

Energy Sector – Neutral

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

News Update

Geopolitical tensions ease

- **US crude inventory draw**
- **OPEC+ maintain oil output in March**
- **US-Iran de-escalation**
- **Arab Light may see first discount since 2020**

Oil prices fell 3% on Monday as U.S. President Donald Trump said over the weekend Iran was "seriously talking" with Washington, signaling de-escalation with an OPEC member after risks of a military strike drove prices to multi-month highs.

Weekly US data: US crude inventory draw

- **Crude Oil:** U.S. crude inventories decreased by 2.3 million barrels, according to the EIA, surprising the market, which had expected a 0.2-million-barrel draw.
- **Gasoline:** Gasoline inventories rose marginally by 0.223 million barrels, significantly exceeding market expectations.
- **Distillates:** Distillate inventories rose marginally w-w by 0.329 million barrels, slightly below market expectations.

OPEC+ maintain oil output in March

- **OPEC+ keeps pause in oil output hikes in March:** OPEC+ agreed to keep oil production unchanged in March, extending its pause on planned output increases. The eight producers involved — Saudi Arabia, Russia, the UAE, Kazakhstan, Kuwait, Iraq, Algeria and Oman — had raised quotas by a combined ~2.9m bpd between April and December 2025 (around 3% of global demand), but froze further increases for Jan–Mar 2026 due to seasonally weaker demand. The group will reconvene on March 1, with the JMMC meeting scheduled for April 5.
- **Impact:** This outcome is expected. OPEC+ is likely to remain on hold through 1Q26, the seasonally weakest demand period, while monitoring geopolitical risks and supply uncertainties, including Iran, Venezuela and Russian exports. The continued pause helps support oil prices near current levels and limits near-term downside, despite soft global demand and ample non-OPEC supply. Against this backdrop, we maintain **BUY** on **PTTEP**, supported by resilient earnings visibility and limited oil price downside.

US-Iran de-escalation

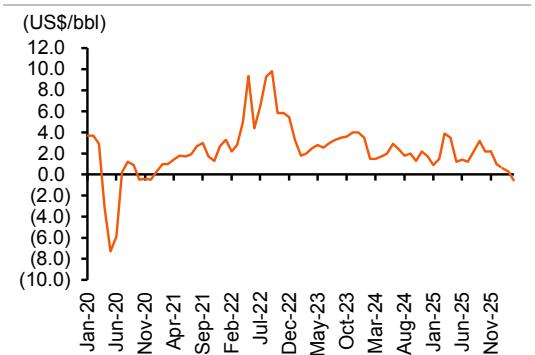
- **Trump says Iran "seriously talking" with Washington:** Trump repeatedly threatened Iran with intervention if it did not agree to a nuclear deal or failed to stop killing protesters. On Saturday Trump told reporters Iran was "seriously talking" with Washington, hours after Tehran's top security official Ali Larijani said on X that arrangements for negotiations were underway.

US Weekly data (as of 28 Jan 2026)

(m bbls)	Weekly change	Consensus	Last week
Crude Oil	-2.295	-0.200	3.602
Gasoline	0.223	1.300	5.977
Distillates	0.329	-0.550	3.348

Source: EIA

Ex 1: Arab Light OSP



Source: Bloomberg

- **Impact:** US–Iran de-escalation is negative for near-term sentiment, but without real supply changes, it is unlikely to cause a sustained drop in oil prices.

Arab Light may see first discount since 2020

- **Would be first discount since 2020:** Saudi Arabia, the world's largest oil exporter, is expected to set the March OSP for its flagship Arab Light crude to Asia at a discount for the first time since December 2020, reflecting ample regional supply. A Reuters survey of six Asia-based refiners indicates the March OSP could be cut by US\$0.50–0.85/bbl, resulting in a discount of US\$0.20–0.55/bbl versus the Oman/Dubai average. This would mark a fourth consecutive monthly cut, down from a US\$0.30/bbl premium in February and the lowest level in more than five years.
- **Impact:** Lower Arab Light OSP would reduce feedstock costs and support near-term refining margins, positive for Thai refiners — **TOP (BUY), BCP (BUY) and SPRC (BUY)**.

