

NEWS | GLOBAL TRADE

The 48-Hour Diesel Ban: How Washington Floated, Then Shelved, a Fuel Export Freeze

Trump backed halting diesel exports on Tuesday. By Wednesday, the White House had denied any 90-day ban. By Thursday, America's biggest business groups had lined up against it.

By **Manasee Kurlekar** | September 24, 2026

Status as of 24 Sep: the White House denies a flat or 90-day ban, and Energy Sec. Wright says the focus is on voluntary measures. Trump has not publicly retracted his support. Present it as "shelved for now", not "dead". Price figures: \$6.53 is the record weekly average (EIA/AAA). AAA had \$6.51 on Thursday. Using "above \$6.50"

Record \$6.50 diesel ahead of the midterms pushed the White House toward a blunt export ban. Markets, refiners and its own Energy Secretary pushed back. Here's how the idea rose and stalled in two days:

Diesel is the fuel that moves farms, trucks and trains. In the US, it now costs more than **\$6.50 a gallon**, a record and about \$2.82 more than a year ago, according to AAA. That price pushed the White House toward one of the bluntest tools in energy policy, then quickly back again.

Tuesday: the President backs a ban. Speaking at the UN General Assembly, Trump said he had pushed internally for stopping US diesel exports. Treasury Secretary Scott Bessent said the administration was studying whether a full or partial ban was feasible, given refining capacity. Asked about timing, Trump said a decision would come quickly either way. Farm-state Republicans had been pressing hard for the move, led by Sen. Chuck Grassley.

Wednesday: the market reacts and the White House retreats. Politico reported, citing five sources, that the administration was drafting a 90-day export ban. Diesel futures fell about 4%, and shares of refiners Valero, Marathon Petroleum and Phillips 66 dropped. Within hours, a White House official denied the report outright. Energy Secretary Chris Wright said nobody was considering a flat ban. He argued it would not work and could push up gasoline and jet fuel prices, and said the focus was on voluntary measures to raise domestic supply.

Thursday: business closes ranks. The US Chamber of Commerce, Business Roundtable, National Association of Manufacturers and the American Petroleum Institute were joined by dozens of other groups in a joint letter to Trump. They warned that a ban would reduce fuel production, tighten supply and raise costs for families, farmers and truckers.

Why diesel is so tight:

- **The Iran war**, now in its eighth month, has disrupted Middle East fuel shipments
- **Ukraine's drone strikes** on Russian refineries led Moscow to ban its own diesel exports
- The result is a *refining* shortage, not a crude shortage, which is why diesel prices have run well ahead of oil

Why a ban could backfire: US refiners would be left with surplus diesel on the Gulf Coast. They would likely cut crude runs, which would reduce gasoline and jet fuel output as well. Allies that depend on American diesel would face higher prices, and some could retaliate.

What's still open: Trump has not publicly withdrawn his support, and the "voluntary measures" remain undefined. With midterms on 3 November, pressure from farm states won't fade.

WBW Take: This was a policy stress test in real time. The political instinct was to keep fuel at home. The market signal was that doing so would make things worse. For now, the economics have won, but at \$6.50 diesel, that could change at the next price spike.

Read online: <https://worldbusinesswatch.com/news/36/164/the-48-hour-diesel-ban-how-washington-floated-then-shelved-a-fuel-export-freeze.html>

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