

CMA ROAD FUEL MONITORING

Enhanced monitoring report in response
to the Middle East conflict

01 May 2026

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Summary: Impact of the conflict in the Middle East on the UK road fuel market

1. This report forms part of the CMA's statutory monitoring role to scrutinise competition in the road fuel market, and resulting prices and margins, on an ongoing basis. This follows our 2023 market study which found that competition at the pump was not working as well as it should be. In response, we recommended that the UK government establish a new monitoring body to scrutinise prices and margins on an ongoing basis¹ and an Open Data scheme for fuel prices (Fuel Finder).
2. The conflict in the Middle East has resulted in a significant increase in the price of road fuel. **To understand whether this increase results simply from the increase in the underlying costs faced by retailers or has been exacerbated by retailers earning higher margins, the CMA has stepped up its statutory monitoring of petrol and diesel prices.** Retailers responsible for thousands of fuel stations across the UK were put on notice in March 2026 that formal requirements to supply revenue, costs and sales data would be brought forward. This was to enable the CMA to accelerate its review of fuel margins – the difference between the price petrol stations pay for fuel and the price they sell it at – made by retailers since the conflict began.
3. We have found that the conflict in the Middle East has caused a rapid increase in the wholesale cost for fuel, which has been passed on to drivers in the form of higher prices at the pump. **We have found that, on average across large retailers, fuel margins were broadly unchanged between February and March this year and were close to the average margin in 2025,** although they remain at historically high levels as reflected in our previous reports.
4. For a minority of these retailers, we have observed some increases in fuel margins during March 2026. We are not yet in a position to determine the precise reasons for these increases as we only received the margin data within the last week. Given the understandably high levels of public concern about rising road fuel prices, we will investigate at pace the reasons for the movements in margins that we have seen, which may be driven by a number of reasons, including supply constraints or pricing strategies. We will also continue to monitor prices and margins closely (including in the event that wholesale costs begin to fall) and our May 2026 report will include an analysis of retailer margins for April 2026.
5. More broadly, the evidence from this report indicates that, consistent with our previous analysis, a lack of effective competitive pressure in the road fuel market remains a concern. We found in our previous [monitoring report](#) in December 2025

¹ The Digital Markets, Competition and Consumers Act 2024 gave the CMA statutory information gathering powers so that it could undertake this monitoring function.

that fuel margins remained high and retailer operating profits were increasing; there remained local variation in prices; and the premium consumers face when buying fuel on the motorways remained high. These negative outcomes for consumers reflect a lack of effective competitive pressure on retailers and those broader market dynamics remain unchanged as reflected in this report.

6. Looking at the period prior to the outbreak of the conflict in the Middle East, our analysis also finds a period of higher margins in December 2025 and January 2026 compared to the rest of 2025. This may be a further indication that competition in the road fuel market is not working effectively. We are investigating what has driven this increase and will update on this in our May 2026 report.
7. The recent increase in road fuel prices means it is even more important to ensure that competition is strengthened. The potential for competition to drive down road fuel prices will help consumers with the rising cost of living. The introduction of the Fuel Finder scheme, and the [range of third-party mapping and price comparison tools](#) that are using Fuel Finder data, are key to strengthening competition. For example, we found for an average vehicle with a 55-litre tank of petrol or diesel, motorists could save up to £9 by switching from the most expensive to the cheapest retailer within a 10-minute drive. While Fuel Finder has only recently been introduced, it is already being used by a range of third parties. Once Fuel Finder is established and widely used, this will make it easier for drivers to shop around for the cheapest fuel and, as result, we would expect competitive pressure on retail prices and margins to increase. As drivers increase their take-up of these tools, there is potential to reduce local price variation and the higher price premium on motorways.
8. Retailers' compliance with their Fuel Finder obligations is critical to the success of the scheme, especially if consumers are to rely on tools using Fuel Finder data to inform their purchasing behaviour. Retailers have been put on notice that the CMA will commence enforcement activities from 1 May 2026 and firms that fail to register with Fuel Finder or to submit accurate and up-to-date pricing information risk fines.
9. The remainder of this report sets out our detailed analysis of road fuel since the conflict in the Middle East, showing that:
 - a. fuel prices have increased significantly since the beginning of the conflict in the Middle East, driven primarily by the material increase in the price of crude oil and refining spreads.² Overall patterns in prices between types of retailer remain broadly similar to what we found in our [2023 market study](#),

² The refining spread is the difference between the price of crude oil contained in one litre of petrol/diesel sold at the pump and the wholesale price set by refineries and importers.

with supermarket retailers tending to offer lower prices than other retailers, and prices at motorway fuel stations tending to be the highest;

- b. retail spreads³ have seen greater fluctuation since the conflict began but are, on average, below retail spreads for the preceding year;
- c. fuel margins⁴ have been broadly unchanged on average across the largest retailers over this period and compared to 2025, implying that the overall increase in prices is not a result of widespread increased profits. However, within this overall picture, we have found that some individual retailers have seen their margins increase in March 2026 and this is in a context where fuel margins for supermarket and non-supermarket retailers have been historically high, as reported in our [annual report](#); and
- d. at a local level, there is significant price variation. We are concerned that these local price differences may, in part, be due to a lack of competitive pressure that we found in our [2023 market study](#) (although some local price variation is to be expected given differences retailers' costs).

³ The retail spread is the difference between fuel prices at the pump and the total of fuel duty, VAT, estimated wholesale costs and the costs of biofuel. The retail spread may be indicative of broad trends in the market, but the level of insight it gives us into overall competitive intensity is limited.

⁴ The fuel margin is the difference in the cost for retailers of acquiring fuel and the revenue generated from the sale of fuel. Retailer fuel margins give us a much clearer indication of how competition is working in the market than retail spreads.