Ex 2: Prices And Spreads

Unit	This week	Last week	% chg	Quarterly						Yearly			
				4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2024	2025	2026	
Upstream													
Dubai	(US\$/bbl)	67	64	4.8%	63	76	66	68	63	64	80	71	67
Brent	(US\$/mmbtu)	71	66	7.3%	63	75	67	68	63	64	80	71	67
Henry hub	(US\$/mmbtu)	4.4	5.3	-17.5%	4.1	3.9	3.5	3.1	4.1	4.1	2.4	3.7	3.3
JKM Spot	(US\$/mmbtu)	11.5	11.3	2.1%	10.8	14.0	12.4	11.8	10.8	10.4	11.9	13.2	12.1
Dutch TTF	(EUR/MWh)	39	40	-1.9%	30	47	36	33	30	34	35	41	34
NEX coal price	(US\$/tonne)	109	109	-0.1%	108	108	100	109	108	108	136	104	105
Crack spreads over Dubai													
Gasoline	(US\$/bbl)	8.9	9.6	-7.3%	15.7	7.7	11.5	10.3	15.7	11.0	13.0	11.3	11.0
Jet fuel	(US\$/bbl)	21.1	21.2	-0.4%	24.6	13.2	14.2	16.1	24.6	21.4	15.7	17.0	21.4
Diesel	(US\$/bbl)	22.3	22.0	1.3%	24.5	13.2	15.8	18.7	24.5	20.4	15.8	18.0	20.4
HSFO	(US\$/bbl)	(1.4)	(1.4)	-4%	(7.0)	(2.0)	1.7	(5.5)	(7.0)	(5.9)	(5.2)	(3.2)	(5.9)
SG GRM	(US\$/bbl)	7.6	7.4	3.2%	8.8	4.6	7.0	5.9	8.8	8.1	6.1	6.6	8.1
Aromatics													
PX-naphtha	(US\$/tonne)	318	300	6.1%	243	188	207	236	243	329	274	188	207
BZ-naphtha	(US\$/tonne)	173	145	19.6%	123	245	173	158	123	146	335	245	173
Olefin													
HDPE-naphtha	(US\$/tonne)	288	315	-8.5%	331	324	374	348	331	317	338	324	374
LDPE-naphtha	(US\$/tonne)	458	475	-3.5%	496	497	587	568	496	479	503	497	587
PP-naphtha	(US\$/tonne)	278	295	-5.6%	307	338	414	373	307	299	326	338	414
Others													
Integrated PET	(US\$/tonne)	160	158	1.5%	116	116	134	113	116	147	140	119	147
Phenol-BZ	(US\$/tonne)	45	52	-13%	118	41	55	56	118	75	6	76	75
BPA -Phenol	(US\$/tonne)	292	292	0%	291	325	337	337	291	298	300	333	298

Sources: TOP, Bloomberg

Ex 3: Valuation

	Rating	Current price (Bt)	Target price (Bt)	Upside/ (Downside)		Market cap (US\$ m)	Norm EPS (%)	grw (%)	Norm PE		EV/EBITDA		— P/BV —		— Yield —		— ROE —				
									26F	27F	26F	27F	26F	27F	26F	27F	26F	27F			
				(%)	(%)				(x)	(x)	(x)	(x)	(x)	(x)	(%)	(%)	(%)	(%)			
BANPU	BUY	5.35	6.00	12.1	1,698	619.0	19.1	12.9	10.9	6.3	6.0	0.5	0.5	5.0	5.6	3.7	4.3				
BCP	BUY	30.25	37.00	22.3	1,411	25.6	2.6	6.0	5.8	2.8	2.2	0.6	0.6	5.0	5.1	10.5	10.0				
IRPC	SELL	1.12	0.77	(31.3)	725	na	na	na	na	8.9	7.8	0.4	0.4	2.7	2.7	na	na				
IVL	SELL	20.10	14.00	(30.3)	3,575	na	16.0	23.9	20.6	6.8	6.5	0.9	0.9	3.5	3.5	4.4	4.9				
OR	BUY	13.40	15.50	15.7	5,094	7.4	6.6	14.1	13.3	5.5	5.1	1.3	1.3	3.9	4.1	9.7	9.9				
PTG	HOLD	7.65	7.90	3.3	405	11.7	15.3	12.3	10.7	3.5	2.9	1.3	1.2	5.2	5.2	10.8	11.9				
PTT	BUY	34.25	40.00	16.8	30,989	6.6	3.5	10.9	10.5	3.8	3.3	0.8	0.8	6.1	6.1	7.7	7.7				
PTTEP	BUY	123.00	125.00	1.6	15,468	(8.7)	0.1	8.4	8.4	2.5	2.6	0.8	0.8	6.3	6.3	9.9	9.5				
PTTGC	SELL	24.60	18.00	(26.8)	3,514	na	72.3	28.4	16.5	9.2	7.8	0.4	0.4	2.0	2.0	1.5	2.6				
SCC	SELL	204.00	128.00	(37.3)	7,754	74.3	87.0	28.3	15.1	18.0	14.3	0.7	0.7	3.4	3.4	2.5	4.5				
SPRC	BUY	6.60	7.00	6.1	906	(24.8)	37.2	9.7	7.0	4.9	3.9	0.7	0.7	5.3	8.3	7.2	9.5				
TOP	BUY	42.50	41.00	(3.5)	3,007	(21.2)	(28.1)	9.6	13.4	7.7	8.7	0.5	0.4	3.5	3.0	5.7	4.2				

Sources: Company data, Thanachart estimates

DISCLAIMER

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. