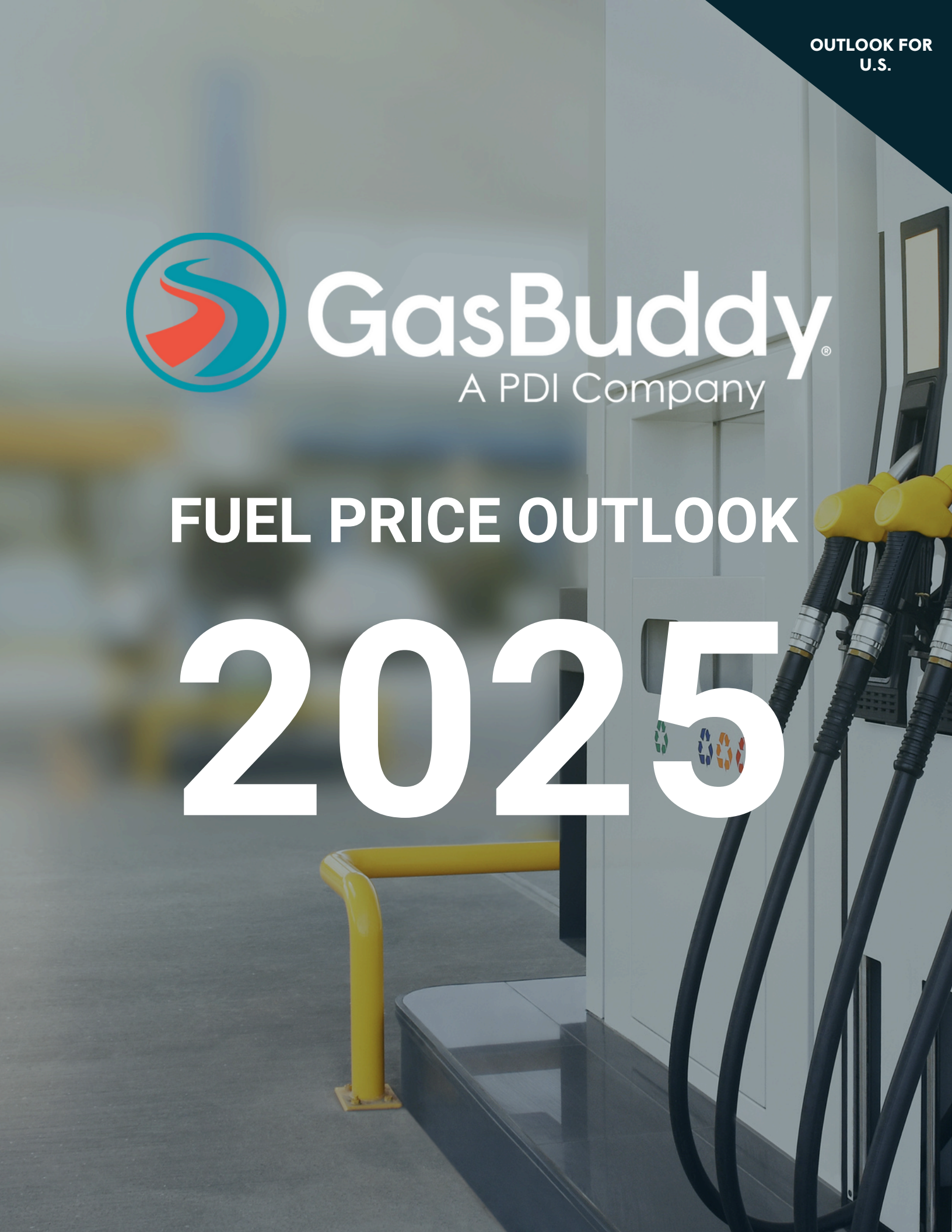




GasBuddy[®]
A PDI Company

FUEL PRICE OUTLOOK

2025



SUMMARY

About Our Annual Outlook

Accuracy, reliability, and neutrality are GasBuddy's mission when price forecasting, and it's achieved with the independent analysis featured in this 2025 Fuel Price Outlook. Note that this outlook speculates potential impacts of production, supply and demand changes, and a change in leadership in Washington.

With a new White House administration, uncertainties over policies such as tariffs and geopolitical tensions arise. This uncertainty, as well as the fluid state of the global economy, fiscal policy by central banks to tame inflation, and the timing of interest rate cuts could alter the direction of the economy, shifting fundamentals in significant ways.

Fuel markets are complex. This analysis is intended to take current factors and speculate on how events may impact gasoline prices in the future. GasBuddy works to make these forecasts as reliable as possible and to be understood by anyone with little to no background in oil and petroleum markets or economics.



Outlook assembled by

Patrick De Haan, head of petroleum analysis, has been called one of the most accurate fuel forecasters in the U.S. by the *San Jose Mercury News*. He has nearly two decades of experience analyzing fuel markets and has earned recognition as one of the most accurate forecasters of gas prices in the U.S. His insights are frequently sought after by media outlets to explain trends in fuel pricing, market volatility, and energy policies. De Haan is also a co-host of *Over a Barrel*, a podcast exploring the dynamics of the fuel industry and its impact on consumers.

