

## Four-pence drop in petrol price takes time to work through to pumps

An "up to" four-pence drop in the price of petrol, trumpeted by petrol retailers at the weekend, failed to make an immediate and widespread impact on most drivers filling up at the start of the working week, says the AA Motoring Trust.

By the end of Sunday, average UK petrol prices had fallen only a penny compared to Thursday when supermarkets launched their price war. Petrol prices that had averaged 95.87 pence per litre on Thursday fell to 94.78 by the end of Sunday.

Asda hit its target of 89.9 pence per litre at its stores on Sunday, but the other supermarkets were at least 2.7 pence adrift of them. The non-supermarket retailers averaged 5.5 pence more expensive than the leading supermarket.

"Although British motorists will have been relieved to see the first significant drop in petrol prices since May, the price-cutting announcements by petrol sellers over the weekend have led drivers to expect big falls soon," says Ruth Bridger, petrol analyst for the AA Motoring Trust.

"On Wednesday, the Petrol Retailers Association said falling wholesale prices would allow a four-pence price reduction at the pump. The motoring public will watch carefully to see which retailers deliver promptly, and which ones string it out."

The AA Motoring Trust expects the greatest benefit from falling car fuel prices to be felt in built-up areas where supermarket stores create fierce competition with other petrol stations. However, rural motorists will see a slower and less pronounced price reduction at their local petrol stations, mainly because these retailers don't sell the volume of fuel sold in towns and cities to set against the cost of running their businesses.

The latest AA Motoring Trust fuel price report shows that UK petrol prices are the fifth most expensive in Europe, behind Norway, Finland, Holland and Belgium. However, the rise in the price of petrol from January to September is among the lowest in Europe.

### Average cost of unleaded petrol on Sunday 18 September:

Asda 89.90 pence per litre  
Morrisons 92.76  
Sainsburys 92.64  
Tesco 92.77

BP 96.04  
Esso 93.43  
Jet 95.13  
Murco 96.91  
Shell 93.92  
Texaco 96.36  
Total 95.65  
(Figures supplied by Catalist)

### Petrol price rises across Europe - January to September

Austria: 0.89 - 1.18 (+32.6%)  
Belgium: 1.12 - 1.45 (+29.5%)  
France: 1.04 - 1.31 (+26.0%)  
Germany: 1.06 - 1.35 (+27.4%)  
Greece: 0.75 - 1.02 (+36.0%)  
Netherlands: 1.24 - 1.45 (+16.9%)  
Ireland: 0.99 - 1.18 (+19.2%)  
Italy: 1.08 - 1.32 (+22.2%)  
Norway: 10.05 - 12.20 Krone (+21.4%)  
Spain: 0.84 - 1.09 (+29.8%)  
Switzerland: 1.37 - 1.73 Francs (+26.3%)  
UK: 79.6 - 94.78 pence (+19.1%)

During the past month, the UK average for **Unleaded** and **Diesel** reached an all-time high of 96.1p and 98.6p respectively on 14 September, following an increase in precautionary demand ahead of the planned fuel protests. Prices fell back to their current levels following a cut in pump prices by some supermarkets and petrol stations owned by oil companies with effect from 16 September.

Hurricane Katrina contributed to the price rises from late August, with crude oil and wholesale prices climbing to record figures after 10 per cent of the USA's oil production and refining capacity was affected. Oil prices have now fallen to around \$62 a barrel, but tight refining capacity continues to cause concern and affect prices.

**Unleaded** prices rose this month by 3.8p per litre (17.3p per gallon), **Diesel** by 2.7p per litre (12.3p per gallon), and **Super Unleaded** by 4.2p per litre (19.1p per gallon).

Northern Ireland now has the highest average price for both Unleaded and Diesel with the North West having the cheapest average prices

At **Supermarkets, Unleaded** rose by 2.6p per litre (11.8p per gallon), **Diesel** by 1.8p per litre (8.1p per gallon), and **Super Unleaded** by 3.9p per litre (17.8p per gallon). Some supermarkets announced on 16 September that they were reducing their prices by up to 4p a litre and these reductions are reflected in the average prices. Supermarket unleaded is now 2.4p below the UK average price, diesel 2.1p lower and Super Unleaded 4.7p lower. (In 2005 to date, Supermarkets averaged 1.4p a litre below the UK Average for Unleaded and 1.7p a litre for Diesel)