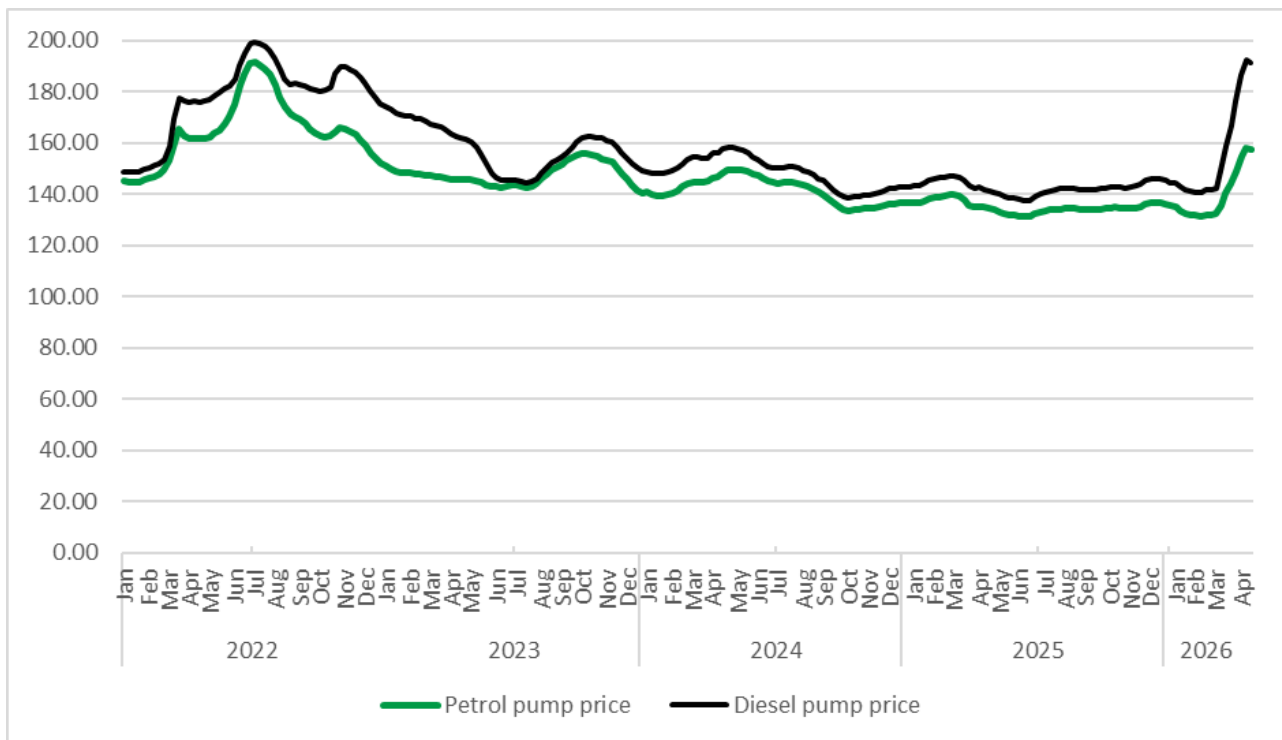
1. Fuel prices and spreads

1.1 In this section, we first set out the trends in fuel prices and the main drivers of these trends. As well as changes in the crude oil price, other potential drivers of the trends in fuel prices are the refining spreads and retail spreads. These spreads are measures of the difference between input costs and prices at different levels of the road fuel supply chain. While these spreads are not a direct measure of fuel margins, they give an indication of financial performance and profitability. We therefore conclude this section with our assessment of the extent to which refining spreads and retail spreads have changed since the beginning of the conflict in the Middle East.

Fuel prices

- 1.2 The conflict in the Middle East has led to a sharp rise in road fuel prices. Figure 1.1 below shows that:
- a. the average UK pump price of **petrol** increased by 25.9 pence per litre (ppl) from 131.7ppl at the end of February to 157.6ppl in the week commencing 20 April 2026; and
 - b. the average UK pump price of **diesel** increased by 49.8ppl from 141.5ppl at the end of February to 191.2ppl in the week commencing 20 April 2026.

Figure 1.1: Petrol and diesel pump prices, January 2022 to April 2026 (ppl)



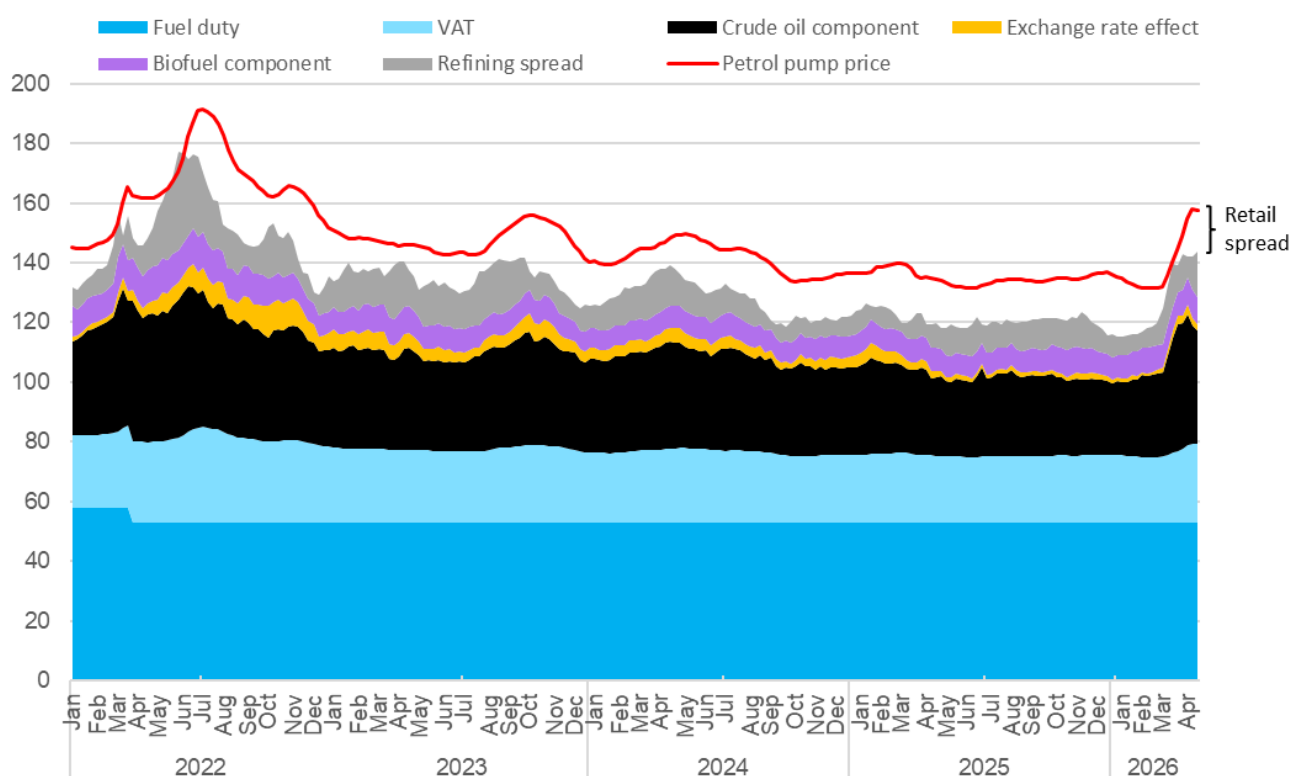
Source: Department for Energy Security and Net Zero data.

Note: The figure covers the period from the week commencing 3 January 2022 to the week commencing 20 April 2026.

1.3 In order to understand what has been driving changes in fuel prices, we have looked at the levels of, and trends in, average prices of petrol and diesel and broken these down into various components, as shown in Figures 1.2 and 1.3 below.⁵ These charts show that increases in wholesale costs are the main driver of the rapid rise in the fuel prices.

1.4 Figure 1.2 shows that the rapid rise in petrol prices of 25.9ppl since the beginning of the conflict in the Middle East is in large part explained by increases in the price of crude oil, accounting for 10.3ppl of the increase in petrol prices between the end of February 2026 and the week commencing 20 April 2026. Additional factors that have contributed to the increase in the average petrol price include increases in the refining spread⁶ of 7.9ppl, the price of biofuel (ethanol) of 1.7ppl and an increase in the exchange rate effect of 0.4ppl. In addition, the VAT component increased by 4.3ppl between the end of February 2026 and the week commencing 20 April 2026.

Figure 1.2: Petrol pump price with components, January 2022 to April 2026 (ppl)



Source: CMA analysis of Department for Energy Security and Net Zero, Platts, Bloomberg and Bank of England data.

