

# Jet Fuel

U.S. Gulf Coast Kerosene

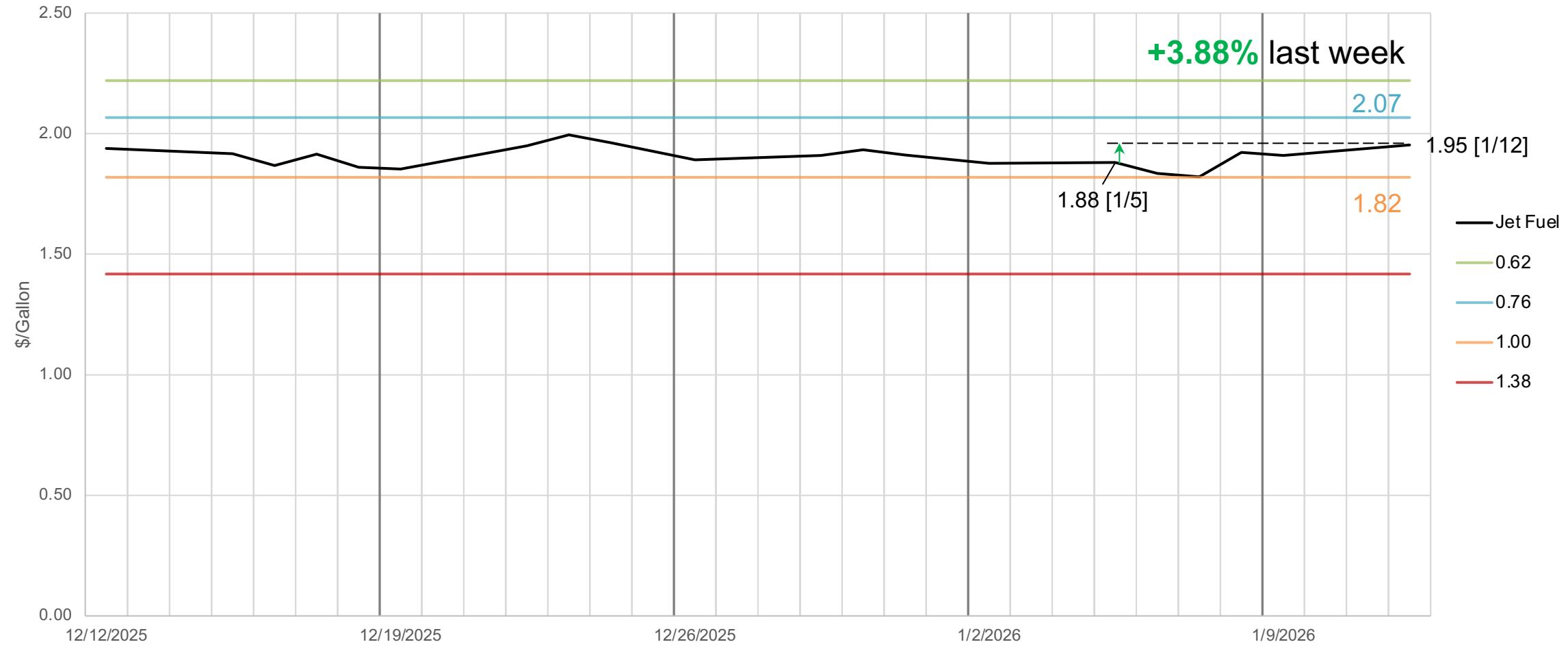
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# Jet Fuel Price Trends

Previous Month with Fib. retracements

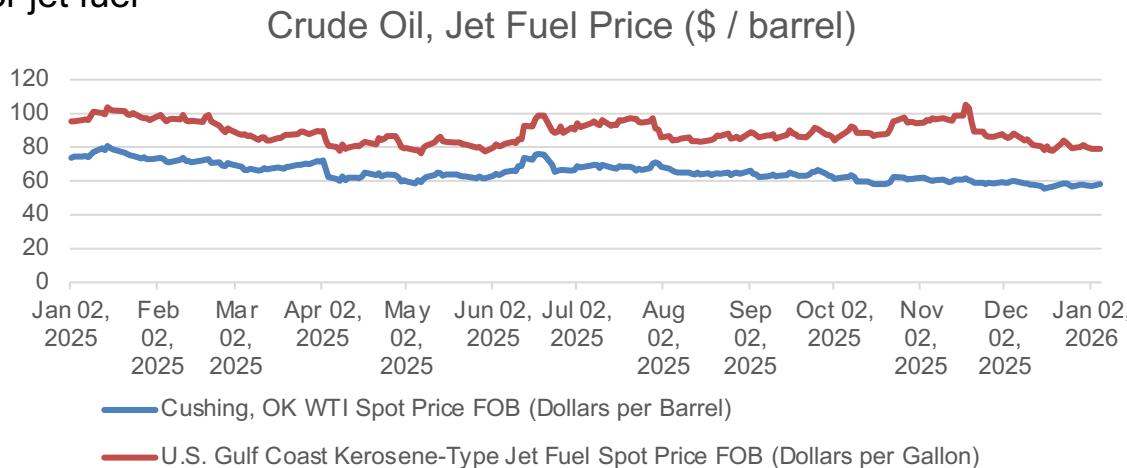


# Price Drivers



## 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