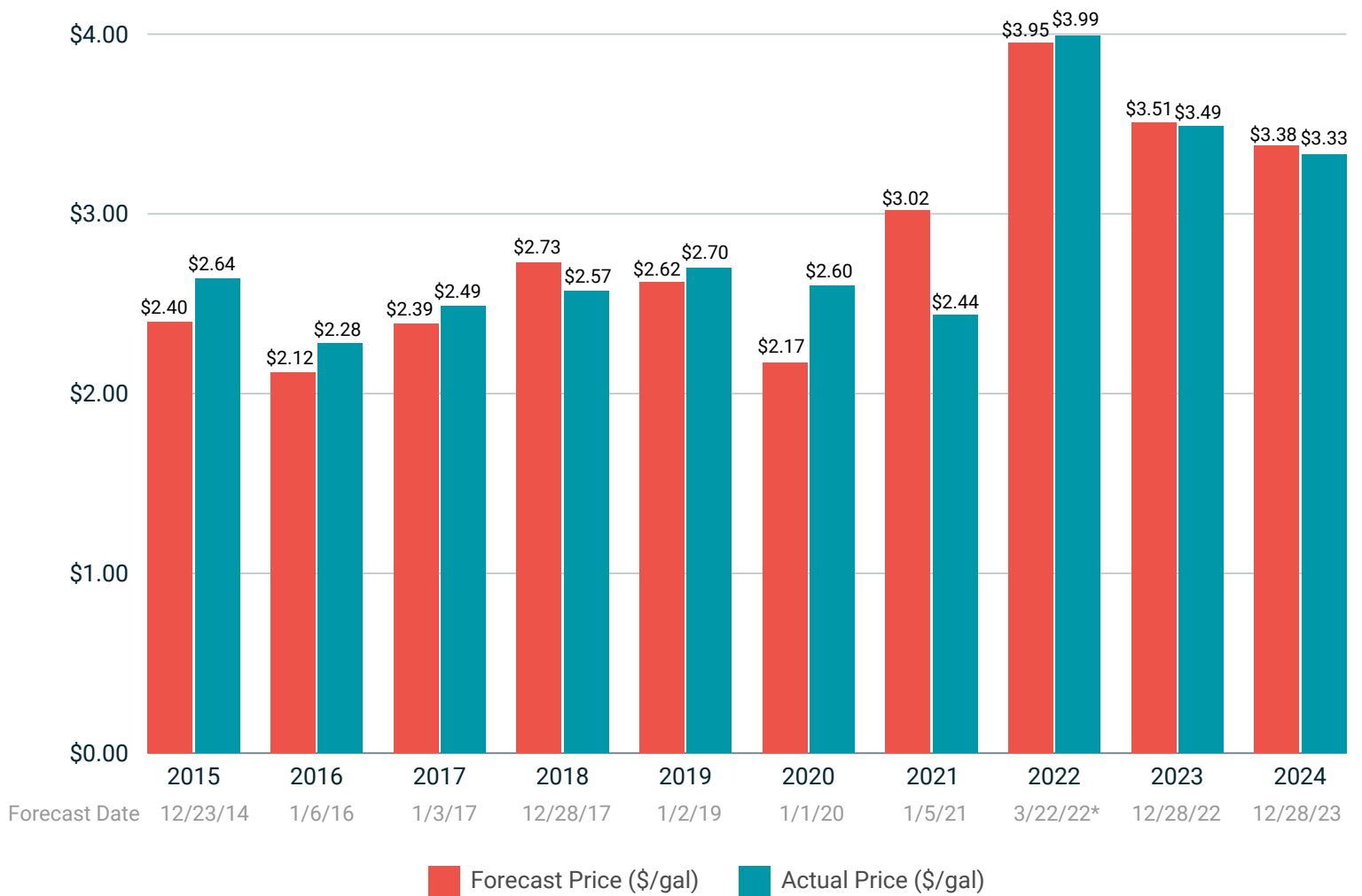
Follow GasBuddy



GasBuddy Fuel Price Outlook Accuracy

To provide transparency about the accuracy of our Fuel Price Outlook, included are the outcomes of prior forecasts. GasBuddy’s 2024 forecast saw one of the lowest margins of error since we began our forecasts in 2012, with a margin of error of 1.48%. Our 2024 Outlook was released December 28, 2023, projecting prices as far out as 369 days once it was publicly released. Since 2012, GasBuddy’s forecast has been above the actual outcome nine of twelve years, with three years (2018, 2021, and 2023) in which the forecast was lower than the actual outcome. 2024’s Outlook saw the third lowest margin of error of any yearly outlook issued by GasBuddy, with continued uncertainty over Russia’s war on Ukraine, as well as a global economy that started to see various central banks lower interest rates as inflation rates cool.

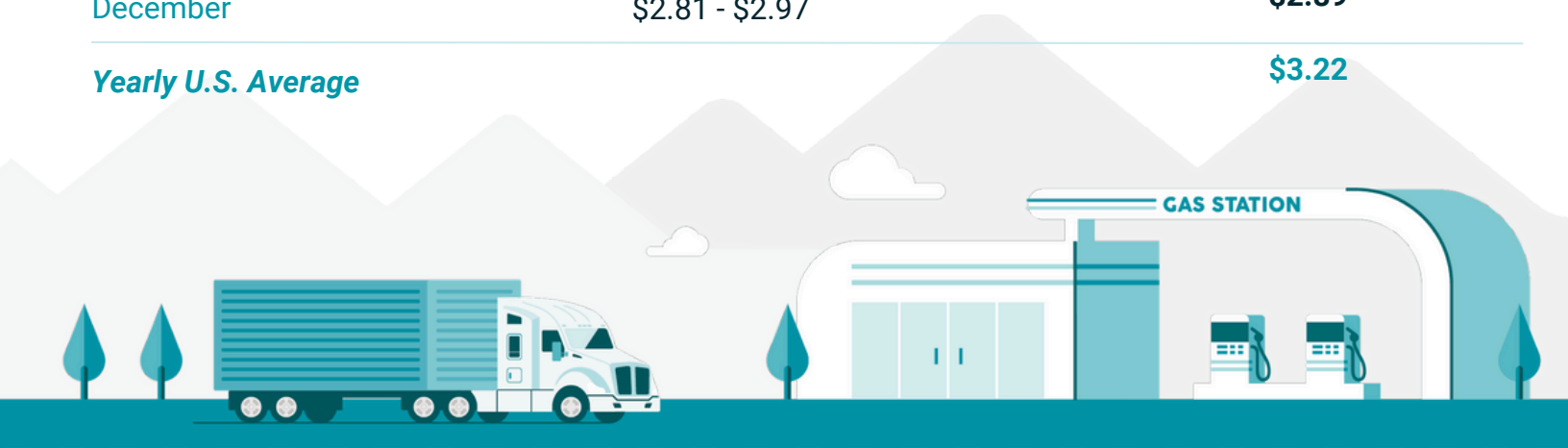
GasBuddy Yearly Fuel Price Outlook, Forecast vs. Actual



2025 Gasoline Forecast

National Average

	Range of Possible	Average
January	\$2.92 - \$3.19	\$3.06
February	\$2.94 - \$3.28	\$3.11
March	\$3.18 - \$3.41	\$3.30
April	\$3.24 - \$3.67	\$3.46
May	\$3.34 - \$3.55	\$3.45
June	\$3.27 - \$3.48	\$3.38
July	\$3.21 - \$3.39	\$3.30
August	\$3.19 - \$3.56	\$3.38
September	\$3.07 - \$3.29	\$3.18
October	\$2.98 - \$3.21	\$3.10
November	\$2.89 - \$3.14	\$3.02
December	\$2.81 - \$2.97	\$2.89
Yearly U.S. Average		\$3.22