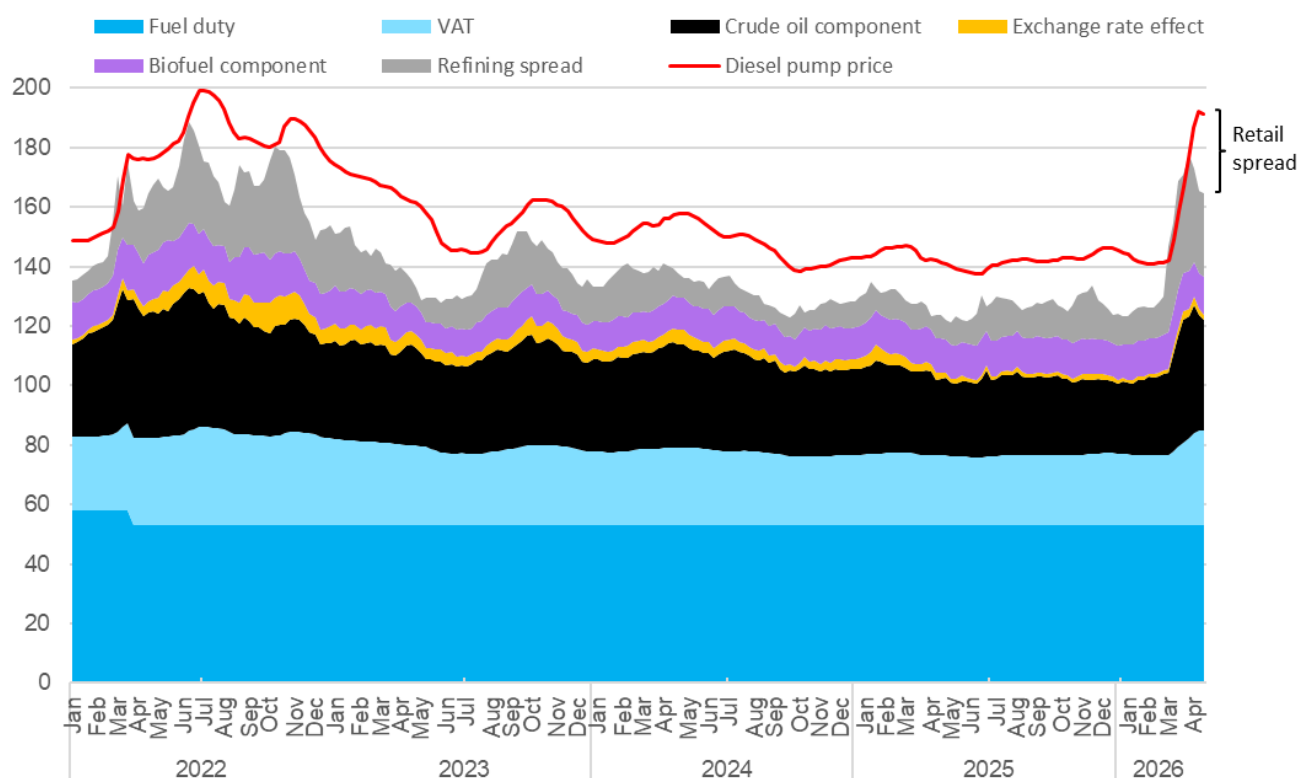
Note: The exchange rate effect is calculated relative to 7 June 2021 and could be negative in some periods. The figure covers the period from the week commencing 3 January 2022 to the week commencing 20 April 2026.

⁵ To produce these charts we have used data on average pump prices (published by the Department for Energy Security and Net Zero), the price of crude oil (the Brent 1-month price), prices of biofuels (ethanol and FAME), Cost, Insurance and Freight (CIF) benchmark prices (most commonly used in contracts between wholesale suppliers and retailers), as well as exchange rates, fuel duty and VAT. This data is consistent with data we used in our market study and subsequent monitoring reports.

⁶ The refining spread is the difference between the price of crude oil contained in one litre of petrol/diesel sold at the pump and the wholesale price set by refineries and importers.

1.5 Figure 1.3 shows that the rapid rise in diesel prices of 49.8pppl since the beginning of the conflict in the Middle East also reflects the significant increase in the crude oil component of diesel of 10.0pppl. Another significant driver of the increase in the diesel price has been the refining spread, which increased by 15.1pppl between the end of February 2026 and the week commencing 20 April 2026. In addition, the biofuel (FAME) component increased by 0.5pppl, the exchange rate effect increased by 0.4pppl and the VAT component increased by 8.3pppl.

Figure 1.3 Diesel pump price with components, January 2022 to April 2026 (ppl)



Source: CMA analysis of Department for Energy Security and Net Zero, Platts, Bloomberg and Bank of England data.
 Note: The exchange rate effect is calculated relative to 7 June 2021 and could be negative in some periods. The figure covers the period from the week commencing 3 January 2022 to the week commencing 20 April 2026.

Refining spreads

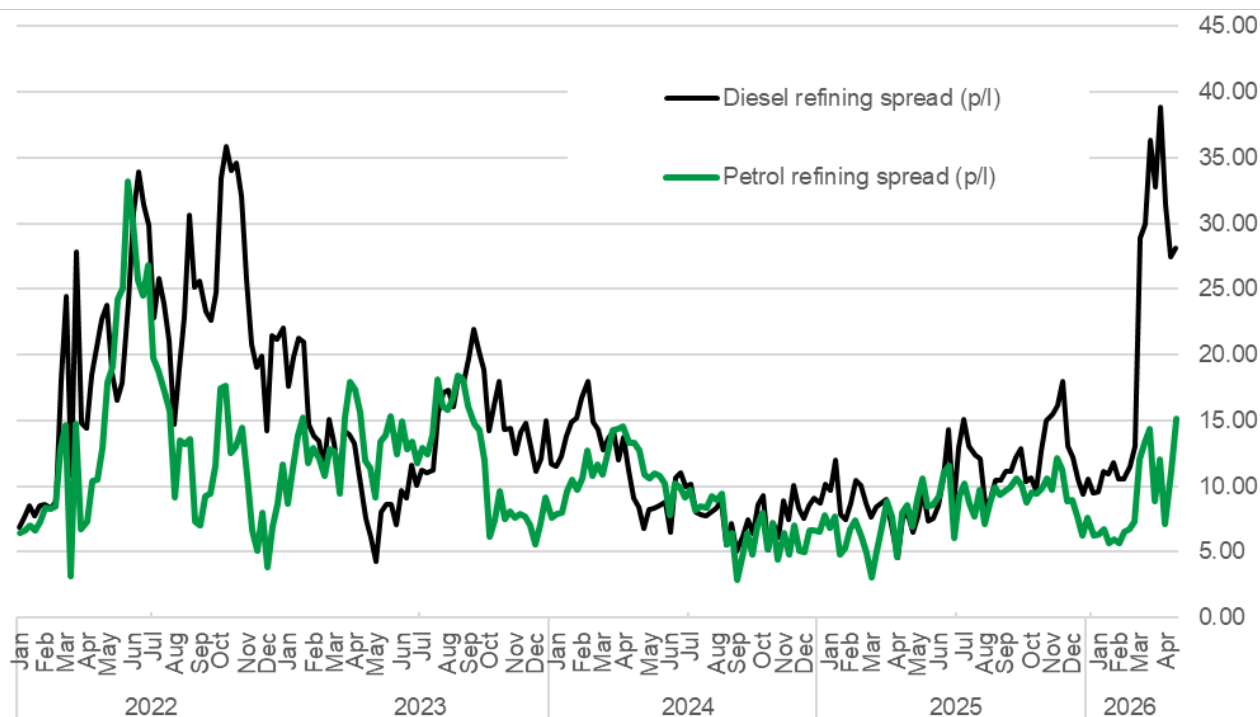
1.6 The refining spread is the difference between the price of crude oil contained in one litre of petrol/diesel sold at the pump and the wholesale price set by refineries and importers.⁷ The refining spread includes refiners' operating costs and margins but is not a direct measure of these wholesale margins. Nonetheless, the refining spread gives an indication of financial performance and profitability at the wholesale level.⁸

⁷ As an estimate of these wholesale prices, we use the CIF benchmark price, which is most commonly used in contracts between wholesale suppliers and retailers.

⁸ The refining spread may be indicative of broad trends in the market, but the level of insight it gives us into overall competitive intensity is limited.

1.7 We have found that the refining spread has increased much more significantly for diesel than for petrol. Figure 1.4 shows that since the beginning of the conflict in the Middle East, the petrol and diesel refining spreads have diverged. By the week commencing 20 April 2026, the diesel refining spread was almost two times the petrol refining spread.

