



Independent Statistics & Analysis

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## **EIA expects continued high prices for oil and petroleum products**

The average price for a gallon of regular-grade gasoline was about one dollar higher in January than a year ago, according to the U.S. Energy Information Administration. In its February *Short-Term Energy Outlook*, EIA forecasts that gasoline prices will average \$3.24 per gallon, and remain higher than \$3.00 per gallon for most of this year, largely as a result of oil prices.

Global demand for gasoline and other petroleum products has remained strong despite reactions to the COVID-19 Omicron variant, keeping prices for those products relatively high. International markets reflect concerns about a variety of oil supply issues, increasing uncertainty about energy prices overall.

EIA expects that oil production in the United States and OPEC will increase this year, eventually helping restore global oil inventory levels and bring prices down later this year and in 2023.

U.S. gasoline prices could reach their 2022 highs in the coming weeks, peaking at \$3.43 per gallon on average in February. Gasoline prices should decrease to \$2.84 per gallon on average in 2023, according to the agency's forecasts.

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