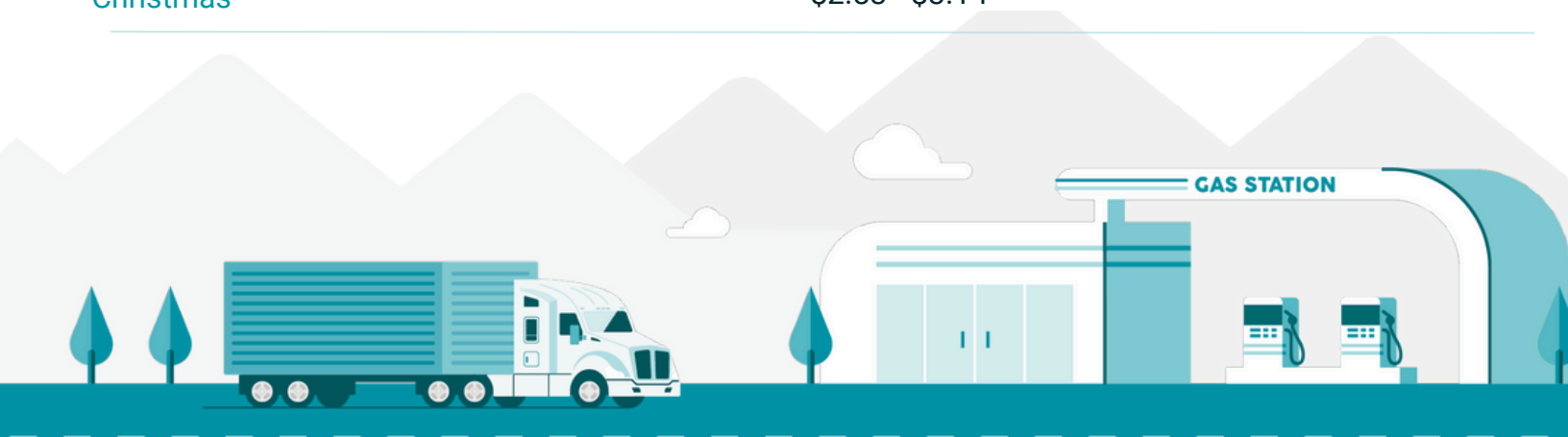


The above table reflects the predicted U.S. national average by month. Individual states will vary based on their location and taxes. California, for example, tends to be considerably higher than average while states like Texas and Oklahoma are considerably lower. Numbers reflect the lowest and highest likely daily national average price in the given month, with the predicted monthly average in bold. (\$/gal)

2025 Gasoline Forecast: Select Holidays

National Average

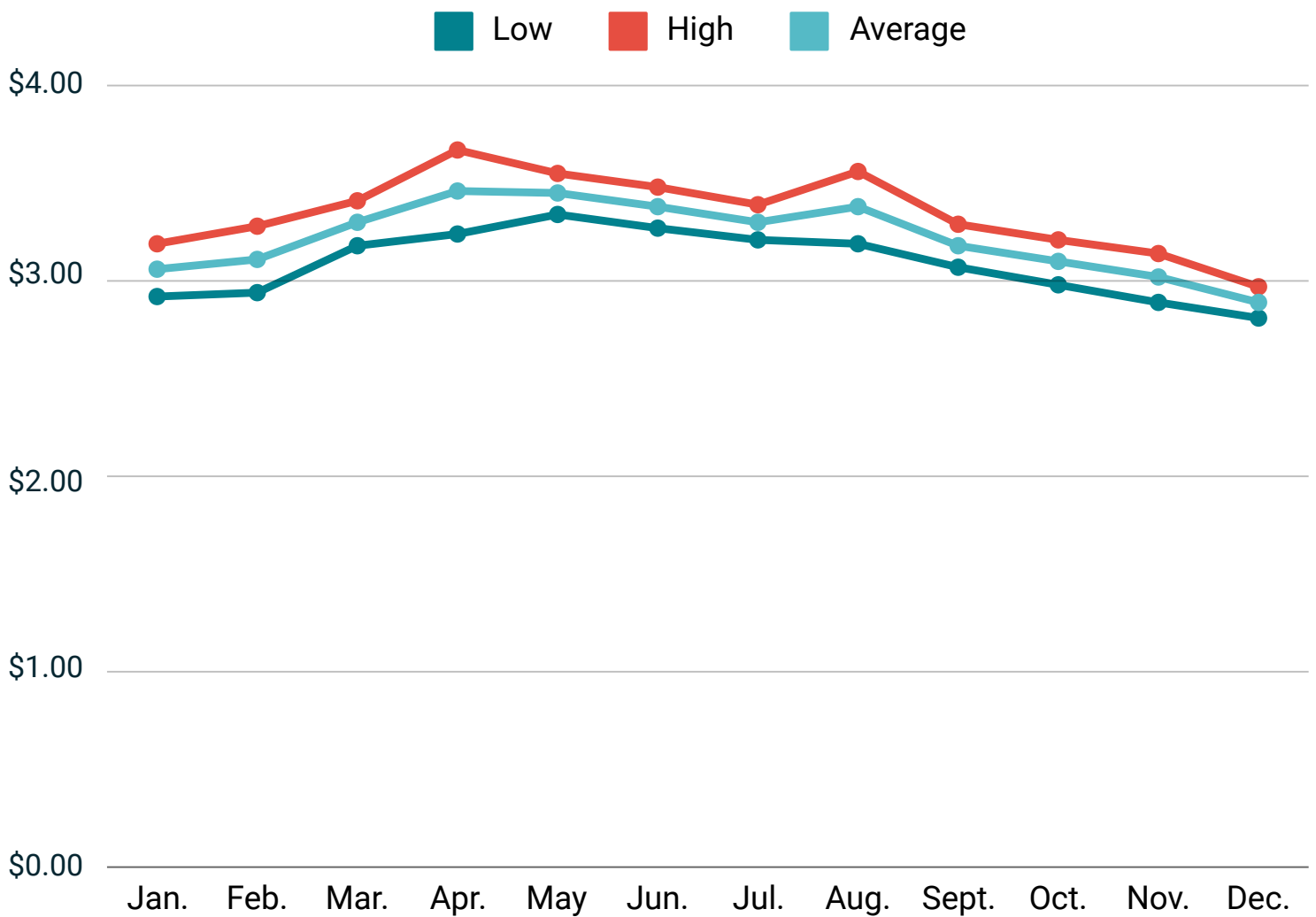
	Range of Possible	Confidence Level
New Year's Day	\$2.92 - \$3.13	95%
Martin Luther King, Jr. Day	\$2.97 - \$3.18	85%
President's Day	\$3.09 - \$3.28	75%
Easter	\$3.44 - \$3.72	70%
Memorial Day	\$3.38 - \$3.68	75%
July Fourth	\$3.31 - \$3.58	80%
Labor Day	\$3.26 - \$3.69	65%
Columbus Day	\$3.13 - \$3.34	70%
Halloween	\$3.03 - \$3.25	75%
Veterans Day	\$2.95 - \$3.21	80%
Thanksgiving	\$2.89 - \$3.18	80%
Christmas	\$2.83 - \$3.14	75%



The above table reflects the predicted U.S. national average by month. Individual states will vary based on their location and taxes. California, for example, tends to be considerably higher than average while states like Texas and Oklahoma are considerably lower. Numbers reflect the lowest and highest likely daily national average price in the given month, with the predicted monthly average in bold. (\$/gal)

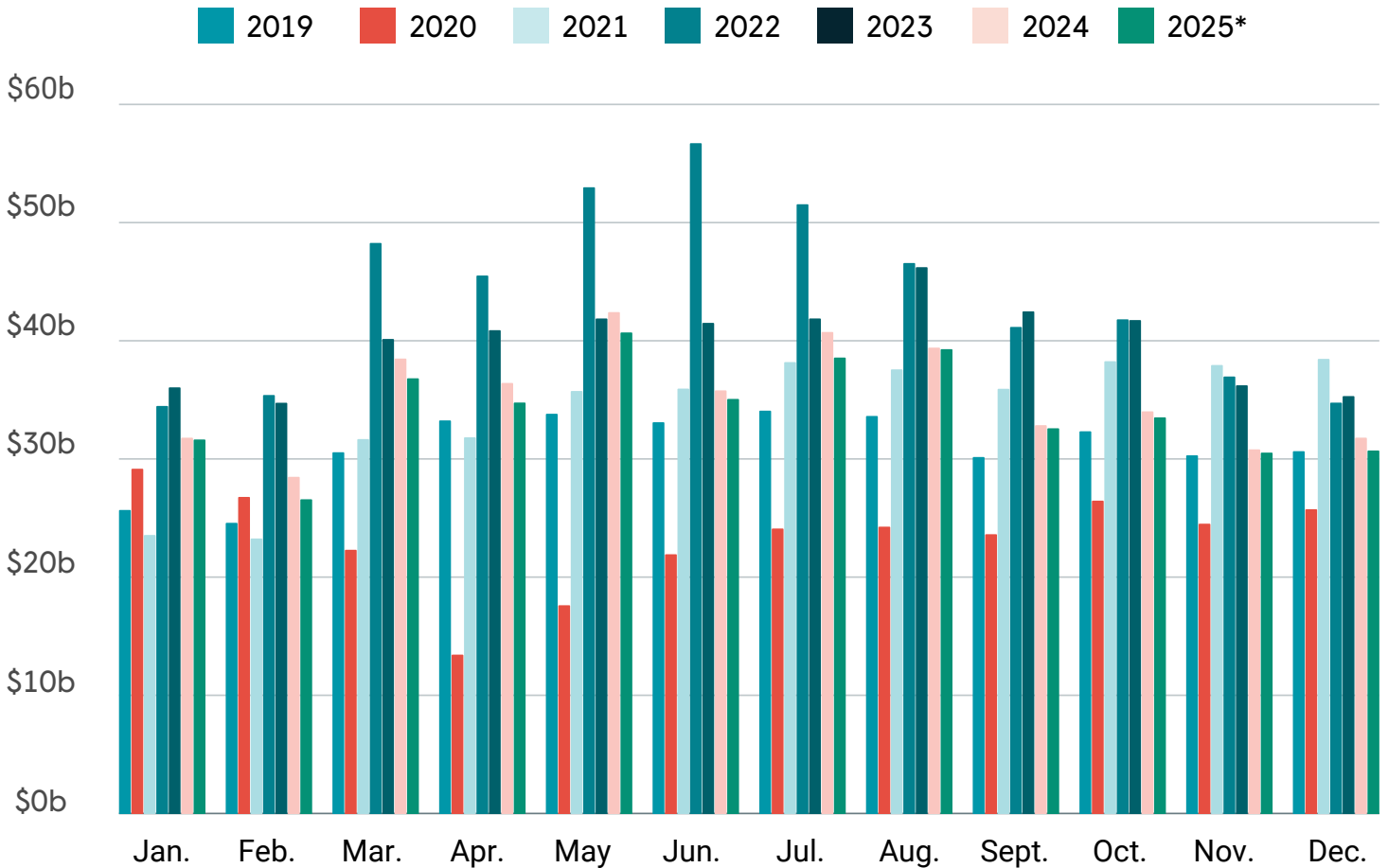
2025 Gasoline Forecast

National Average



2025 Gasoline Forecast

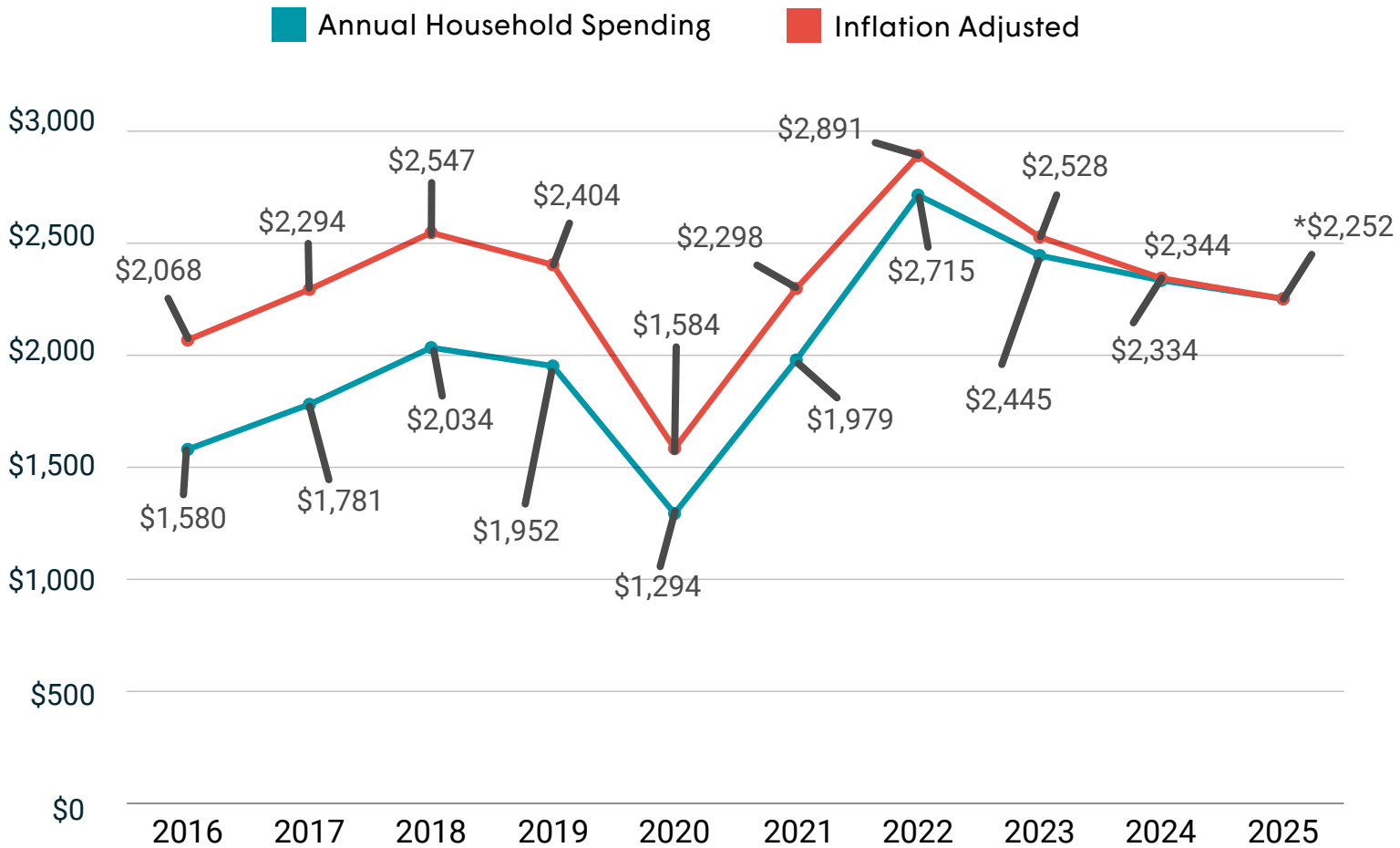
Monthly Spending on Gasoline 2019-2024, 2025*
 (*projected, in billions)