Figure 1.4 Petrol and diesel refining spreads (ppl), January 2022 to April 2026



Source: CMA analysis of Department for Energy Security and Net Zero, Platts, Bloomberg and Bank of England data.
 Note: The figure covers the period from the week commencing 3 January 2022 to the week commencing 20 April 2026.

1.8 The divergence in the refining spread of petrol and diesel reflects differences in international trading conditions. In particular, diesel is part of the middle-distillates product group, where global refinery capacity is currently tighter relative to global demand, compared to the trading conditions for petrol. While global competitive conditions in refining are not a focus of our monitoring work, a significant and sustained increase in refining spreads would be consistent with shortages of refined fuel leading to higher profits being made on a global basis at the refinery level of the supply chain.⁹

⁹ Significant divergence between petrol and diesel refining spreads was also observed in mid-2022 following Russia's invasion of Ukraine and subsequent UK sanctions on Russian oil, and this reduced over subsequent months. In our 2023 market study, we found that refined petrol and diesel trade on international markets, with prices determined by international supply and demand; the UK refining industry faces stiff competition from an increasing number of refiners across the world; overall margins over the five years preceding the market study had been modest and there had been no overall excessive profits for UK refiners; and the increased margins observed in the first half of 2022 were short-term and were cancelled out by low or negative margins in other periods. We therefore concluded that there were no deficiencies in competition in the UK refining market that were leading to unnecessary costs for consumers. See our [2023 market study](#), paragraphs 110 to 111 and Section 8.

Retail spreads

- 1.9 The retail spread is the difference between fuel prices (net of fuel duty and VAT) and the costs of the fuel to retailers (wholesale costs, which are calculated using the cost of diesel and petrol, and the cost of biofuel). The retail spread includes retailer costs (such as staffing and utilities) and transportation costs, as well as retailer profit, and, as such, is not a measure of retail margins. Nonetheless, it gives an indication of retailers' financial performance and profitability.¹⁰
- 1.10 Figure 1.5 below shows petrol and diesel retail spreads for each week in the period from January 2025 to the week commencing 20 April 2026. It shows that retail spreads have been volatile since the beginning of the conflict in the Middle East, initially falling rapidly before rebounding.
- The **petrol** retail spread decreased from 12.0ppl at the end of February 2026 to a low of 0.8ppl in mid-March 2026, before increasing again to 13.9ppl in the week commencing 20 April 2026.
 - The **diesel** retail spread decreased from 11.4ppl at the end of February 2026 to a low of minus 10.1ppl in mid-March 2026, before increasing again to 26.8ppl in the week commencing 20 April 2026.

Figure 1.5 Petrol and diesel weekly retail spreads (ppl), January 2025 to April 2026



Source: CMA analysis of Department for Energy Security and Net Zero, Platts, Bloomberg and Bank of England data.

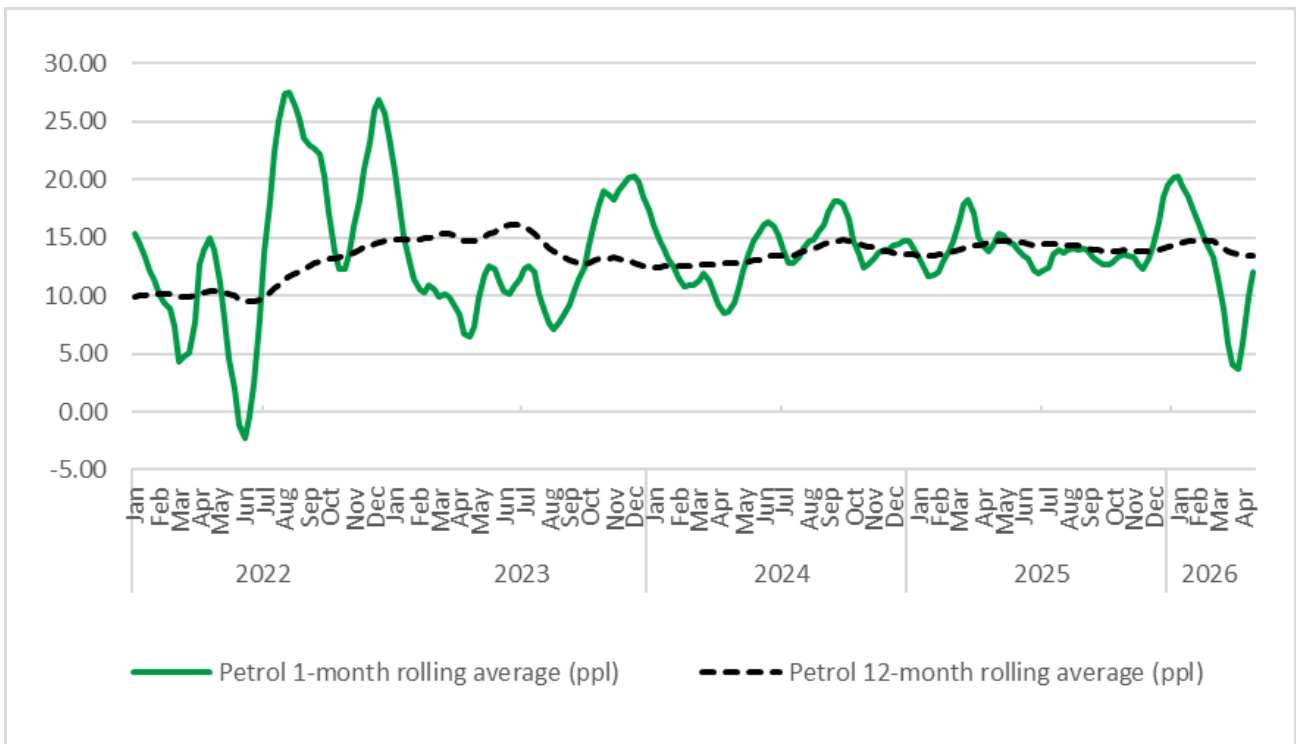
Note: The figure covers the period from the week commencing 3 January 2022 to the week commencing 20 April 2026.

¹⁰ The retail spread may be indicative of broad trends in the market, but the level of insight it gives us into overall competitive intensity is limited.

- 1.11 The fall and rebound in the retail spread, particularly for diesel, is likely due to the time lag in wholesale costs feeding through into retail prices. Fuel sold at the pump today may have been purchased by retailers several days or weeks ago at wholesale prices which applied at the time. As wholesale costs started to fall in April 2026, pump prices continued to rise – reflecting the previous increases in wholesale costs – with the result that there was a rebound in the retail spread. Due to these lag effects, there can be volatility in weekly retail spreads that does not reflect actual changes in retail profits.
- 1.12 Given the volatility in retail spreads for petrol and diesel on a weekly basis, it is informative to assess these spreads over a longer timeframe. We do this separately for petrol and diesel.
- 1.13 Figure 1.6 below shows one-month and 12-month rolling averages of the petrol retail spread over the period from January 2022 to the week commencing 20 April 2026.¹¹ The 12-month rolling average gives an indication of the long term retail spread and by comparing this to the 1-month rolling average, we can see if the retail spread is above or below its longer term average. Over the period from March 2026 to the week commencing 20 April 2026, the petrol retail spread averaged 8.1ppl, which is a reduction on the 14.7ppl average observed over the year immediately prior to the beginning of the conflict in the Middle East.

