

SPACEHAWK GPS FUEL REPORT

Diesel Won't See \$5 Again Until Summer 2027.

Diesel just hit **\$6.28 a gallon**. The government says relief comes next year. We think that's wishful thinking. Here's where prices stand, why they're stuck, and the call we're making.

Our bold call. The U.S. diesel average stays above \$5 a gallon until at least July 2027.



\$6.28

U.S. average diesel, week of October 19

\$8.24

California average, the highest in the country

+\$2.66

More per gallon than the same week last year

Source: U.S. Energy Information Administration (EIA), weekly on-highway diesel prices, released October 20, 2026.

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RH**Ryan Horban, GPS Tracking Expert**

15+ years in GPS tracking · SpaceHawk GPS, Asset Protection 24/7

A NOTE FROM RYAN

Here in Southern California, diesel just crossed \$8.24 a gallon.

I've spent 15 years around GPS trackers and the people who run trucks, trailers and heavy equipment. For anyone running a diesel pickup, box truck or skid steer, fuel stopped being a line item. Fuel is the budget now.

So when does it come down? Honest answer, not as soon as the forecasts say. This report shows you why.

Ryan Horban

GPS Tracking Expert, SpaceHawk GPS

The 30-second version**WHERE WE ARE****Diesel is near record highs**

\$6.28 nationally and \$8.24 in California. September's \$6.53 was the highest weekly average EIA has ever posted.

WHY**Three supply shocks hit at once**

Iran keeps attacking ships near Hormuz. Ukraine's drones hit refineries making half of Russia's diesel. U.S. diesel stocks are the thinnest for October since 1982.

OUR CALL**No \$5 diesel before July 2027**

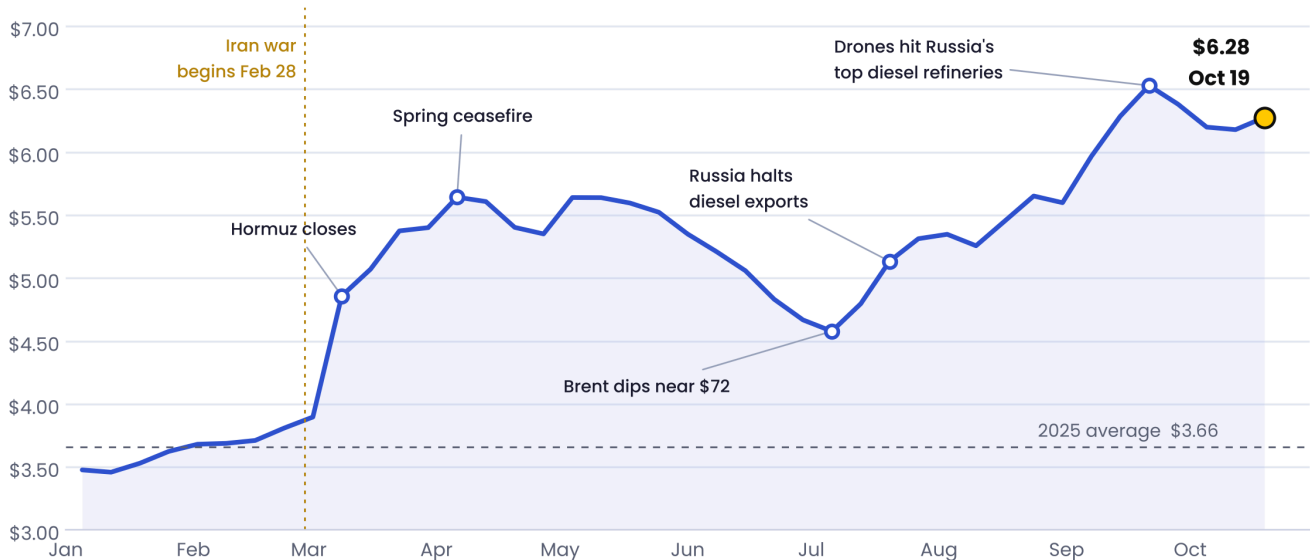
EIA says diesel averages \$4.49 next year. The futures market and empty storage tanks say otherwise. Budget for \$5 or more well into 2027.

PART 1 · WHERE THINGS STAND

Diesel Is Up 80% This Year

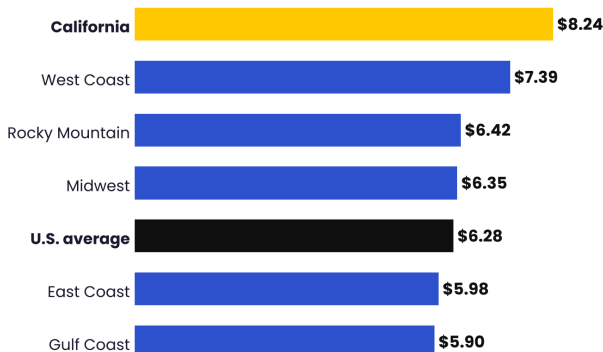
Diesel went from \$3.48 in January to \$6.28 this week. In September the average hit \$6.53, the highest weekly price in EIA's records.

U.S. on-highway diesel, weekly average, 2026



Source: EIA weekly retail diesel prices, January 5 to October 19, 2026. Event labels from Reuters, IEA and EIA reporting.

By region, week of October 19



California pays the most

California drivers pay \$2.34 more per gallon than the Gulf Coast. Refinery closures in Los Angeles and Benicia mean more of the state's diesel now arrives by ship.

Every region went up last week

After a short dip in early October, prices turned back up everywhere. The West Coast jumped 15 cents in one week.

+\$0.10

U.S. rise last week

\$5.90

Gulf Coast, the
cheapest region

PART 2 · WHY IT'S HAPPENING

Three Fires Under One Pump

Diesel is high because three separate problems are squeezing supply at once. Any one would push prices up. All three at once is why your fuel receipt looks like a car payment.

\$110

Brent crude on
October 20,
highest since May

1. The Iran war and the Strait of Hormuz

Hormuz is still the biggest swing factor for oil. EIA says Middle East crude shut-ins peaked near 10.9 million barrels a day in May. They were still 4.8 million in September.

- At least 18 ships were attacked in the Gulf over the past two weeks.
- EIA expects Gulf oil flows to stay limited through year end.

~60%

Share of capacity
Russia's refineries
are running at

2. Ukraine's drones and Russia's diesel

Ukraine has turned Russia's refineries into targets. Reuters reported in September that drones hit six plants making half of Russia's diesel. The Kirishi refinery shut down completely.

- Russia shipped about 2.6 million tonnes of diesel a month by sea before 2025. Seaborne exports have nearly stopped.
- Washington announced a deal for Russian diesel in October, then waived new Russia sanctions on October 16.
- Kyiv says the strikes continue anyway. One official told the Financial Times, "We will burn refineries."

28 days

Of U.S. diesel
supply on hand in
early October

3. Empty tanks at home

U.S. distillate stocks fell to 105.1 million barrels the week of October 2. That's 11% under the five-year average and the lowest for that week since EIA records began in 1982.

- East Coast stocks ran 32% below normal in September.
- Global diesel exports in September were 700,000 barrels a day below last year, per the IEA.

Cheaper crude won't refill diesel tanks. That's why diesel can stay high even if oil falls.