2025 Projected Total U.S. Gasoline Spending: \$410.8 billion			
2019	\$372.2 billion	2022	\$526.3 billion
2020	\$280.0 billion	2023	\$479.2 billion
2021	\$408.4 billion	2024	\$423.1 billion

2025 Gasoline Forecast

Yearly Household Spending on Gasoline
(*projected)



2025 Projected Average Household Gasoline Spending: \$2,252					
2016	\$1,580	2019	\$1,952	2022	\$2,715
2017	\$1,781	2020	\$1,294	2023	\$2,445
2018	\$2,034	2021	\$1,979	2024	\$2,234

Highest Daily Average Gas Price, Select Cities: 2025

City	Highest Daily Average
Atlanta	\$3.41 - \$3.65
Boston	\$3.57 - \$3.89
Chicago	\$4.03 - \$4.49
Cleveland	\$3.61 - \$3.86
Dallas/Ft. Worth	\$3.40 - \$3.64
Denver	\$3.41 - \$3.65
Detroit	\$3.67 - \$3.93
Houston	\$3.12 - \$3.34
Los Angeles	\$5.13 - \$5.82
Miami	\$3.61 - \$3.86
Minneapolis	\$3.38 - \$3.62
New York City	\$3.73 - \$3.99
Orlando	\$3.60 - \$3.85
Philadelphia	\$3.68 - \$3.95
Phoenix	\$4.28 - \$4.59
Sacramento	\$5.11 - \$5.73
San Francisco	\$5.32 - \$5.96
Seattle	\$4.87 - \$5.14
St. Louis	\$3.49 - \$3.74
Tampa	\$3.60 - \$3.85
Washington, DC	\$3.65 - \$3.93



Yearly State Average: 2025

State	2025 Average (\$/gal)		
Alabama	\$2.82-\$3.18	Montana	\$3.12-\$3.51
Alaska	\$3.59-\$4.04	Nebraska	\$2.92-\$3.29
Arizona	\$3.32-\$3.73	Nevada	\$3.80-\$4.28
Arkansas	\$2.77-\$3.11	New Hampshire	\$3.05-\$3.43
California	\$4.50-\$5.07	New Jersey	\$3.06-\$3.44
Colorado	\$2.95-\$3.32	New Mexico	\$2.92-\$3.29
Connecticut	\$3.17-\$3.56	New York	\$3.22-\$3.63
Delaware	\$3.08-\$3.47	North Carolina	\$2.97-\$3.34
Florida	\$3.12-\$3.51	North Dakota	\$2.96-\$3.33
Georgia	\$2.98-\$3.35	Ohio	\$3.06-\$3.45
Hawaii	\$4.40-\$4.95	Oklahoma	\$2.70-\$3.04
Idaho	\$3.25-\$3.66	Oregon	\$3.68-\$4.14
Illinois	\$3.42-\$3.84	Pennsylvania	\$3.33-\$3.75
Indiana	\$3.13-\$3.53	Rhode Island	\$3.06-\$3.44
Iowa	\$2.92-\$3.28	South Carolina	\$2.85-\$3.21
Kansas	\$2.82-\$3.17	South Dakota	\$2.91-\$3.27
Kentucky	\$2.92-\$3.29	Tennessee	\$2.80-\$3.15
Louisiana	\$2.75-\$3.09	Texas	\$2.76-\$3.10
Maine	\$3.13-\$3.52	Utah	\$3.20-\$3.61
Maryland	\$3.18-\$3.58	Vermont	\$3.16-\$3.55
Massachusetts	\$3.10-\$3.49	Virginia	\$3.06-\$3.44
Michigan	\$3.20-\$3.60	Washington	\$3.98-\$4.48
Minnesota	\$2.98-\$3.35	West Virginia	\$3.07-\$3.45
Mississippi	\$2.69-\$3.03	Wisconsin	\$2.97-\$3.34
Missouri	\$2.86-\$3.22	Wyoming	\$2.98-\$3.35

Forecasting Volatility

The volatility of fuel prices remains a critical topic in economic and energy discussions, with a range of factors influencing the unpredictable nature of global and domestic fuel markets. Geopolitical tensions, changes in U.S. presidential administrations, seasonal disruptions and structural industry challenges all contribute to the fluctuating prices consumers experience at the pump. These factors do not operate in isolation but often intersect, amplifying their effects on the economy and consumer behavior.

Geopolitical Tensions and Fuel Price Volatility

One of the most significant drivers of fuel price volatility is geopolitical tension. Oil markets are highly sensitive to global events, particularly those occurring in major oil-producing regions. For example, conflicts in the Middle East, such as those involving Iran or Saudi Arabia, can threaten the stability of oil supply routes, like the Strait of Hormuz, through which a significant percentage of the world's oil is transported. Disruptions or even the threat of conflict in such regions can cause oil prices to spike as markets react to potential supply shortages.

In addition, geopolitical sanctions imposed on oil-exporting nations, such as Russia or Venezuela, can limit global oil supply. The recent sanctions on Russian oil following its invasion of Ukraine, for instance, caused widespread disruptions in global energy markets, forcing many nations to seek alternative sources. This created upward pressure on prices as demand outpaced available supply, further illustrating how political actions reverberate across fuel markets.

Influence of U.S. Presidential Policies

The transition to a new U.S. president can bring policy shifts, but their direct influence on oil markets is often overstated. U.S. oil companies primarily follow market economics, such as global supply-demand balances and profit potential, rather than presidential directives. Policies emphasizing renewable energy or stricter environmental regulations may affect long-term investment trends but have limited short-term impact on domestic oil production. For example, while President Biden's administration has prioritized climate initiatives, U.S. oil production has remained resilient due to favorable market conditions.

Continued on the next page

Forecasting Volatility

However, some presidential decisions can have targeted impacts. For instance, President-elect Trump's potential tariffs on Canada and Mexico could disrupt critical supply chains and create significant economic consequences if implemented. Similarly, decisions to release oil from or replace oil to the Strategic Petroleum Reserve (SPR) may provide only temporary relief, as the SPR has a finite capacity, and its impact on global prices fades over time. OPEC policies, rather than U.S. presidential actions, typically wield greater influence on oil and gas prices. While presidential diplomacy with OPEC could be a factor in future policy considerations, OPEC ultimately prioritizes its own interests over those of the U.S.

Seasonal Factors: Hurricane Season and Refinery Constraints

Seasonal disruptions, particularly those associated with hurricane season, add another layer of unpredictability to fuel prices. The U.S. Gulf Coast is home to a significant concentration of oil refineries and infrastructure. Hurricanes can force refineries to shut down, disrupt production, and damage critical infrastructure, causing temporary supply shortages. For example, Hurricane Harvey in 2017 led to widespread refinery closures along the Gulf Coast, which resulted in a rapid increase in gasoline prices across the country.

The aging infrastructure of U.S. refineries also exacerbates this volatility. Many refineries operate at or near capacity, leaving little room to adjust to sudden disruptions. Maintenance issues, unexpected breakdowns, or delays in upgrading facilities can reduce output, further tightening the supply-demand balance. On the global stage, however, refining capacity has improved in recent years. Major projects in Asia and the Middle East have added significant capacity. Saudi Arabia's Jazan refinery and China's Zhejiang Petrochemical have contributed to this growth, helping to offset reductions in U.S. refining capacity and easing global supply constraints.

Current Events and Economic Volatility

Current events, such as pandemics, wars, or economic downturns, further influence fuel markets. The COVID-19 pandemic provides an impactful example. The initial lockdowns in 2020 caused a collapse in demand for oil, leading to historically low prices and even temporary negative oil prices as storage facilities filled up. However, the subsequent economic recovery saw a rapid rebound in demand, outpacing supply and causing prices to surge.

Continued on the next page

Forecasting Volatility

Similarly, economic instability, such as inflation or recessions, can indirectly impact fuel prices. High inflation erodes consumer purchasing power, potentially reducing demand for fuel. Conversely, during periods of robust economic growth, increased industrial activity and consumer travel can drive up demand and prices.

Less Predictable Factors: Market Speculation and Global Transitions

Beyond these more tangible influences, speculative trading in oil markets adds another dimension of unpredictability. Traders often react to news or anticipated events, sometimes driving prices higher or lower in ways that deviate from fundamental supply-demand dynamics. For instance, fears of a recession may lead traders to sell oil futures, pushing prices down, even if immediate demand remains strong.

Global energy transitions, such as the shift toward renewable energy and the adoption of electric vehicles (EVs), also contribute to long-term uncertainties. While these transitions are expected to reduce reliance on fossil fuels, the pace of adoption and the ability of renewables to meet growing energy demands remain uncertain. In the short term, these transitions can create volatility as markets adjust to changing energy landscapes.

Content continues on next page

2025 Diesel Forecast

National Average

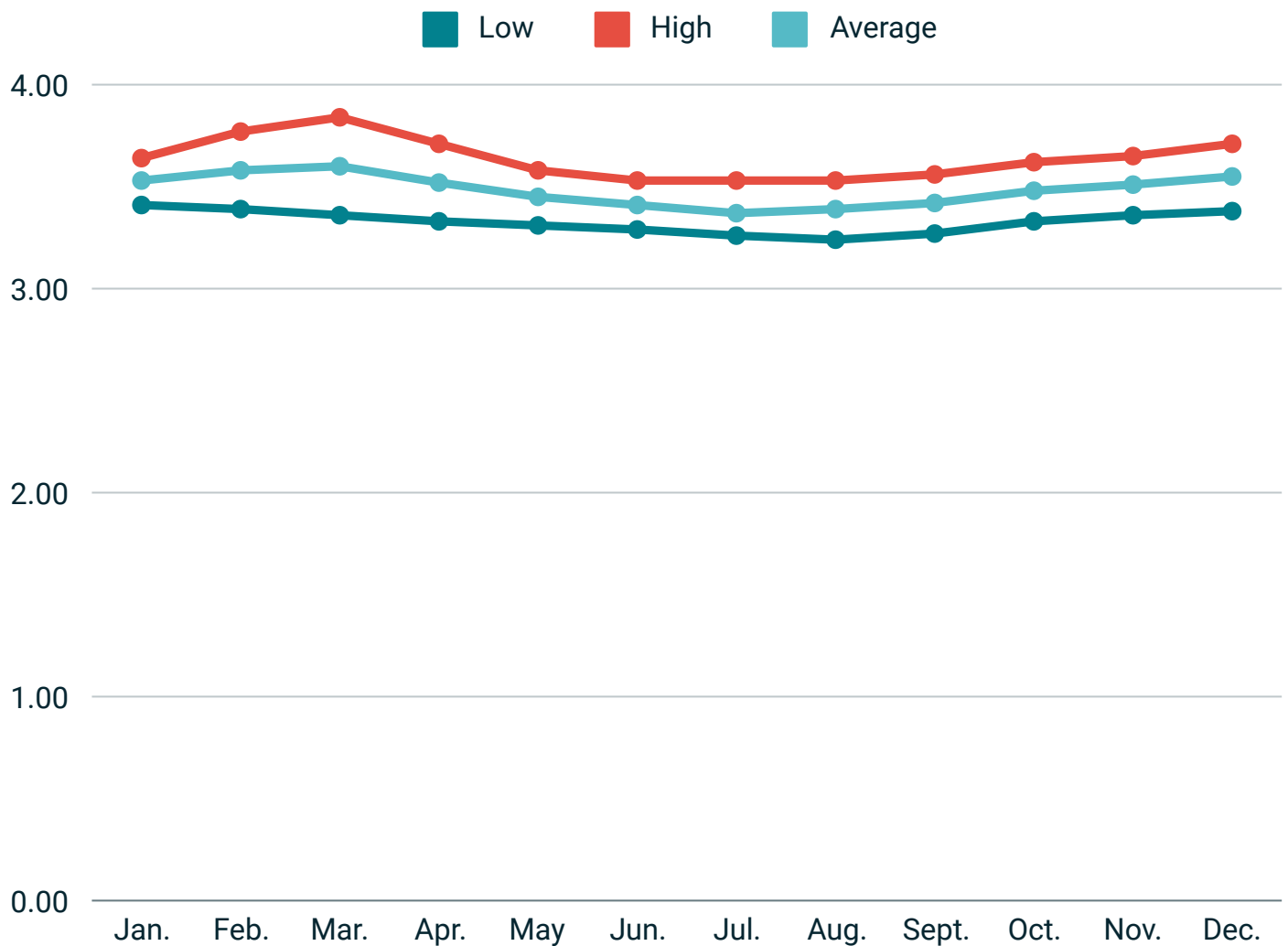
	Range of Possible	Average
January	\$3.41 - \$3.64	\$3.53
February	\$3.39 - \$3.77	\$3.58
March	\$3.36 - \$3.84	\$3.60
April	\$3.33 - \$3.71	\$3.52
May	\$3.31 - \$3.58	\$3.45
June	\$3.29 - \$3.53	\$3.41
July	\$3.26 - \$3.53	\$3.37
August	\$3.24 - \$3.53	\$3.39
September	\$3.27 - \$3.56	\$3.42
October	\$3.33 - \$3.62	\$3.48
November	\$3.36 - \$3.65	\$3.51
December	\$3.38 - \$3.71	\$3.55
Yearly U.S. Average		\$3.48



The above table reflects the predicted U.S. national average. Individual states will vary based on their location and taxes. California, for example, tends to be considerably higher than average, while states like Texas and Oklahoma are considerably lower. Numbers reflect the lowest and highest likely daily national average price in the given month, with the predicted monthly average in bold. (\$/gal)

