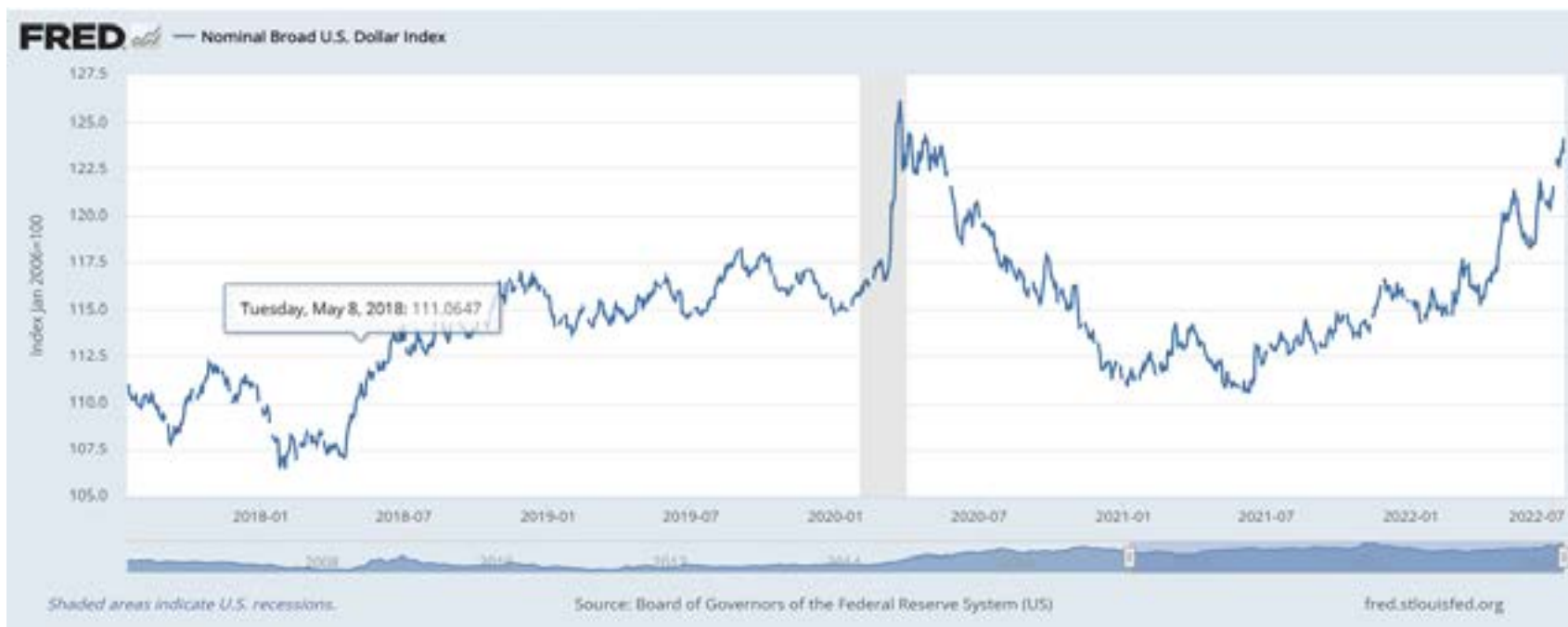


Summer 2022 U.S. Fuel Report

GASOLINE | DIESEL | ELECTRIC



Market Outlook



According to the U.S. Energy Information Administration (EIA) and the Short-Term Energy Outlook (STEO), as of July 2022, there is still market uncertainty due to Russia’s invasion of the Ukraine and how the resulting sanctions impact Russia’s oil production.