**LPG** rose by 0.7p per litre, and at Supermarkets fell by 0.3p per litre.

**Overseas** prices the UK again has the 5 th highest Unleaded price in Europe.

	<b>Unleaded 95 Octane</b>		<b>Diesel</b>		<b>Super unleaded</b>		<b>LPG</b>
	<b>Litres</b>	<b>(gallons)</b>	<b>litres</b>	<b>(gallons)</b>	<b>litres</b>	<b>(gallons)</b>	<b>litres</b>
Northern Ireland	96.1	(436.9)	98.6	(448.2)	101.4	(461.0)	42.5
Scotland	94.3	(428.7)	97.0	(441.0)	100.6	(457.3)	40.5
Wales	95.1	(432.3)	97.5	(443.2)	99.1	(450.5)	39.3
North	94.6	(430.1)	97.3	(442.3)	101.3	(460.5)	39.7
North West	94.1	(427.8)	96.6	(439.2)	100.4	(456.4)	38.4
Yorkshire & Humberside	94.4	(429.2)	97.0	(441.0)	99.6	(452.8)	36.4
West Midlands	95.0	(431.9)	97.5	(443.2)	101.1	(459.6)	40.4
East Midlands	94.7	(430.5)	97.4	(442.8)	100.2	(455.5)	42.2
East Anglia	95.3	(433.2)	97.8	(444.6)	101.0	(459.2)	41.6
South East	95.0	(431.9)	97.6	(443.7)	100.9	(458.7)	43.1
South West	95.0	(431.9)	97.4	(442.8)	100.2	(455.5)	42.4
London	94.8	(431.0)	97.5	(443.2)	101.1	(459.6)	42.5
<b>UK AVERAGE</b>	<b>94.8</b>	<b>(431.0)</b>	<b>97.4</b>	<b>(442.8)</b>	<b>100.6</b>	<b>(457.3)</b>	<b>40.8</b>
Per cent taken as Tax		64.6		63.3		64.8	
<b>Super- markets</b>	<b>Unleaded 95 Octane</b>		<b>Diesel</b>		<b>Super unleaded</b>		<b>LPG</b>
	<b>Litres</b>	<b>(gallons)</b>	<b>litres</b>	<b>(gallons)</b>	<b>litres</b>	<b>(gallons)</b>	<b>litres</b>
<b>SUPER- MARKET AVERAGE</b>	<b>92.4</b>	<b>(420.1)</b>	<b>95.3</b>	<b>(433.2)</b>	<b>95.9</b>	<b>(436.0)</b>	<b>34.9</b>
Per cent taken as Tax		65.9		64.3		67.2	

\* The AA Motoring Trust Fuel Price Report uses data sourced from Catalist Ltd & Arval ( [www.catalist.com](http://www.catalist.com) ) They are an average of mid-month prices from the respective regions (September prices as at 18/9/05).

## OVERSEAS PRICE COMPARISONS

Using currency exchange rates as at 19 September 2005 quoted in local currency and UK pence equivalent.

Source of overseas price comparisons: European Road Information Centre (Geneva), and based on a twice-monthly sample.

Country	Currency	Local Currency per litre		UK pence per litre	
		Unleaded	Diesel	Unleaded	Diesel
Austria	Euro	1.18	1.04	81.97	72.17
Belgium	Euro	1.45	1.16	100.95	80.51
Czech Republic	Czech Koruna	32.60	30.50	80.18	75.01
Denmark	Danish Krone	9.99	8.85	92.59	82.02
Finland	Euro	1.47	1.08	102.20	74.95
France	Euro	1.31	1.11	90.80	77.10
Germany	Euro	1.35	1.12	93.86	77.87
Greece	Euro	1.02	0.99	70.78	68.90
Netherlands	Euro	1.45	1.09	101.02	75.44
Hungary	Forint	293.50	282.50	87.87	84.58
Ireland	Euro	1.18	1.13	81.83	78.43
Italy	Euro	1.32	1.20	91.64	83.57
Luxembourg	Euro	1.12	0.90	77.52	62.50
Estonia	Kroons	15.20	14.25	67.17	62.97
Norway	Norwegian Krone	12.20	10.30	108.16	91.31
Latvia	Lats	0.72	0.64	72.27	64.24
Lithuania	Litas	3.35	3.15	67.41	63.39
Poland	Zloty	4.32	3.89	83.24	74.95
Slovakia	Koroan	38.70	38.90	70.15	70.51
Slovenia	Tolar	254.00	238.90	74.87	70.42
Portugal	Euro	1.23	0.98	85.17	68.07
Spain	Euro	1.09	0.98	75.92	67.79
Sweden	Swedish Krona	11.90	11.05	87.89	81.61
Switzerland	Swiss Francs	1.73	1.75	77.09	77.98
United States of America	US Dollars	0.76	0.76	43.25	43.25

Note: We receive international prices to 3 decimal places and calculate the UK pence per litre on that price. Therefore, some countries will show the same price in their local currency to 2 decimal places, but the UK pence price could be slightly different

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