

Macro Roundup Article

Headline: Gas Prices Are Low, Oil Production Is High

Article Link: <https://www.briefingbook.info/p/quick-hits-things-were-thinking-about>

Author(s)	Ryan Cummings
Publication	Briefing Book
Publication Date	August 12, 2024

Tweet: At \$3.46/gal US gas prices are lower than they have been for 63% of the 21st century; the key driver of low real prices is record US domestic crude oil production. @weakinstrument

Summary: Gas prices are falling, with the national average down to \$3.46/gal last Friday, August 9—not that you’ll be hearing about it on TV. (As we showed in May TV rarely covers gas prices when they drop below \$3.50/gal.) Indeed, real gas prices are lower than they have been 63% of the time this century. Put differently, today the average worker (production and nonsupervisory) needs to work 8.65 hours to fill up a typical car’s 16-gallon tank, fewer hours than at most times since the turn of the century (59% of the time, to be exact). A key driver of the recent decline in gas prices is greater domestic crude production. The U.S. is now not only producing more than at any time in our history but more than any country has ever produced, ever.

Related Articles: The World Is Transitioning to American Oil From Saudi Crude and US Shale: The Marginal Supplier Matures and Bad News Bias in Gasoline Price Coverage

Primary Topic: Energy

Topics: Business Cycle, Energy, GDP, Op-Ed/Blog Post, Politics

Permalink: <https://www.edwardconard.com/macro-roundup/at-3-46-gal-us-gas-prices-are-lower-than-they-have-been-for-63-of-the-21st-century-the-key-driver-of-low-real-prices-is-record-us-domestic-crude-oil-production-weakinstrument?view=detail>

Featured Image Link: <https://www.edwardconard.com/wp-content/uploads/2024/08/22723-gas-prices-are-low-oil-production-is-high-featured-thumbnail-image.png>