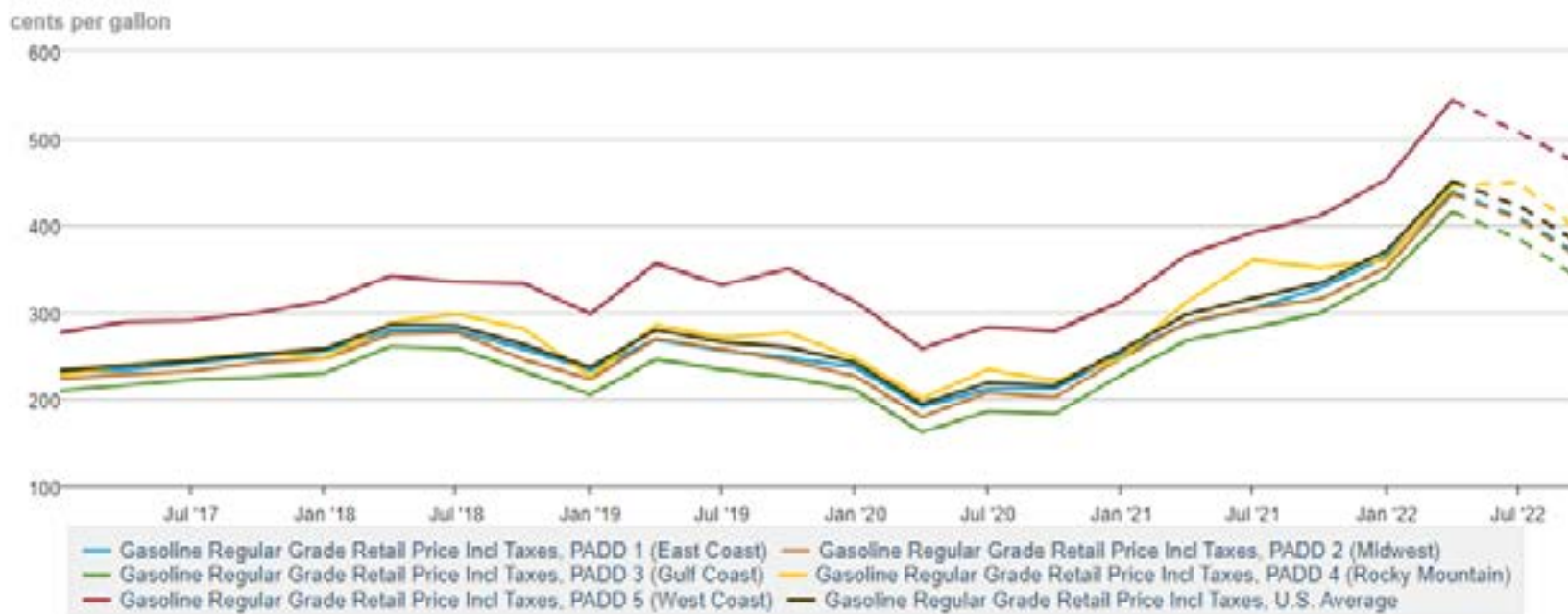
According to STEO, “U.S. regular gasoline retail prices averaged \$4.11 per gallon (gal) in the first half of 2022 (1H22), up from \$2.78/gal in

1H21. We forecast gasoline prices will average \$4.05/gal in 2022 and \$3.57/gal in 2023. U.S. diesel prices averaged \$4.91/gal in 1H22, up from \$3.06/gal in 1H21. We forecast diesel prices will average \$4.73/gal in 2022 and \$4.07/gal in 2023.”

Market Outlook



Gasoline Regular Grade Retail Price



Source: U.S. Energy Information Administration

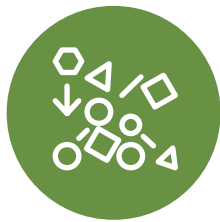
As of July 2022, looking at estimated retail fuel prices, the EIA is expecting near term prices to continue to decline throughout the rest of the year.