¹¹ A rolling average is calculated by averaging over the one-month (12-month) period up to and including the week for which it is calculated. For example, the one-month rolling average in the week commencing 13 April 2026 has been calculated over the four weeks from the week commencing 23 March 2026 to the week commencing 13 April 2026, while the 12-month rolling average for the same week has been calculated over the 52 weeks from 21 April 2025 to 13 April 2026.

Figure 1.6 Petrol retail spread one-month and 12-month rolling averages (ppl), January 2022 to April 2026



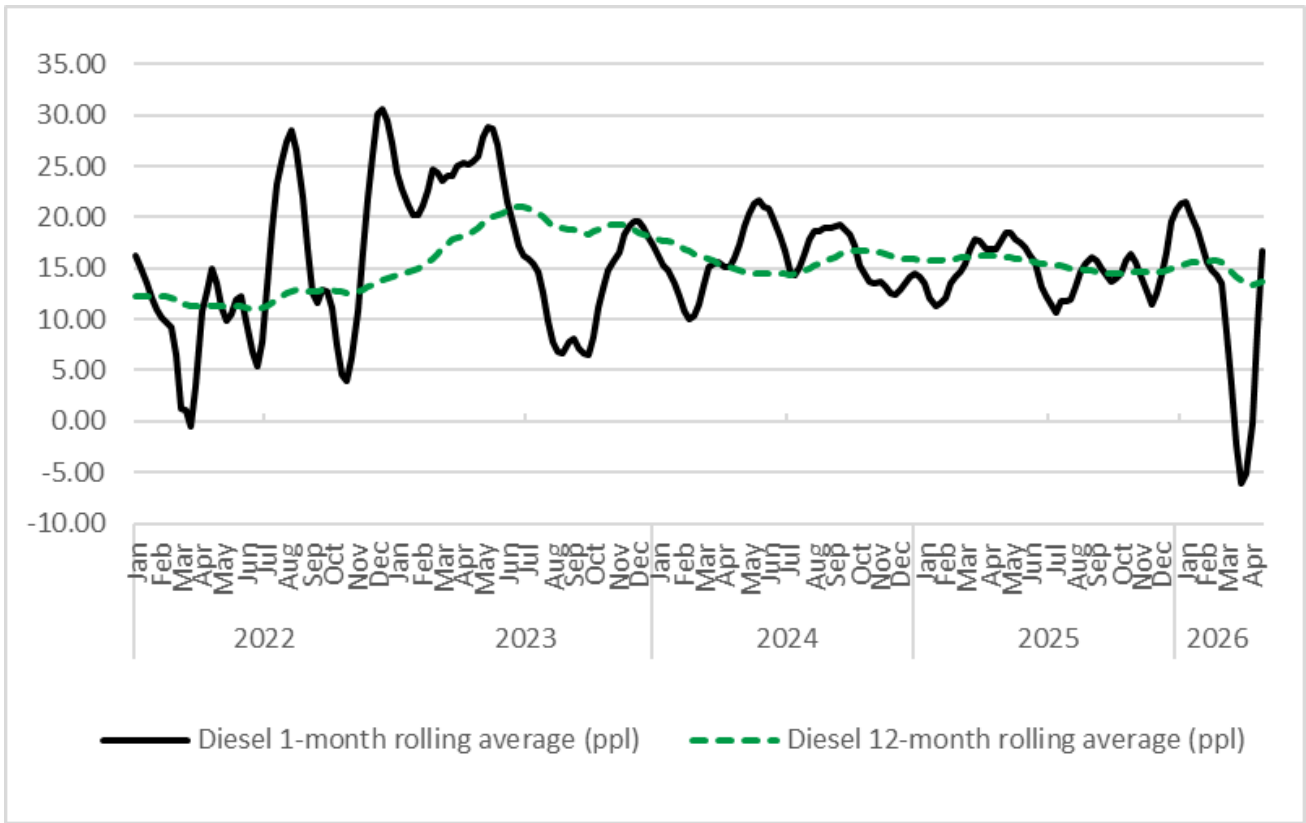
Source: CMA analysis of Department for Energy Security and Net Zero, Platts, Bloomberg and Bank of England data.

Note: As calendar months vary in length, the one-month rolling average is calculated by averaging over four-week periods. The figure covers the period from the week commencing 3 January 2022 to the week commencing 20 April 2026.

1.14 Figure 1.7 below shows one-month and 12-month rolling averages of the diesel retail spread over the period from January 2022 to April 2026. Over the period from March 2026 to April 2026, the diesel retail spread averaged 5.3ppl, which is significantly below the 15.6ppl average observed over the year prior to the beginning of the conflict in the Middle East.¹²

¹² In the last week of data we have in April (the week commencing 20 April), the one-month rolling average has recovered and is slightly above the 15.6 ppl average from the year prior to the beginning of the Middle East conflict. This reflects the significant rebound in the diesel spread, which 1.11 may not reflect actual changes in retail profits.

Figure 1.7 Diesel retail spread one-month and 12-month rolling averages (ppl), January 2022 to April 2026



Source: CMA analysis of Department for Energy Security and Net Zero, Platts, Bloomberg and Bank of England data.

Note: As calendar months vary in length, the one-month rolling average is calculated by averaging over four-week periods. The figure covers the period from the week commencing 3 January 2022 to the week commencing 20 April 2026.

2. Retail margins

- 2.1 An important indicator of the level of competition in a market, and whether it is strengthening or weakening, is the level of profit margin earned by firms.
- 2.2 The retail margin is the difference in the cost for retailers of acquiring fuel and the revenue generated from the sale of fuel. Retail margins give us a clearer indication of how competition is working in the market than retail spreads, as they show the margins a retailer has actually earned, reflecting the actual costs they incurred from buying fuel, rather than an average market pump price less an estimate of these wholesale fuel costs (the retail spread).
- 2.3 To understand how the conflict in the Middle East has impacted retail margins, we collected data from individual retailers¹³ to calculate monthly fuel margins. As we are particularly focused on short run changes in margins in March 2026, we have focussed our analysis on margins on a ppl of fuel sold (ppl margins) basis.¹⁴
- 2.4 We present our analysis of retailers' fuel margins below, first across all retailers and then grouped by retailer type (supermarket and non-supermarket) due to the difference in business models between large supermarket sites that offer petrol next to, or close to, a supermarket and non-supermarket petrol filling stations (which includes oil company-owned sites, motorway service areas and other independent retailers). We have also considered motorway service area retailers (who comprise two of the retailers within our non-supermarket retailer dataset) as a particular sub-set of interest within these groups.

