63p while diesel is 164.26p despite both fuels selling for around 114.5p on the wholesale market. In fact, on two days last week wholesale diesel was cheaper than petrol.

Since the start of March the average weekly wholesale price of diesel has fallen 5p a litre while unleaded has remained the same (diesel - 119p to 114.5p; petrol 114.6p to 114.7p).

RAC fuel spokesman Simon Williams said: "The forecourt price disparity between petrol and diesel across the UK is absolutely shocking given their wholesale prices are now virtually identical.

At the beginning of March wholesale diesel was only 6p more expensive than petrol yet there was a 20p a litre gap between both fuels on the forecourt. Now the two fuels are identical on the wholesale market, and there's still more than 17p difference at the pump.

For retailers to be taking a margin of nearly 20p a litre on average throughout March, compared to the long-term average of 7p, is devastating for every driver and business that relies on diesel.

The price of a litre of diesel should have already come down to around 152p, and now the wholesale price is the same as petrol at 114p we really should soon be seeing forecourts displaying prices of 147p. Sadly, this seems unlikely given current retailer behaviour. Instead, the big four supermarkets, which dominate UK fuel retailing, are charging an outrageous of 162p a litre on average.

"As the supermarkets buy so frequently they have had plenty of time to pass on the lower



prices they are benefitting from on the wholesale market to drivers at the pumps, but they remain totally resolute in their refusal to cut their prices substantially which is nothing short of scandalous, particularly in a cost-of-living crisis. **The sole national retailer prepared to buck this trend appears to be membership-only chain Costco, which is charging just under 150p a litre for diesel at the moment.**

Since the beginning of March, they (supermarkets generally) have only reduced diesel by just over 3p a litre. Considering supermarket prices are usually around 4p cheaper than the UK average, their customers should have been seeing prices under 150p weeks ago.

We are also seeing many independent retailers charging far less than their supermarket rivals which is a sign of how much fuel retailing has changed. This would have been pretty unusual several years ago but is now rapidly becoming the norm. If smaller retailers can afford to make ends meet with lower margins and smaller sales volumes, then what excuse can the supermarkets possibly have for keeping their diesel prices so high?

We hope the Competition and Markets Authority, which is currently reviewing the road fuel market in the UK, is keeping a watchful eye on this pricing behaviour as we believe it's against the interests of diesel drivers up and down the country."

Find out more about UK petrol and diesel prices *on the RAC website.*