Market Outlook

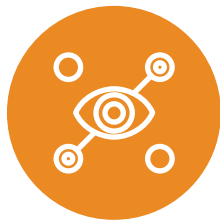
Additional Influencing Factors



Natural Disasters



Supply Disruptions



Speculation



Seasonality



ESG Influences

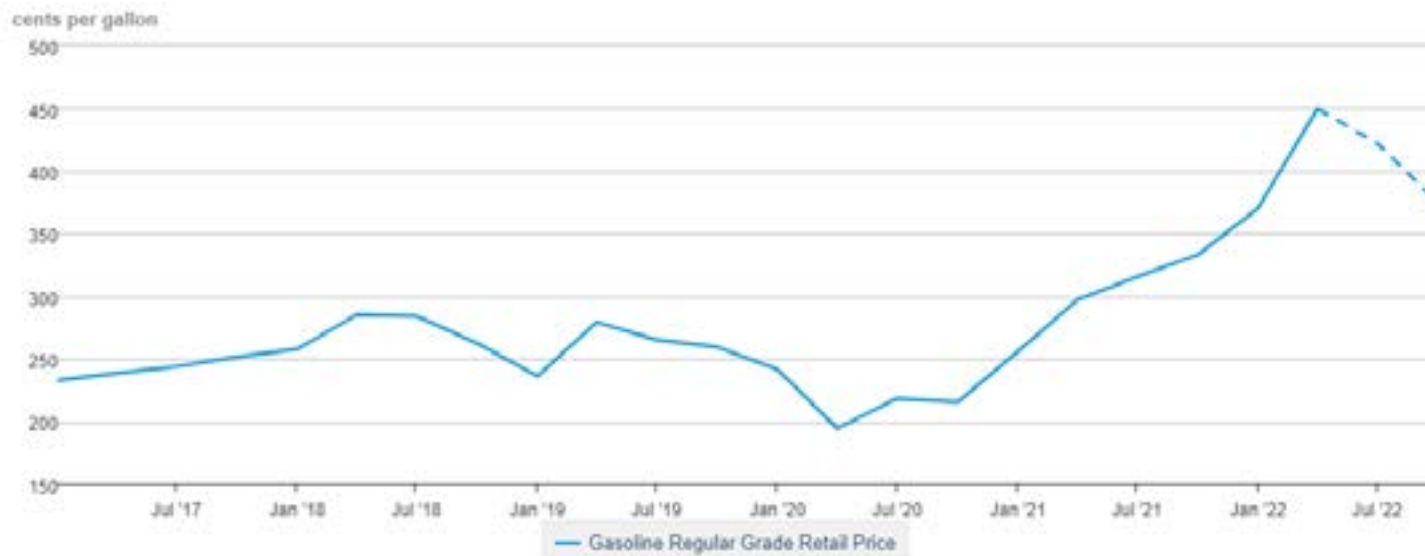


Economic Activity

Gasoline

Trends & Forecast

Gasoline Regular Grade Retail Price



Source: U.S. Energy Information Administration

The forecast estimates an average cost per gallon for regular fuel of \$4.22 in Q3 before falling to \$3.75 in Q4.



Gasoline

Regional Breakdown

U.S. Regular Gasoline Prices* (dollars per gallon)

	07/04/22	07/11/22	07/18/22	Change from week ago	Change from year ago
U.S.	4.771	4.646	4.490	▼ -0.156	▲ 1.337
East Coast (PADD1)	4.591	4.472	4.345	▼ -0.127	▲ 1.322
New England (PADD1A)	4.812	4.705	4.599	▼ -0.106	▲ 1.545
Central Atlantic (PADD1B)	4.796	4.679	4.566	▼ -0.113	▲ 1.402
Lower Atlantic (PADD1C)	4.404	4.280	4.139	▼ -0.141	▲ 1.210
Midwest (PADD2)	4.729	4.599	4.428	▼ -0.171	▲ 1.368
Gulf Coast (PADD3)	4.351	4.190	4.000	▼ -0.190	▲ 1.167
Rocky Mountain (PADD4)	5.001	4.947	4.850	▼ -0.097	▲ 1.291
West Coast (PADD5)	5.694	5.571	5.394	▼ -0.177	▲ 1.513
West Coast less California	5.323	5.203	5.053	▼ -0.150	▲ 1.516

Source: U.S. Energy Information Administration

Regionally, prices are beginning to vary. The Gulf Coast continues to boast the lowest price at \$4.00 and the West Coast the highest at \$5.40. All regions are experiencing a price decrease.

