Gas prices eclipse $4 a gallon in the US

By Wyatte Grantham-Philips Associated Press

NEW YORK — U.S. gas prices jumped past an average of $4 a gallon for the first time since 2022 on Tuesday, as the Iran war pushes fuel prices higher worldwide.

According to AAA, the national average for a gallon of regular gasoline is now $4.02 — over a dollar more expensive than before the war began on Feb. 28, marking the largest monthly jump the motor club has seen on record. And the last time U.S. drivers were collectively paying this much at the pump was nearly four years ago, following Russia's invasion of Ukraine.

The price is a national average, meaning drivers in some states have been paying well over $4 a gallon for a while now. Prices vary between states due to factors ranging from nearby supply to differing tax rates.

Since the U.S. and Israel launched the joint war against Iran a month ago, the cost of crude oil — the main ingredient in gasoline — has spiked and swung rapidly. That's because the conflict has caused deep supply chain disruptions and cuts from major oil producers across the Middle East. Both Brent crude, the international standard, and benchmark U.S. crude are now going for more than $100 per barrel, up from roughly $70 before the war.

Motorists around the world are coping with higher gas prices. In Paris, for example, gas is at 2.34 euros per liter ($2.68), which is about $10.27 a gallon.

Expensive gas could drag on the economy and drive up other prices

Higher gas prices arrive as many households continue to face wider cost of living strains. And as drivers pay more to cover necessities like gas, or even utility bills impacted by soaring fuel costs, many may be forced to cut their budgets in other places. That threatens broader consequences for the economy overall.

Before launching the war, President Donald Trump bragged about keeping gas prices low. Consumer prices and the cost of living already have become flashpoints in this midterm election year. A recent AP-NORC poll found that 45% of U.S. adults are "extremely" or "very" concerned about being able to afford gas in the next few months, up from 30% shortly after Trump won the 2024 presidential election.

Beyond visits to the pump, analysts say high fuel costs will trickle into groceries, which have to be restocked frequently and could also see price hikes as businesses' transportation and packaging costs pile up. Other cargo has also been impacted. The U.S. Postal Service is seeking a temporary 8% added charge on some of its popular products including Priority Mail.

U.S. diesel, used for many freight and delivery trucks, is now going for an average of $5.45 a gallon, up from about $3.76 a gallon before the war began per AAA.

"It's going to mean more expensive bills for truckers, tractors and trains that move the U.S. economy with diesel fuel. It's going to mean consumers are likely greeted by rising grocery prices — and broadly speaking, a rise in U.S. inflation," said Patrick De Haan, head of petroleum analysis at fuel-tracking service GasBuddy.