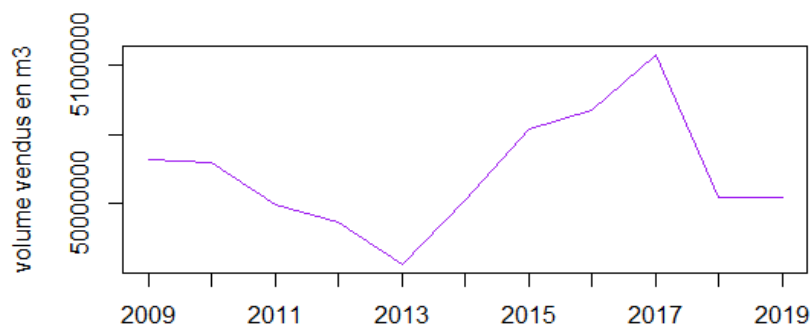


On November 17, 2018, 282,000 demonstrators had expressed their anger over soaring fuel prices and the scheduled implementation of a new tax. It was the movement called the « Gilets jaunes ». Two years later, the world experienced a pandemic that would cripple most sectors of the global economy. These two phenomena from different sources, one of "political" source and the other that can be considered as an external shock, have affected the French economy and in particular the fuel sector. Here we will look at the evolution of fuel prices and sales in France to see how values have evolved with these two phenomena.

The data concerning sales come from the UFIP (Union Française des Industries Pétrolières) website and are used in their annual report on the evolution of fuel sales in France and the structure of the distribution network ; those concerning prices come from the website of the French Ministry of Ecological Transition. Finally, the data on the evolution of Brent prices come from comité national routier (CNR) website.

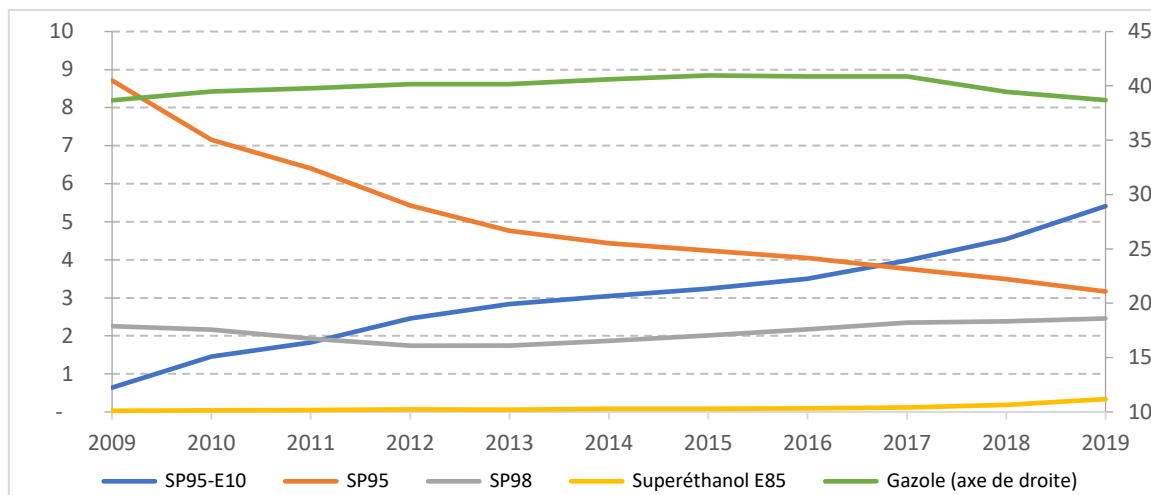
## Fuel sales trends in France

Looking at the total sales of road fuels in France over the period from 2009 to 2019, we can distinguish three main phases. A first phase of decreases in sales that go from 50.314.882 m<sup>3</sup> sold in 2009 to 49.566.353 m<sup>3</sup> sold in 2013. There follows a recovery of sales until 2017 when sales reached a quantity of 51.070.312 m<sup>3</sup> sold. From 2017 to 2019, sales dropped back to a level of 50.046.044 m<sup>3</sup>.



*Figure 1 : Evolution of the total volume of road fuels sold*

If we look at the breakdown of these sales by type of fuel, we see that diesel has dominated sales for many years, followed by SP95. We also note that the quantities of diesel sold are slightly down since 2017 and SP95 shows a downward trend over the entire period from 2009 to 2019. On the other hand, we note that the quantities of SP95-E10 have increased over the period and its evolution curve could show a certain symmetry with that of SP95, marking a gradual transition from SP95 to SP95-E10.