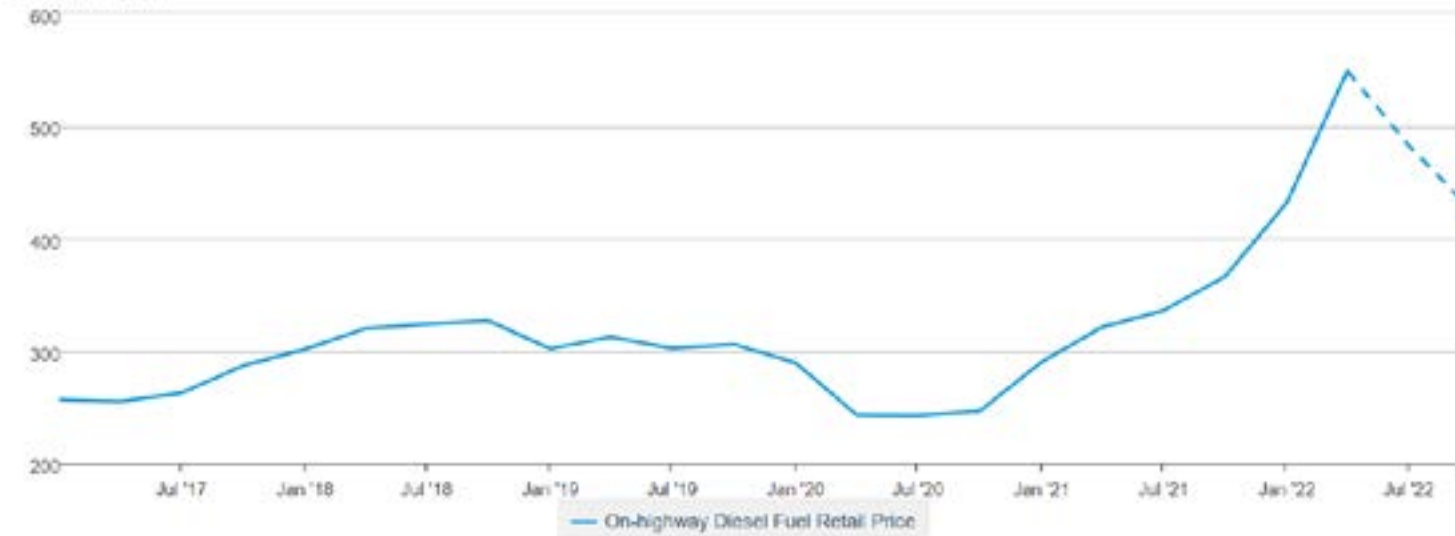
*prices include all taxes

Diesel

Trends & Forecast

On-highway Diesel Fuel Retail Price

cents per gallon



Source: U.S. Energy Information Administration

EIA is estimating that diesel price has peaked towards in the middle of Q2 and will drop slowly throughout 2022.

Diesel

Regional Breakdown

U.S. On-Highway Diesel Fuel Prices* (dollars per gallon)

	07/04/22	07/11/22	07/18/22	Change from	
				week ago	year ago
U.S.	5.675	5.568	5.432	▼ -0.136	▲ 2.088
East Coast (PADD1)	5.713	5.600	5.467	▼ -0.133	▲ 2.155
New England (PADD1A)	5.919	5.820	5.693	▼ -0.127	▲ 2.442
Central Atlantic (PADD1B)	5.964	5.865	5.740	▼ -0.125	▲ 2.262
Lower Atlantic (PADD1C)	5.597	5.479	5.340	▼ -0.139	▲ 2.129
Midwest (PADD2)	5.647	5.542	5.409	▼ -0.133	▲ 2.145
Gulf Coast (PADD3)	5.330	5.217	5.083	▼ -0.134	▲ 2.000
Rocky Mountain (PADD4)	5.732	5.674	5.546	▼ -0.128	▲ 1.912
West Coast (PADD5)	6.389	6.285	6.116	▼ -0.169	▲ 2.187
West Coast less California	6.036	5.941	5.768	▼ -0.173	▲ 2.170