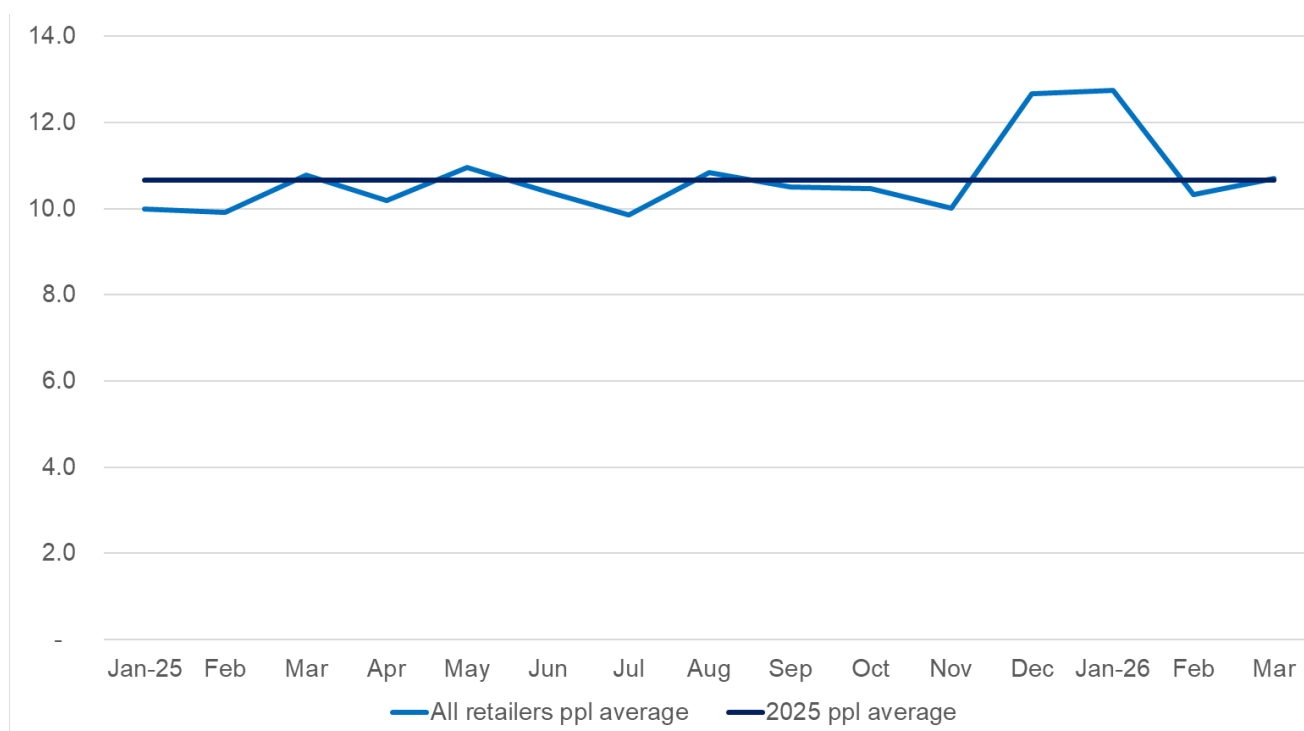
All retailers

- 2.5 Figure 2.1 below shows the changes in average fuel margins for all retailers in our analysis in ppl terms up to March 2026.

¹³ We collect data from 11 retailers, representing approximately 40% of petrol stations and 60% of road fuel volume sold. These retailers are Asda Stores Limited; BP Oil UK Limited; EG On The Move Limited; Esso Petroleum Company Limited; Moto Hospitality Limited; Motor Fuel Group; Rontec Roadside Retail Limited; J Sainsbury PLC; Shell PLC; Tesco PLC; and Welcome Break Group Limited. We have been able to assess margins for 10 of the retailers from whom collect data. Some of these retailers trade under more than one brand and are analysed separately in our margin analysis.

¹⁴ We have focussed on ppl margins as percentage margins can be impacted by the overall wholesale fuel price (as when prices are higher, a static ppl margin, for example, would appear lower as a percentage). However, we note that percentage margins can also be informative, in particular when analysing longer term trends.

Figure 2.1 Average fuel margins (ppl) for all retailers (supermarket and non-supermarket), January 2025 to March 2026 and average for calendar year 2025



Source: CMA analysis based on parties' submissions.

Note: 2025 ppl average' is the average of all the months in the calendar year unadjusted for volumes.

2.6 Figure 2.1 shows that, since the beginning of the conflict in the Middle East, on average, retail fuel margins expressed in ppl were broadly unchanged between February 2026 and March 2026 at 10.3ppl and 10.7ppl respectively and were close or equal to the average margin in 2025 of 10.7ppl. In addition, the majority of retailers in our dataset had lower margins in March 2026 than in February 2026. However, when analysing individual retailers' margins, we have observed some instances of margins having increased between February 2026 and March 2026. We discuss these trends in more detail in the sections below.

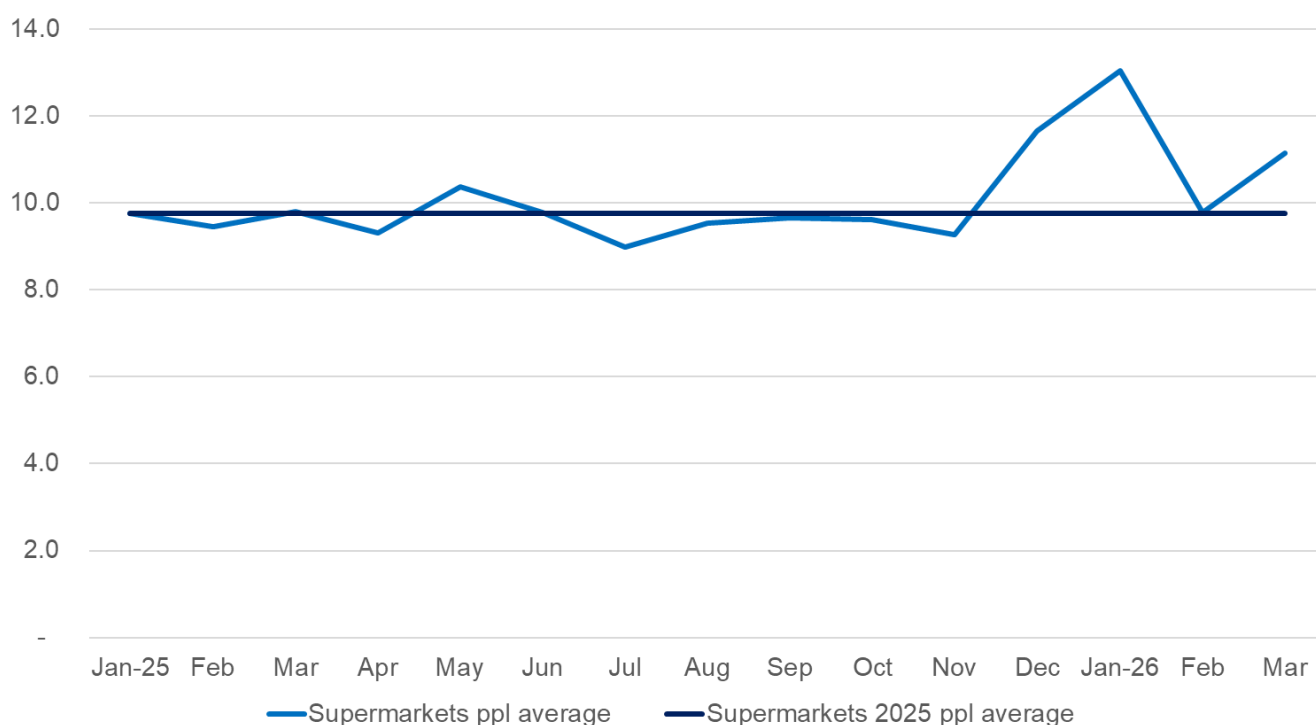
2.7 Looking at the period prior to the beginning of the conflict in the Middle East, our analysis also finds a period of higher margins in December 2025 and January 2026 at 12.7ppl compared to 10.0ppl in November 2025. We are concerned about what may have been the driver(s) for this period of higher margins and whether this is a further indication that competition in the road fuel market is not working effectively. We will investigate further what has driven this period of higher margins.

2.8 The broadly unchanged margins overall between February 2026 and March 2026 indicates that there has not been a widespread issue of retailers earning higher margins since the beginning of the conflict in the Middle East. However, this is in a context where fuel margins for supermarket and non-supermarket retailers have been historically high, as reported in our [annual report](#).

Supermarket retailers

2.9 Figure 2.2 below shows the changes in average fuel margins for supermarket retailers in our analysis in ppl terms up to March 2026.

Figure 2.2 Monthly supermarket fuel margins (ppl), January 2025 to March 2026 and calendar year 2025 average



Source: CMA analysis based on parties' submissions.