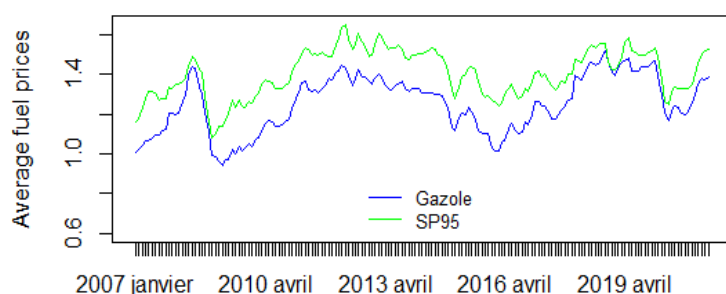


**Figure 2 :** Volumes sold by type of fuel (in millions of m<sup>3</sup>)

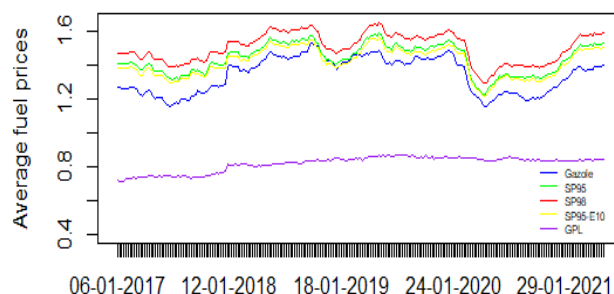
Source : UFIP

## Evolution of average fuel prices at the pump in France

Fuel prices increased continuously between 2009 and 2012 to reach an all-time high of 1.445 euros in March 2012 for diesel and 1.651 euros in April 2012 for SP95. Concerning SP95, this is a historical peak that is still not exceeded in 2018 when the movement of « Gilet jaune » is triggered. This led to a decline in fuel prices until February 2016 when the price of diesel was 1.016 euros and SP95 was 1.24 euros. Subsequently, from February 2016 to October 2018, prices at the pump soared rising from 1.016 euros to 1.522 euros in October 2018 for diesel and from 1.24 euros to 1.56 for SP95. It is therefore noted that at this time, the price of diesel was approaching that of gasoline. This rise in prices is the basis of the movement of « Gilets jaunes ». We notice that following that the prices at the pump of diesel and SP95 (E5/E10) fall by 10 cents in one month and even become equal to one cent (about 1.47 euro in November 2018).



**Figure 3 :** Changes in pump prices of diesel and unleaded 95 fuels in France between 2007 and 2021



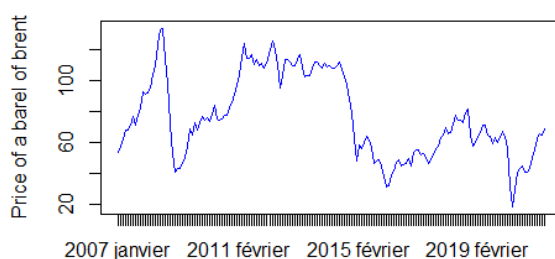
**Figure 4 :** Changes in the price of various road fuels in France between 2017 and 2021

At the beginning of 2019, prices started to rise again and in April 2019, the pump price of SP95 (E5/E10) averaged 1.564 euros, roughly the same level as in October 2018 and then reached a new record of 1.58 euros in May 2019. The price of diesel has also increased, but to a lesser extent (1.481 in May 2019 compared to 1.522 at the peak in October 2018). There is a difference of about 10 cents between diesel and SP95 in May 2019. Finally from the end of 2019, the period of the outbreak of the covid19, we note that the pump prices of fuels start to fall again until November 2020 when the price of diesel was 1.216 euros and SP95 at 1.328 euros. Since then, prices have resumed an upward trend and amounted in May 2021 to 1.391 euros for diesel and 1.525 euros for SP95.

It thus emerges a decline after the outbreak of the movement of "Gilets jaunes" and another a little more pronounced with the pandemic of covid-19.

## Evolution of the price of a barrel of Brent

Looking at the evolution of the price of a barrel of Brent crude oil, we can see first of all a sudden acceleration in the price of a barrel in the first half of 2008 at the time of the global economic crisis. The price of Brent rose from around \$92 in January 2008 to \$133 in July 2008. Then, with the subprime crisis, the price collapsed from \$133.19 to \$40 per barrel between July and December 2008. From 2009 onwards, as oil-producing countries tried to maintain their revenue levels, the price of Brent crude oil began to recover, rising to around \$84 per barrel in April 2010. This recovery continued due to the global economic recovery to the point that the price of a barrel reached a peak in 2012 when it stood in March at 125.45 dollars. This corresponds to the historical peak in pump prices in France (1.45 for diesel in March 2012 and 1.65 for SP 95 in April 2012). Stable at a level above \$100 in 2013, prices collapsed in 2014, falling below the \$50 mark in early 2015.



*Figure 5 : Evolution of the price of oil in dollars from 2007 to 2021*

Starting in February 2016, prices rise again until they reach around \$50 in June 2016, thanks in particular to a decision by Saudi Arabia, Venezuela, Qatar and Russia to freeze production. The price per barrel reaches \$64.38 in December 2017, then \$66 in March 2018 and finally approaches \$80 in October 2018. A new drop appears in November 2018, period corresponding in France to the outbreak of the "Yellow Vest" movement. From the beginning of 2019, prices start to rise again but at the end of 2019, the period of the outbreak of the covid-19 pandemic, prices experience a sharp decline reaching the lowest level ever in April 2020 where the price per barrel stood at about 18 dollars. Since the second half of 2020, the price of a barrel has started to rise again, reaching a value of 68.53 dollars a barrel in May 2021.

Overall, we can say that the price at the pump follows the same curves as the price of oil. When the price of oil rises, the price at the pump rises and vice versa.