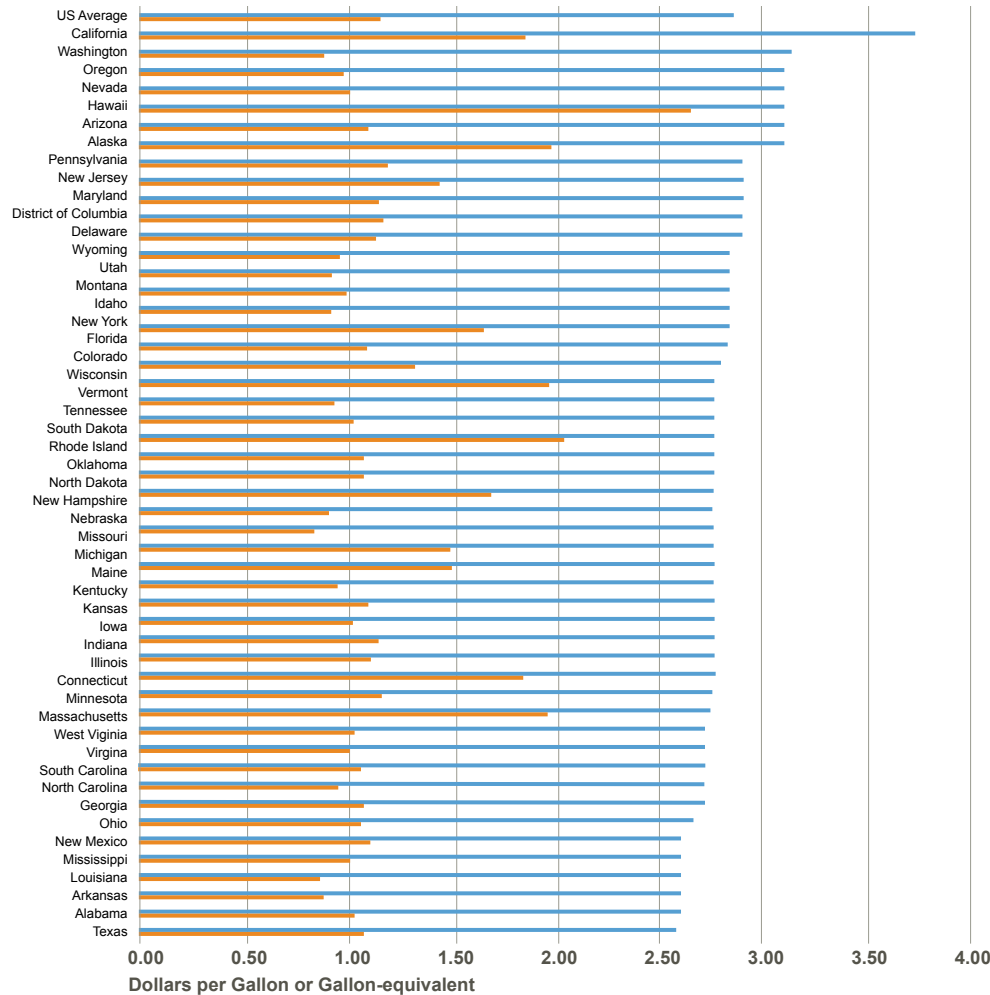
Source: U.S. Energy Information Administration

All areas are down from the end of Q2. The highest increase over the same time last year is New England.

*prices include all taxes

Electric

Average Price per Gallon of Gasoline and an eGallon



The U.S. Department of Energy has coined a new term, the eGallon. It's defined as the cost of fueling an electric vehicle compared to a similar gasoline-powered vehicle.

According to the most recent data from March 2021, the U.S average of an electric eGallon is \$1.16. Contrastingly, the regular gasoline vehicle costs \$2.85. That's a 60% decrease.

Energy prices for electric motors will likely continue to fluctuate until electric vehicles saturate the U.S. market. However, it's still expected to be a less costly fuel source than gasoline. Additionally, with the variety of solar and wind energy sources increasing, electricity prices will be less dependent on market conditions.

■ Gasoline
■ eGallon

Source: U.S. Department of Energy, March 31, 2021



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