PART 3 · OUR BOLD PREDICTION

No \$5 Diesel Before July 2027

OUR CALL

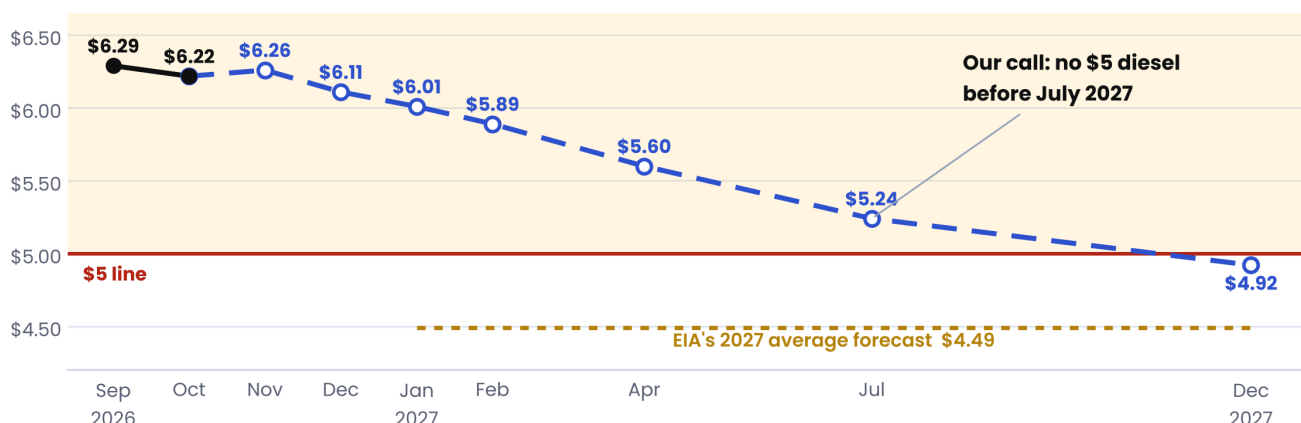
\$5+

through June 2027

We're calling it. The U.S. diesel average stays above \$5 a gallon until at least July 2027.

EIA's forecast averages \$4.49 for next year. We think that's too hopeful, and the market's own money backs us up.

Futures-implied pump price vs. the \$5 line



Black is actual (EIA). Blue dashed is the futures-implied pump price as of October 13. Energy News Beat adds a \$1.33 retail markup to NYMEX diesel futures. Gold is EIA's 2027 average forecast.

Three reasons we're making this call

1

Traders agree with us

Futures put the pump price near \$5.60 in April and \$5.24 in July. The implied price doesn't drop under \$5 until late 2027.

2

Empty tanks refill slowly

The IEA doesn't expect diesel stocks to rebuild before the second half of 2027. EIA sees East Coast stocks 20% to 30% below normal all winter.

3

Russia can't fill the gap

Russian refineries run near 60% of capacity, and Ukraine vows more strikes. Even the new U.S. deal depends on what those plants can produce.

What would prove us wrong

Hormuz reopens fully and stays open. A Russia and Ukraine energy truce holds. A mild winter and a recession cut demand at the same time.

Two more calls

California stays above \$7 all winter. And if the Gulf flares again, the U.S. average **breaks \$7 for the first time ever.**

WHAT THE EXPERTS SAY

The Experts Are Too Hopeful

Most forecasters see relief next year. Here's what each one says, and where we land. Even if crude falls, diesel has its own shortage, so the pump will lag.

U.S. ENERGY INFORMATION ADMINISTRATION**\$5.81 now, \$4.49 in 2027**

Above \$6 in October, a \$5.81 fourth quarter, then a slide to a \$4.49 average next year. EIA keeps diesel above \$4 the whole way.

Short-Term Energy Outlook, Oct 6, 2026

INTERNATIONAL ENERGY AGENCY**Tight into 2027**

Diesel stays tight well into next year. Rebuilding lost stocks likely waits until the second half of 2027.

Oil Market Report, Oct 14, 2026

GOLDMAN SACHS • DAAN STRUYVEN, HEAD OF OIL RESEARCH**\$90 Brent by December**

Goldman raised its December call from \$85 and sees an \$80 average in 2027. The bank puts the war premium in spot Brent near \$25 and calls escalation the big risk.

Goldman Sachs Research, Oct 16, 2026

AMERICAN TRUCKING ASSOCIATIONS • BOB COSTELLO, CHIEF ECONOMIST**Bad news for fall**

Costello warned low diesel stocks point to higher prices this fall. He also said the Strategic Petroleum Reserve is about as low as it can go.

Transport Topics, Oct 19, 2026

JPMORGAN COMMODITIES RESEARCH**No baseline at all**

In September the bank dropped its working oil baseline. The team said it can no longer chart where the war goes.

Reuters via Quartz, Sept 18, 2026

MOODY'S ANALYTICS • MARK ZANDI, CHIEF ECONOMIST**Recession near 50/50**

Back in March, Zandi's model put U.S. recession odds near a coin flip as oil spiked. A recession is one of the few things that would prove our call wrong.

Business Insider, Mar 18, 2026

Three ways this winter plays out

THE GULF CALMS DOWN**\$5.40 to \$5.80**

by February. Tanker attacks fade and Brent slides toward \$90.

STUCK IN THE MIDDLE • BASE CASE**\$5.90 to \$6.30**

Hormuz stays contested. Prices track futures near \$6.

ESCALATION**\$6.50 to \$7.00+**

Hormuz closes again or a big Gulf pipeline goes down.

Planning ranges are ours, built from EIA's outlook and the futures curve. Even our calm case keeps diesel well above \$5.

YOUR NUMBERS

\$6 Diesel Is Eating Your Margin

A diesel pickup running 20,000 miles a year now burns about \$3,500 more fuel than last October. Bigger rigs feel it faster.

Vehicle	Our assumption	Fuel cost a year ago	Fuel cost now	Extra per year
Diesel pickup	15 mpg, 20,000 miles	\$4,827	\$8,368	+\$3,541
Box truck	8 mpg, 25,000 miles	\$11,313	\$19,613	+\$8,300
Semi tractor	6.5 mpg, 60,000 miles	\$33,415	\$57,932	+\$24,517
Five pickups	Same as one pickup, times five	\$24,135	\$41,840	+\$17,705

Math uses EIA's U.S. average of \$3.62 a year ago and \$6.28 on October 19. Your mileage and fuel economy will differ.

Three leaks that cost more at \$6

15 to 30%

Lead-foot driving

Speeding and hard driving cut highway fuel economy 15% to 30%, says the Department of Energy. On one pickup that's \$1,255 to \$2,510 a year at today's price.

After 5 p.m.

Miles you didn't plan

Side trips, weekend runs and a work truck that goes home with someone. Every unplanned mile burns \$6 diesel and puts wear on the truck.

\$300M to \$1B

Theft

That's the yearly U.S. equipment theft estimate from NICB and NER. With diesel near \$6, sheriffs near the Alabama and Florida line report thieves draining farm equipment.

Here's the thing.

You can't negotiate with Brent crude. You can stop paying for miles, speed and stolen fuel you never signed up for.

Sources: fueleconomy.gov driving habits guidance, NICB and National Equipment Register estimate, WTVY News 4 (Sept 29, 2026).

WHERE SPACEHAWK FITS

Stop Paying for **Unplanned Miles**

SpaceHawk GPS won't change the price at the pump. SpaceHawk shows you where your trucks, trailers and equipment go, so you stop paying for trips you never planned.

Most trackers check in once a minute. At highway speed, that's most of a mile between dots. SpaceHawk can report every 3 seconds.



Speed alerts

Get a text when a vehicle passes the speed you set. Fewer lead feet means fewer gallons.



Alarm Mode and geofences

Schedule alerts for nights and weekends. If the truck or the excavator moves after hours, you know right away.



A year of trip history

See every route and stop for up to a year. Extra miles and side trips show up fast.



Built for trailers and equipment

Magnetic mount, IP67 waterproof, 1 to 3 weeks of battery, and up to 6 months in Low Power Mode.



SPACEHAWK GPS TRACKER

Track any vehicle or asset

\$39.95 plus data plans from \$9.95 a month

Updates as fast as every 3 sec

Lifetime warranty

USA-based support

30-day money-back guarantee

Optional hardwire kit, 6 to 24V

Free US shipping

Shop SpaceHawk GPS

Straight talk: SpaceHawk doesn't read your fuel gauge, engine idle time or diagnostic codes. SpaceHawk tracks location, speed and movement. If you need fuel-level data, you need an engine-connected system.

Think a tracker is overkill for a few trucks? One stolen trailer of tools costs more than years of tracking. And at \$6 diesel, so does a single summer of unplanned miles.

DO THIS NOW

Do These Five Things This Week

Start with number one. Most of the savings come from the first three.

1

Reprice your quotes and surcharges

A bid written at \$3.60 diesel loses money at \$6.28. Update fuel surcharges and job quotes to today's price before you sign the next one.

2

Budget for \$6 now and \$5.50 next spring

Plan the winter around \$6 a gallon and spring around \$5.50, not EIA's \$4.49. Stress-test the business at \$6.75.

3

Turn on speed alerts

Hard driving costs 15% to 30% of highway fuel economy. A text when someone speeds fixes habits fast.

4

Lock down nights and weekends

Lock the fuel pump breaker box and put a camera on your tanks, as local sheriffs advise. Set after-hours alerts on trucks, trailers and equipment.

5

Fill on the cheap side of the route

The Gulf Coast runs \$2.34 a gallon under California this week. Pick fuel stops on purpose, then check trip history to see that drivers follow the plan.

Sources

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[fueleconomy.gov](https://www.fueleconomy.gov), Driving More Efficiently

For general information only. This is not financial, legal or investment advice. Forecasts and planning ranges are estimates and can change quickly. Figures are current as of October 20, 2026.

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