

Article | 12 March 2026

# Eurozone households are first to feel the pain of the current oil price shock

Fuel prices are surging again, and for many households, filling up now hurts almost as much as during the 2022 energy crisis



In some eurozone countries, the cost of a 50-litre tank of petrol has risen to levels last seen in 2022 when Russia invaded Ukraine

It's a fast-moving environment, which currently only allows to think in terms of scenarios rather than conviction calls. And while forecasters around the globe are currently grappling to adjust their macro forecasts – uncertain about how long the war in the Middle East and the disruption to the Strait of Hormuz will last – one part of the economy is already feeling the economic pain: households. More precisely, car-driving households. Any surge in oil prices is felt most immediately in one place – the petrol station.

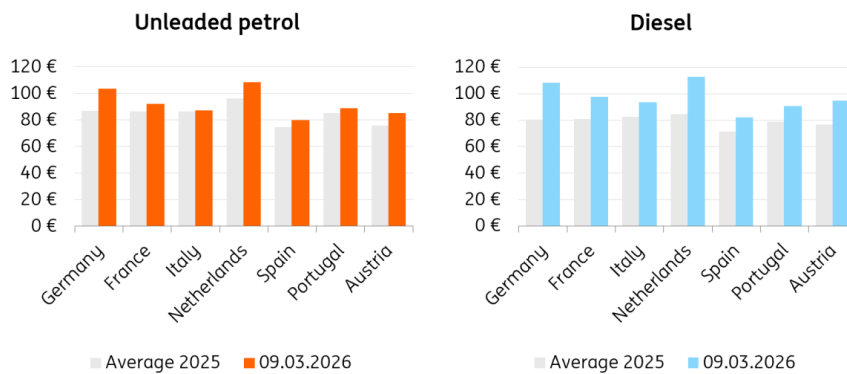
## Pain at the pump for European consumers

Our colleague Warren Patterson has written extensively on [recent oil price developments](#) and the [possible scenarios ahead](#). We also know that it takes a while for the full macro impact of higher energy prices to unfold. Industrial companies typically hedge (at least some of) their energy purchases in forward markets, while households' utility contracts usually run for one or two years. This was, for example, one of the reasons why during the 2022 energy crisis, it was energy companies that ran into financial trouble first, as they were unable to pass on higher

procurement costs to end consumers. One place where consumers are not shielded by hedging strategies or longer-term contracts, however, is at the petrol station.

Even before oil prices reached this week's painful highs, the jump in retail fuel prices had already pushed the cost of a standard 50-litre tank of petrol to levels last seen in 2022 in several major eurozone economies. Compared with the week before the joint US-Israeli strike on Iran, the price of a tank of unleaded petrol has risen by between €4.50 in Italy and €13.00 in Germany. For diesel, the increase has been even steeper, ranging from €8.40 in Italy to €21.50 in Germany. Relative to the 2025 annual average, German households have been hit particularly hard: they are now paying roughly €17.00 more per tank of unleaded petrol and around €28.00 more for diesel than they did on average last year. Dutch households are facing a similarly sharp increase in fuel costs.

### Cost of filling a 50-litre tank with unleaded petrol or diesel

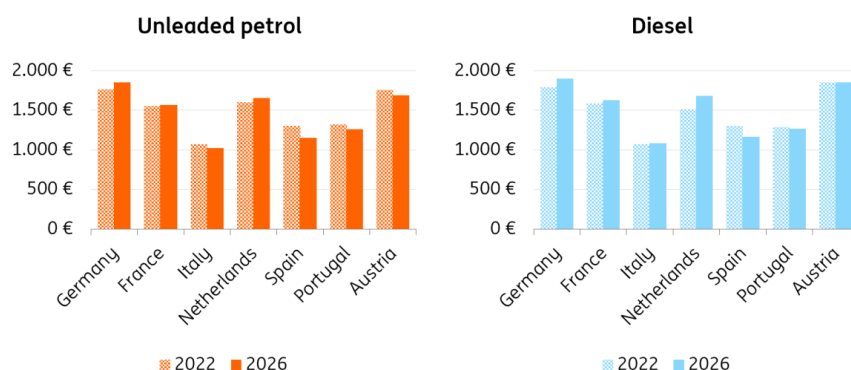


Source: European Commission; ING Economic & Financial Analysis

The fact that prices within the eurozone, and across fuel types, vary widely in general is also due to excise duties, for which there is a minimum threshold of €0.359 per litre of unleaded petrol and of €0.330 per litre of diesel set by the EU. However, most member states have set higher values, resulting in an average excise duty on petrol of €0.570 per litre and of €0.468 per litre on diesel. At €0.845 per litre, the duty on unleaded petrol is highest in the Netherlands, while at €0.673, Italy has the highest duty on diesel. These tax differentials are the main reason why two households facing the same global oil price can still experience very different fill-up costs.

The extent to which these price increases cut into household budgets also depends heavily on how much people drive per year. At almost 14,000 kilometres, Austria tops the 2023 list – the most recent date for which comparable data is available, followed by Germany with around 12,500 kilometres per year. This means the same price increase hits Austrian and German households much harder than, for example, Italians, who drive only around 8,000 km per year.

## Average annual fuel expenses



European Commission; Odyssee Mure; ING Economic & Financial Analysis; based on an average fuel consumption of 7.35 liters per 100 kilometers; 2026 is based on the assumption that the price from the 10th calendar week will apply for the rest of the year.

Looking at driving behaviour in recent years shows that cutting fuel costs by simply driving less is unlikely. Significant deviations from the long-term average only occurred during the pandemic years, when widespread working-from-home arrangements reduced the need to commute. Gasoline prices were not a motive. Since then, mileage patterns have started to normalise, suggesting limited scope for households to offset higher prices by changing their driving habits.

Ultimately, this implies that eurozone households will once again need to devote a larger share of their disposable income to fuel, with German households facing the largest increase. For them, the share of disposable income spent at the fuel pump is expected to rise to 3.5%, up from 2.8% last year. Overall, the share of disposable income devoted to fuel ranged from around 2% in the Netherlands and 4.5% in Portugal last year.

## Drivers might slam the brake on any recovery in private consumption

Although we currently assume in our base case scenario that the impact of the war in the Middle East on markets, and thus on the eurozone economy, should not be long-lasting, the recent rise in energy prices is likely to put additional strain on consumer confidence, which is already markedly low. Given the old adage that gasoline prices rise like a rocket but fall like a feather, it is not just confidence that is being hit, but actual purchasing power.

## Author

### Carsten Brzeski

Global Head of Macro

[carsten.brzeski@ing.de](mailto:carsten.brzeski@ing.de)

### Franziska Biehl

Senior Economist, Germany

[Franziska.Marie.Biehl@ing.de](mailto:Franziska.Marie.Biehl@ing.de)

## Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. ("ING") solely for information purposes without regard to any particular user's investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies)*. The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit [www.ing.com](http://www.ing.com).