Energy Sector – Neutral

News Update

Yupapan Polpornprasert | Email: yupapan.pol@thanachartsec.co.th

Oil struggles despite rising supply risks

- **Bearish US product inventory**
- **US steps up blockade of Venezuela crude**
- **Muted oil price impact**
- **Global coal demand hits all-time high**

US Weekly data (as of 17 Dec 2025)

(m bbls)	Weekly change	Consensus	Last week
Crude Oil	-1.274	-2.400	-1.812
Gasoline	4.808	2.100	6.397
Distillates	1.712	1.200	2.502

Source: EIA

Oil markets remain weak. Strong talk on Venezuela only lifted Brent back to around US$60/bbl after it slipped below that level earlier. The market is no longer reacting much to Russia-related sanctions risks.

Weekly US data: Bearish US product inventory

- **Crude Oil:** The EIA reported that U.S. crude oil stocks declined by aanother1.2 million barrels in the latest weekly report—a lower than expected draw forecast by market.
- **Gasoline:** Gasoline stocks rose by another 4.8 million barrels — well above expectations.
- **Distillates:** Distillates also rose by about 1.7 million barrels, again beating expectations.

US steps up blockade of Venezuela crude

- **Trump launches full blockade of Venezuela:** President Trump ordered a "total and complete blockade" of sanctioned oil tankers entering and leaving Venezuela. U.S. forces have now stopped Venezuelan-linked tankers three times, escalating enforcement against the shadow fleet used to bypass sanctions and increasing pressure on the Maduro regime.
- **Venezuela production already weakening:** The IEA estimates production at **~860 kb/d** last month, down from above **1 mb/d** in September–October, its highest level since 2019. Most exports flow to China's teapot refiners, Cuba, and limited U.S. volumes under license.
- **Muted oil price impact:** A global oil oversupply means Venezuela's lost barrels are unlikely to move prices. Despite rising enforcement risks on sanctioned flows, the impact is limited as Venezuela's ~900 kb/d output is largely absorbed by China's teapot refiners, Cuba and small licensed U.S. volumes. With sanctioned crude in floating storage at multi-year highs and ample supply from Iran and Russia, global oil balances remain resilient, muting the market's response.

Global coal demand hits all-time high

- **Another stronger than expected coal demand:** Global coal demand is set to reach a record 8.85 billion tons in 2025, up 0.5% from last year, as policy changes, weather, and fuel prices have boosted consumption in regions previously thought to have plateaued, according to the IEA. For three years in a row, the IEA had expected coal demand to have peaked but shifts in policies and weather trends have defied forecasts.

- **Peak demand expects in 2030:** Looking ahead, the IEA expects global coal demand to peak around 2030, returning to 2023 levels. However, faster-than-expected electricity growth in China, slower renewable integration, or strong coal-gasification investment could push demand higher than forecasted.
- **Impact:** Coal prices are expected to remain soft but stable, with limited downside supported by continued demand in key markets. We forecast thermal coal prices at US$105/100 per tonne in 2026–27F. BANPU's coal business should continue to deliver steady cash flow, while ongoing growth in its non-coal segments especially in the US drive earnings growth. Maintain BUY.

Ex 1: Prices And Spreads

	Unit	This week	Last week	% chg	Quarterly						Yearly		
					3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	2023	2024	2025
Upstream													
Dubai	(US$/bbl)	60	62	-2.4%	79	74	76	66	68	64	81	80	71
Brent	(US$/mmbtu)	60	61	-1.1%	79	74	75	67	68	64	82	80	71
Henry hub	(US$/mmbtu)	4.0	4.1	-3.1%	2.2	3.0	3.9	3.5	3.1	4.0	2.6	2.4	3.7
JKM Spot	(US$/mmbtu)	9.7	10.7	-9.6%	13.0	14.0	14.0	12.4	11.8	11.1	13.9	11.9	13.2
Dutch TTF	(EUR/MWh)	28	28	1.7%	36	43	47	36	33	31	41	35	41
NEX coal price	(US$/tonne)	108	109	-0.1%	140	139	108	100	109	108	188	136	104
Crack spreads over Dubai													
Gasoline	(US$/bbl)	13.6	15.2	-10.6%	11.1	11.4	7.7	11.5	10.3	16.4	16.7	13.0	10.3
Jet fuel	(US$/bbl)	20.9	21.7	-3.9%	13.1	14.8	13.2	14.2	16.1	25.1	22.5	15.7	15.3
Diesel	(US$/bbl)	18.9	19.6	-3.4%	12.7	14.7	13.2	15.8	18.7	25.0	21.9	15.8	16.7
HSFO	(US$/bbl)	(6.9)	(7.1)	-3%	(5.3)	(2.3)	(2.0)	1.7	(5.5)	(7.4)	(10.3)	(5.2)	(2.2)
SG GRM	**(US$/bbl)**	**7.0**	**7.5**	**-6.7%**	**4.8**	**6.4**	**4.6**	**7.0**	**5.9**	**9.0**	**7.9**	**6.1**	**6.2**
Aromatics													
PX-naphtha	(US$/tonne)	284	276	2.8%	262	174	188	207	236	238	378	274	188
BZ-naphtha	(US$/tonne)	139	136	1.9%	352	271	245	173	158	123	267	335	245
Olefin													
HDPE-naphtha	(US$/tonne)	339	321	5.5%	336	333	324	374	348	332	390	338	324
LDPE-naphtha	(US$/tonne)	499	491	1.6%	550	489	497	587	568	497	427	503	497
PP-naphtha	(US$/tonne)	319	301	5.9%	331	339	338	414	373	307	359	326	338
Others													
Integrated PET	(US$/tonne)	102	116	-12.0%	145	145	116	134	113	118	161	140	123
Phenol-BZ	(US$/tonne)	114	114	-	68	47	41	55	56	122	80	6	75
BPA -Phenol	(US$/tonne)	305	305	0.0%	271	307	325	337	337	297	294	300	337