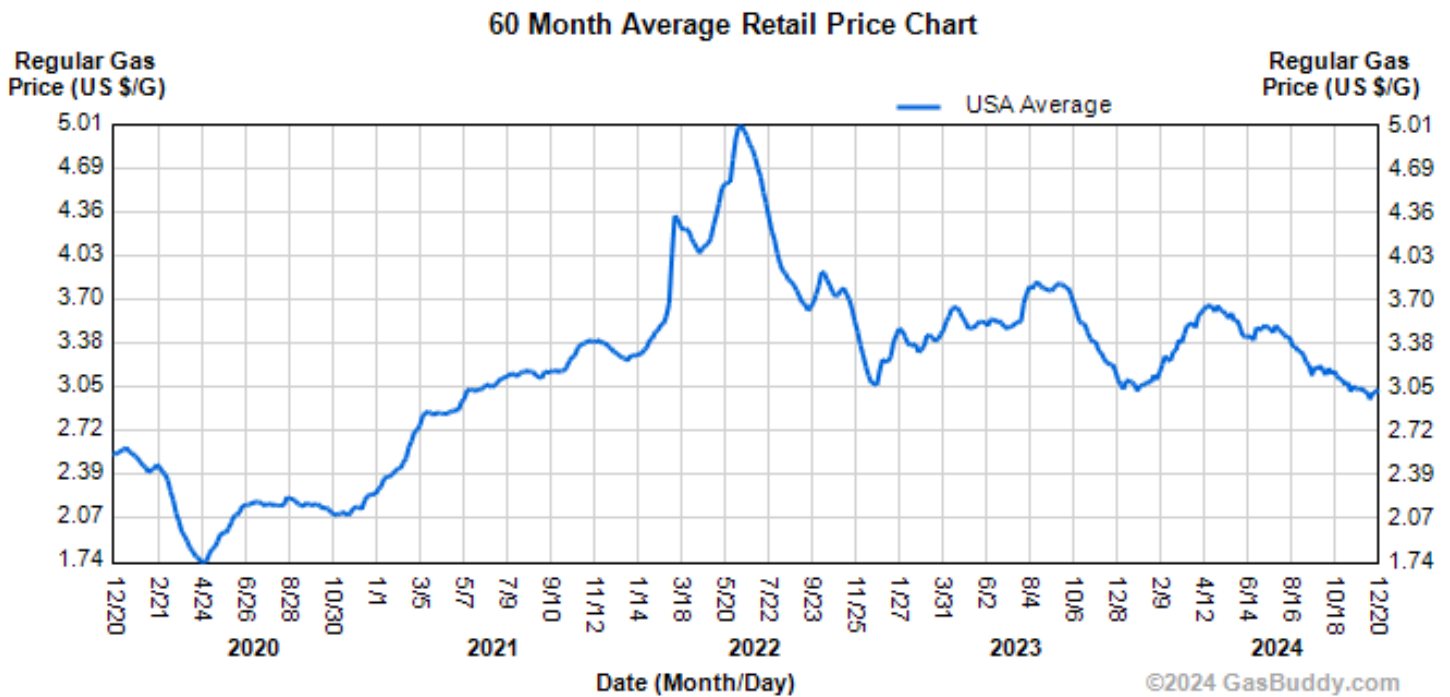
2025 Diesel Forecast

National Average (Diesel)



2025 Fuel Outlook Commentary

As we transition into 2025, energy markets face a mix of economic recovery, geopolitical uncertainty, and evolving energy dynamics. While the global economy is on a modest recovery path, external factors such as shifting U.S. foreign policies, OPEC’s crude production strategies, and the globally accelerating energy transition create a complex outlook for oil and refined products.



The global economy is expected to grow in 2025, with the International Monetary Fund projecting GDP growth of 3.0%-3.5%, driven primarily by emerging markets. In the U.S., the Federal Reserve's expected interest rate cuts in early 2025 could stimulate consumption and industrial activity, though inflationary pressures remain subdued after peaking in prior years. A strengthening global economy could lift energy demand, particularly for transportation and industrial sectors, though the impact may be tempered by the continued rise of electric vehicles (EVs) and energy efficiency measures.

2025 Fuel Outlook Commentary

Shifts in U.S. Energy Policy Under President-Elect Trump

President-elect Donald Trump’s return to the White House brings a fresh wave of uncertainty to energy markets. His campaign promises to scale back environmental regulations and promote domestic fossil fuel production could accelerate drilling and oil output. At the same time, potential shifts in foreign policy—such as his expressed skepticism of NATO and confrontational rhetoric toward allies and trade partners—introduce risks of destabilizing global markets. A fracturing of relations within NATO or strained ties with key trading partners such as Canada or Mexico could disrupt crude and refined product trade flows, heightening price volatility.

Trump’s cabinet, likely to prioritize fossil fuels over renewable energy, marks a stark departure from the Biden administration’s focus on energy transition policies. Federal incentives for renewable energy, EVs, and clean technologies could see significant rollbacks, slowing the pace of decarbonization efforts. This divergence could also create policy uncertainty, discouraging long-term investments in clean energy infrastructure while emboldening traditional energy sectors like coal and oil.



2025 Fuel Outlook Commentary

Geopolitical Stability

Geopolitical risks remain high as we enter 2025, with key regions such as the Middle East and Europe presenting significant challenges. While sanctions on Russian energy exports continue to affect European supply chains, the potential easing of OPEC+ production cuts could offset tight market conditions. However, uncertainty surrounding Trump’s foreign policy stance—including potential challenges to NATO cohesion or trade tariffs—raises the risk of new supply disruptions. A reduction in U.S. commitments to international alliances could embolden adversarial nations, increasing the likelihood of geopolitical flashpoints that impact global energy markets.

Refining Dynamics

Rather than focusing on capacity expansions, the refining sector in 2025 is likely to contend with operational challenges stemming from global policy and market trends. Environmental regulations, particularly in Europe and Asia, are pushing refiners to reduce emissions and invest in cleaner technologies, which could marginally raise costs. In the U.S., refineries are poised to benefit from continued demand for fossil fuels under Trump’s administration, though uncertainty around federal emissions standards may deter significant capital investments in modernization.

Globally, refiners face the challenge of adapting to shifting product demand as EV adoption continues to reduce gasoline consumption in developed markets. Diesel demand, however, is expected to remain robust due to its use in freight and industrial sectors. The Asia-Pacific region will dominate refinery expansion in 2025, with India and China adding capacity to meet growing domestic and export demand.

The Role of Emerging Markets

Emerging markets remain a key factor in global energy demand. China, India, and Southeast Asian nations are projected to account for nearly 70% of global demand growth in 2025, according to the International Energy Agency (IEA). While this growth supports global oil prices, it also increases competition for refined products, potentially straining supply chains.

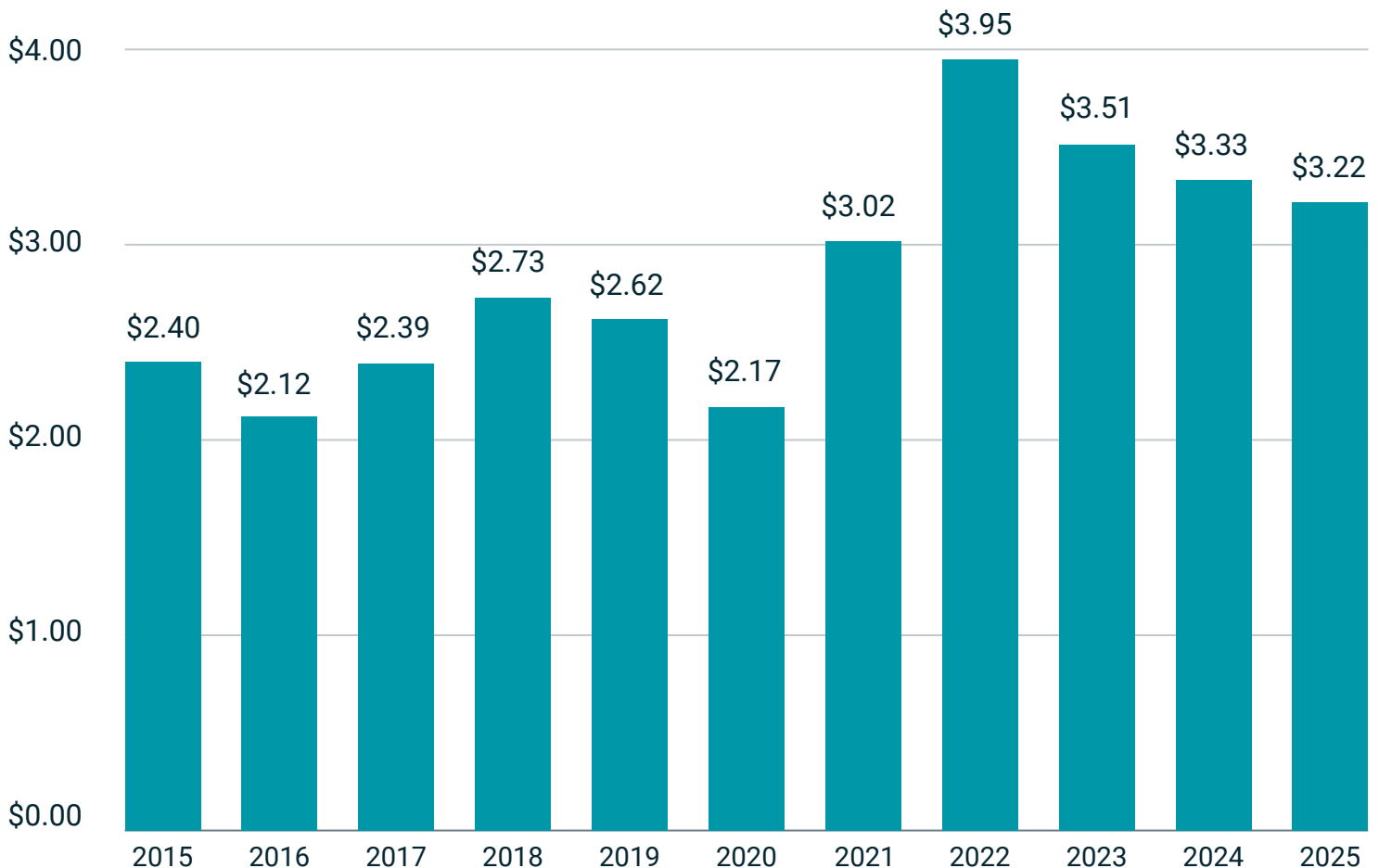
2025 Fuel Outlook Commentary

Market Outlook for 2025

GasBuddy projects that the yearly national average in 2025 will be **\$3.22 per gallon**. The month of January (2025) will see the lowest prices at an average of \$3.06 per gallon, while April could average around \$3.46 per gallon, with a possibility, albeit brief, that the national average could touch \$3.67 per gallon before receding.

On a yearly basis, a total of nearly \$411 billion will be spent on gasoline in the United States, down over \$12 billion from the \$423.1 billion spent in 2024, and over \$115 billion less than 2022, when the economy was surging as the pandemic eased and Russia invaded Ukraine.

Yearly U.S. National Average Price of Gasoline:



2025 Fuel Outlook Quotes



"As we look toward 2025, the buzzword of 'energy independence' will undoubtedly be a political talking point, but the truth remains the same: the fundamentals of supply and demand—not policy promises—drive the energy market. The U.S. continues to break records in crude oil production, and while the SPR has been partially replenished, its influence on prices remains minimal. It's crucial to focus less on rhetoric and more on the global interplay of refining capacity, OPEC decisions, and economic growth to understand where fuel prices are headed."

– Patrick De Haan, Head of Petroleum Analysis

"Geopolitical uncertainties loom large as President-elect Trump takes office, with potential shifts in global alliances and trade relations—such as NATO and trade with Canada and Mexico—adding layers of risk to energy markets. Meanwhile, OPEC+ nations remain the key players influencing oil prices, with their production cuts continuing to outsize any individual country's policy impact. 2025 could be another year of fragile stability, with markets watching closely for Trump's energy policies and their potential to disrupt progress on the energy transition made under the previous administration."

– Patrick De Haan, Head of Petroleum Analysis

"While the EV transition remains in focus, the pace of change will depend on economic realities for most Americans. EV adoption continues to face hurdles: high upfront costs, limited charging infrastructure, and uncertainty about battery longevity. Coupled with anticipated shifts in federal policy under the new administration, 2025 could see slower growth in EV sales than recent years. Affordable liquid fuels will likely remain the dominant choice for consumers, particularly as global refining capacity expands to meet demand."

– Patrick De Haan, Head of Petroleum Analysis

"With global refining capacity steadily improving, 2025 should see some stability in fuel markets. However, volatility is always lurking—whether from extreme weather, unexpected outages, or geopolitical shocks. A warming global economy, particularly in emerging markets, could push demand higher than anticipated, testing the limits of refining capacity. That said, I expect 2025 to bring relative calm compared to the chaos of recent years, with U.S. gas and diesel prices likely to remain well below the record highs of the past."

– Patrick De Haan, Head of Petroleum Analysis

ABOUT GASBUDDY

GasBuddy is the leading fuel savings platform providing North American drivers with the most ways to save money on gas. GasBuddy has delivered more than \$4 billion in cumulative savings to its users through providing real-time gas price information at 150,000+ stations, offering cash back rewards on purchases with brand partners, and through the Pay with GasBuddy™ fuel card that offers cents-off per gallon at virtually all gas stations across the U.S. As one of the most highly rated apps in the history of the App Store, GasBuddy has been downloaded over 100 million times. Acquired by PDI Technologies in 2021, GasBuddy's publishing and software businesses enable the world's leading fuel, convenience, QSR, and CPG companies to shorten the distance between the fueling public and their brands. For more information, visit www.gasbuddy.com.

Market-specific and other forecasts are available from GasBuddy for a nominal charge. GasBuddy has provided forecasts for large end-users as well as smaller businesses. Other such forecast or data inquiries can be made via the contact information below.

To sign up to receive weekly gas price updates, alerts, and other GasBuddy updates, email the contact below with your state or city and contact information.

Fuel Outlook Contact:

Patrick De Haan, Head of Petroleum Analysis

Email: pdehaan@gasbuddy.com | Phone: 773-644-1427

Follow GasBuddy



Follow PDI Technologies

