

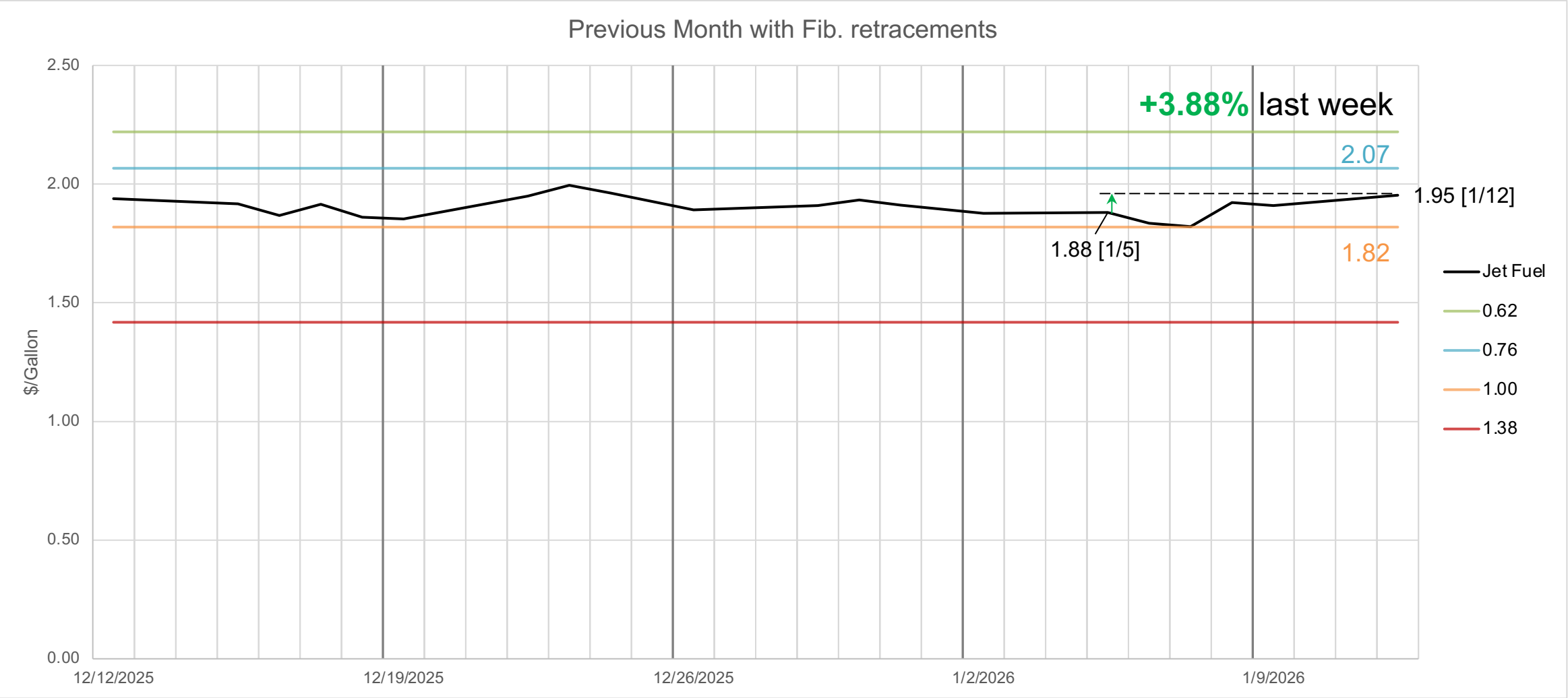
Jet Fuel

U.S. Gulf Coast Kerosene

Week of January 5th, 2026

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Jet Fuel Price Trends



Price Drivers



Component Pricing

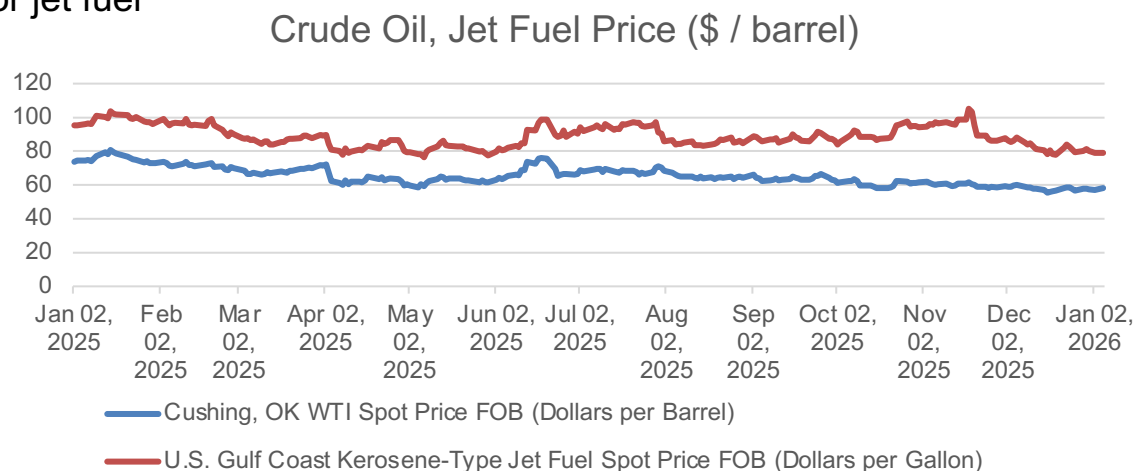
- Crude oil price is primary price driver
- “Crack spread” – the difference in price between a barrel of crude oil and a barrel of jet fuel
 - Reflects how much more refiners are earning for jet fuel compared to crude
 - Higher crack spread indicates more price movement based on supply constraints and changes in demand for diesel or jet fuel

Joint Output Relationships

- Diesel is the other primary middle-distillate refining output from crude oil
- Increased demand for diesel (trucking, rail, light-duty vehicles in European markets) can shift the middle-distillate yield towards diesel, which drives up jet fuel prices as it becomes relatively more scarce

Air Travel Trends

- Air travel generally peaks in summer
- Local air travel peaks and troughs can affect local jet fuel price
- Air-travel trends generally amplify price volatility rather than acting as a main price driver
- Since the pandemic, passenger air travel and air cargo have seen steady rise year-over-year with demand increasing over 5% in both categories from 2024 to 2025 (IATA)
 - It is likely that jet fuel production will continue to increase to facilitate these markets
 - Even with tariff, air cargo is projected to grow 2.6% due to the growth of AI and E-commerce
 - 4.3% growth of flying passengers



Prediction

GOING DOWN

*Might go up slightly until it hits resistance level of ~\$2/ Gallon and then will trend back down