Sources: TOP, Bloomberg

Ex 2: Valuation

	Rating	Current price (Bt)	Target price (Bt)	*Upside/ (Downside) (%)*	Market cap (US$ m)	Norm EPS grw 25F (%)	26F (%)	Norm PE 25F (x)	26F (x)	EV/EBITDA 25F (x)	26F (x)	— P/BV — 25F (x)	26F (x)	— Yield — 25F (%)	26F (%)	— ROE — 25F (%)	26F (%)
BANPU	BUY	4.92	6.00	*22.0*	1,581	na	619.0	85.6	11.9	7.7	6.2	0.4	0.4	4.9	5.5	0.5	3.7
BCP	BUY	26.00	37.00	*42.3*	1,228	(16.5)	25.6	6.5	5.1	2.4	2.7	0.6	0.5	4.3	5.8	9.0	10.5
BSRC	BUY	3.08	5.20	*68.8*	#N/A	51.8	43.4	6.6	4.6	4.5	2.6	0.4	0.4	3.6	6.2	6.3	8.8
IRPC	SELL	0.98	0.77	*(21.4)*	642	na	na	na	na	11.7	8.6	0.3	0.3	3.1	3.1	na	na
IVL	SELL	15.70	14.00	*(10.8)*	2,827	na	na	na	18.7	7.3	6.3	0.7	0.7	4.5	4.4	0.0	4.4
OR	BUY	13.30	15.50	*16.5*	5,119	37.1	7.4	15.1	14.0	5.8	5.4	1.4	1.3	4.0	3.9	9.5	9.7
PTG	HOLD	7.00	7.90	*12.9*	375	(9.1)	11.7	12.6	11.3	3.8	3.3	1.2	1.2	5.0	5.7	10.1	10.8
PTT	BUY	31.75	40.00	*26.0*	29,085	(7.9)	6.6	10.7	10.1	4.1	3.6	0.8	0.8	6.6	6.6	7.3	7.7
PTTEP	BUY	109.50	125.00	*14.2*	13,942	(18.5)	(8.7)	6.8	7.5	2.0	2.2	0.8	0.7	7.3	7.1	11.5	9.9
PTTGC	SELL	20.60	18.00	*(12.6)*	2,979	na	na	na	23.8	13.4	8.7	0.4	0.4	2.4	2.4	na	1.5
SCC	SELL	186.50	128.00	*(31.4)*	7,178	(9.7)	18.9	30.8	25.9	19.2	17.3	0.6	0.6	3.2	3.8	2.1	2.4
SPRC	BUY	5.80	7.00	*20.7*	807	66.8	(24.8)	6.4	8.5	3.9	4.4	0.6	0.6	5.2	6.0	9.9	7.2
TOP	BUY	35.25	41.00	*16.3*	2,525	(27.5)	(21.2	6.3	8.0	5.8	7.1	0.4	0.4	6.2	4.2	6.8	5.7

Sources: Company data, Thanachart estimates

General Disclaimers And Disclosures:

This report is prepared and issued by Thanachart Securities Public Company Limited (TNS) which is owned 99.97% by TMBThanachart Bank Public Company Limited (TTB) as a resource only for clients of TNS, TMBThanachart Bank Public Company Limited (TTB) and its group companies.

This report is prepared by analysts who are employed by the research department of TNS. While the information is from sources believed to be reliable, neither the information nor the forecasts shall be taken as a representation or warranty for which TNS or TTB or its group companies or any of their employees incur any responsibility. This report is provided to you for informational purposes only and it is not, and is not to be construed as, an offer or an invitation to make an offer to sell or buy any securities. Neither TNS, TTB nor its group companies accept any liability whatsoever for any direct or consequential loss arising from any use of this report or its contents.

The information and opinions contained herein have been compiled or arrived at from sources believed reliable. However, TNS, TTB and its group companies make no representation or warranty, express or implied, as to their accuracy or completeness. Expressions of opinion herein are subject to change without notice. The use of any information, forecasts and opinions contained in this report shall be at the sole discretion and risk of the user.

TNS, TTB and its group companies perform and seek to perform business with companies covered in this report. TNS, TTB, its group companies, their employees and directors may have positions and financial interest in securities mentioned in this report. TNS, TTB or its group companies may from time to time perform investment banking or other services for, or solicit investment banking or other business from, any entity mentioned in this report. Therefore, investors should be aware of conflict of interest that may affect the objectivity of this report.

Disclosure of Interest of Thanachart Securities

Investment Banking Relationship

Within the preceding 12 months, Thanachart Securities has lead-managed public offerings and/or secondary offerings (excluding straight bonds) of the securities of the following companies:

Note: Thanachart Securities Public Company Limited (TNS) acts as an underwriter of “Debentures of Advanced Info Service Public Co. Ltd.(ADVANC) No. 1/2025 (B.E. 2568) tranche 1”, therefore investors need to be aware that there could be conflicts of interest in this research.

Note: Thanachart Securities Public Company Limited (TNS) acts as an underwriter of “Debentures of PTT Global Chemical Public Co. Ltd.(PTTGC) No. 1/2025 (B.E. 2568) tranche 1”, therefore investors need to be aware that there could be conflicts of interest in this research.