Note: 2025 ppl average' is the average of all the months in the calendar year unadjusted for volumes.

2.10 Figure 2.2 shows that average margins (in ppl) for supermarket retailers increased from 9.8ppl in February 2026 to 11.2ppl in March 2026, with this being higher than the 2025 average of 9.8ppl. Although supermarkets tend to have lower prices than other retailers (as set out in section 3 below), it is important to understand these changes in more detail.

2.11 We found that the increase in the March 2026 average was driven by an increase in ppl margins for two supermarket retailers. For one of these two retailers, this increased its margin in March 2026 to a level substantially above its 2025 average margin, although it has submitted data to us indicating that its margin subsequently fell in early April 2026. For the second retailer, this was a more limited increase from a level below its 2025 average in February 2026 to a level in March 2026 that was slightly above its 2025 average. The two other supermarkets in our dataset had reduced margins in March 2026 to levels that were slightly below their average margins for 2025.

2.12 There could be a number of reasons for a retailer's margin to have increased in March 2026. These include:

- a. supply constraints (for example, if less fuel is available to purchase) coinciding with a period of increased consumer demand for fuel, resulting in a retailer increasing prices to manage stock levels;¹⁵
- b. retailers using established pricing strategies that involve following the prices of competitors rather than setting prices in relation to their own costs and exerting greater competitive pressure.¹⁶ Adopting such an approach means that such retailers may increase their prices even if their own costs have not risen (and vice versa), which could arise where there are time lag differences in the purchase of fuel between retailers. For example, we know that some larger retailers have had cost price lags of a week or more whereas other retailers typically purchase at daily spot rates;¹⁷ or
- c. retailers actively changing their pricing strategy to take advantage of the increased variability in wholesale fuel prices and market uncertainty to increase their margins.

2.13 Given the understandably high levels of public concern about rising road fuel prices, and whether these are simply reflective of increased wholesale costs or are also driven by increased margins, we will investigate at pace the reasons for the movements in margins that we have seen. We will also continue to monitor fuel margins closely to assess whether the increased supermarket retailers fuel margins that we have observed between February 2026 and March 2026 continue and we will report on these issues at the end of May.

Non-supermarket retailers

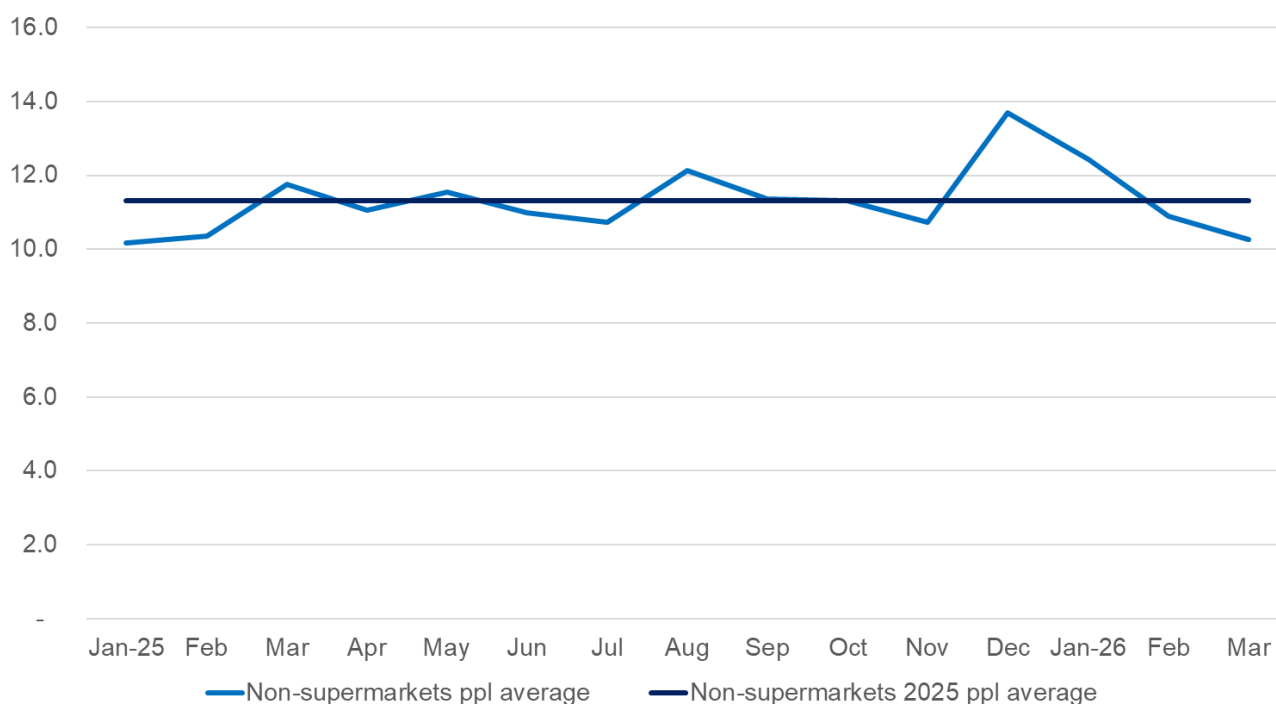
2.14 Figure 2.3 below shows the changes in average fuel margins for non-supermarket retailers in our analysis in ppl terms up to March 2026.

¹⁵ Retailer responses highlighted that supply constraints and consumer demand meant that stock management was a key factor in March 2026. Supermarket retailers noted the importance of ensuring availability of fuel to their businesses more broadly to attract shoppers to their retail sites.

¹⁶ The market study identified that some retailers, including two supermarket retailers, had maintained largely passive pricing policies, pricing by reference to local competitors rather than responding promptly to cost movements and/or trying to win market share ([Road fuel market study - executive summary](#), paragraph 3).

¹⁷ Responses from retailers indicated that the purchase of fuel from producers often has short lead times, ranging from the purchase at spot rates to weekly lag rates (eg the average of the closing daily price for a week becomes the price of fuel for the following week). For some larger retailers, the lag on some purchases may be several weeks. These lead times and the potential for variation between different retailers means that the increase in crude oil prices as a result of the conflict in the Middle East has, in general, fed through to retailers relatively quickly, albeit more quickly for some than others. However, ultimate pricing decisions are also impacted by factors other than underlying fuel purchase costs, such as available stock levels and competitors' pricing in the local area.

Figure 2.3 Monthly non-supermarket retailer fuel margins (ppl), January 2025 to March 2026 and calendar year 2025 average



Source: CMA analysis based on parties' submissions.

Note: 2025 % average is the average of all the months in the calendar year unadjusted for volumes.

The months of February 2026 to March 2025 do not include the Petrogas UK Limited (Applegreen-Petrogas) UK sites purchased by EG On The Move Limited on 31 January 2025 due to data consistency issues.

- 2.15 Figure 2.3 shows that average margins (in ppl) for non-supermarket retailers decreased from 10.9ppl in February 2026 to 10.3ppl in March 2026, with these being below the average monthly margin for 2025 of 11.3ppl.
- 2.16 We found that this was driven by five non-supermarket retailers in our dataset that had reduced margins in March 2026 to levels that were in line with or below their average margins for 2025.
- 2.17 However, within this non-supermarket retailer group, we found three retailers whose ppl margin increased in March 2026 compared to February 2026. For one of these three retailers, its margin in March 2026 increased but was below its 2025 average margin. For the other two retailers, one had a level of margin in March 2026 slightly above its 2025 average margin and the second had a margin in March 2026 which had increased somewhat more above its 2025 average margin.
- 2.18 As set out above in our analysis of supermarket retailer margins, there could be a number of reasons for the margin variation we observe in March 2026 which would apply to non-supermarket retailers. For example, we understand that the pricing strategy for a number of non-supermarket retailers can be based on a target or budget ppl margin or margin range, as well as other factors, such as local competitor pricing and strategic priorities.

- 2.19 As noted for supermarkets, we will gather the further evidence we need to understand fully the reasons underpinning the increased margins for those individual retailers. We will also continue to monitor fuel margins closely and will report on these issues at the end of May.

Motorway retailers

- 2.20 Some of the retailers included in our non-supermarket group are motorway service area (MSA) retailers.
- 2.21 Our analysis of this sub-set of MSA retailers found decreasing ppl margins on their retail sales to consumers.
- 2.22 Responses from these MSA retailers noted that their stocks in March 2026 were impacted by higher sales volumes in respect of both private vehicles and heavy goods vehicles (HGVs), which had a material impact on their fuel margins.

3. Local variation in pricing and other indicators of the strength of retail competition

- 3.1 Analysis of local differences in prices since the conflict in the Middle East indicates that a lack of fully effective competition in the road fuel market remains a concern.
- 3.2 To assess local variation in pricing, we have used data from Fuel Finder, an open data scheme that launched on 2 February 2026 and that collates live retail fuel prices and forecourt information from across the UK. The service does not have full coverage over the period we have analysed (ie from the launch of the scheme until mid-April 2026) but is nonetheless a rich data source with 8,074 forecourts signed up as of mid-April 2026 and up to 4,712 reporting on any given day.
- 3.3 We use this data to report differences in road fuels prices within local areas and differences between motorway and non-motorway retailers, supermarket and non-supermarket retailers and urban and rural areas. We will continue to monitor how much road fuel prices vary in this way as take up of Fuel Finder increases.

Local variation in prices

- 3.4 A common concern for drivers is how road fuel prices vary geographically. Some geographic variation in prices is likely to be due to differences in costs, with businesses needing to charge higher prices to remain profitable when they have higher costs. However, in our 2023 market study, we found that a significant proportion of price differences between different towns or cities within the same region or sub-regions was due to differences in local competitive conditions. We further found that prices vary both within local areas and across the estates of given road fuel retailer brands, with a trend of slightly increasing price dispersion within each area over time and within some brands, which was consistent with our finding of weakening competition at a national level allowing some retailers to earn higher margins.¹⁸
- 3.5 As Fuel Finder has only recently been established, we cannot yet use it to track trends in geographic price variation. However, we can use the data to give some indication of the degree of geographic price variation.
- 3.6 Based on retailers that updated their prices¹⁹ on 7 April 2026 across a range of local areas,²⁰ we found that the price dispersion within a local area was up to

¹⁸ [Road fuel market study final report](#), paragraphs 5.153 to 5.155 and 5.171.

¹⁹ Given that Fuel Finder has only recently been established, we have at this stage restricted our analysis only to those road fuel retailers which have reported a price on any given day. This approach ensures that we can be more certain of the prices for those road fuel retailers, though noting that these are a sub-set of road fuel retailers and may not be representative of the overall market.

²⁰ We used the same areas for estimating local price dispersion as in our 2023 market study, with a 10-minute drive time around a particular road fuel retail site in each area. The analysis seeks to align with the set of postcodes used in the

16ppl for petrol and 17ppl for diesel.²¹ These price differences are based on retailers up to a 10-minute drive away from a focal site in Sheffield for petrol and Wakefield for diesel. The price differences indicate that, for an average vehicle with a 55-litre tank of petrol or diesel, motorists could have saved up to £9 by switching from the most expensive to the cheapest retailer within a 10-minute drive.

- 3.7 We observed similarly large variation in prices on a number of other days in March 2026 and April 2026, as well as in other local areas, although how much motorists can save depends on where they live. For example, our analysis indicates that, on 7 April 2026, drivers in Trafford, Sunderland and Hammersmith could have saved up to £7 per tank,²² while those in Aberdeen could have saved up to £3 per tank.²³
- 3.8 As we have not been able to include all retailers in our analysis, we may be missing the highest or lowest price retailer in a local area and therefore may be underestimating the degree of local price dispersion. Nevertheless, our estimates indicate that there can be significant local price dispersion which is consistent with a lack of effective competitive pressure on some retailers.
- 3.9 As Fuel Finder will increase price transparency, we would expect drivers to become more aware of the potential savings from using lower priced retailers in their local area. More drivers finding it easier to seek out lower road fuel prices has the potential to put greater competitive pressure on road fuel retailers with higher prices and to drive down the degree of local price dispersion. Moving forward, an important part of our monitoring work will therefore be to track trends in local price dispersion.
- 3.10 The potential savings to be made on a tank of fuel are likely to increase over longer journey times than the 10-minute drivetime our price saving estimates above are based on. The development of [third-party mapping and price comparison tools](#) that are using Fuel Finder data will help empower drivers to take advantage of the wider choices available to them on longer journeys. This includes making it easier for drivers to avoid paying the price premium from filling up along the motorway, which we assess in the next section.

Motorway versus non-motorway prices

- 3.11 In our 2023 market study, we found that the price premium at motorway road fuel retailers was due to weak competition which in turn was due to the distance

market study. However, a small number of postcodes could not be matched, for example due to site rebranding, closures, or changes to postcode identifiers, and were therefore excluded from the analysis.

²¹ We have illustrated this price dispersion on 7 April 2026 as this was a day in April which had a higher number of fuel retail sites reporting a price.

²² The saving in Hammersmith was for diesel. The savings in Trafford and Sunderland were for petrol.

²³ This saving in Aberdeen was for petrol.

between motorway retailers, concentration of motorway retailers and poor visibility of prices.²⁴

- 3.12 Our analysis of Fuel Finder data for pumps that reported a price on a given day indicates that this motorway price premium remains.
- 3.13 Using Fuel Finder data for pumps that reported a price on a given day, we found that on average, motorway retailers are more expensive than non-motorway retailers.²⁵ The difference in average price between motorway retailers and non-motorway retailers varies day-to-day and was up to 26ppl for petrol and up to 17ppl for diesel between 11 March 2026 and 13 April 2026.²⁶ For an average vehicle with a 55-litre tank, that is a difference of just over £14 to fill up with petrol and more than £9 for diesel.

Supermarket versus non-supermarket prices

- 3.14 In in our 2023 market study, we found that supermarket retailers tended to have lower road fuel prices than non-supermarket retailers.²⁷
- 3.15 Our analysis of Fuel Finder data for pumps that reported a price on a given day confirmed that supermarkets continue to be cheaper, on average, than non-supermarket retailers.
- 3.16 The difference between average supermarket road fuel prices and average non-supermarket road fuel prices varies day-to-day and was up to 8ppl for petrol and up to 11ppl for diesel between 11 March 2026 and 13 April 2026.²⁸ For an average vehicle with a 55-litre tank, that is a difference of just under £5 to fill up with petrol and just under £6 for diesel.
- 3.17 While road fuel price differences between supermarket and non-supermarket retailers may reflect differences in their business models, they also demonstrate the potential savings drivers can make by shopping around, using third-party mapping and price comparison tools that are using Fuel Finder data.

²⁴ [Road fuel market study final report](#), paragraph 6.43.

²⁵ We are aware of reports that Fuel Finder may include service stations at major trunk roads in the category of motorway stations. One limitation of this analysis is that it uses Fuel Finder's classifications rather than focusing solely on stations at motorways.

²⁶ The highest difference was observed on 26 March 2026 for petrol and 12 March 2026 for diesel.

²⁷ [Road fuel market study final report executive summary](#), paragraph 23.

²⁸ The highest difference was observed on 17 March 2026 for petrol and 25 March 2026 for diesel.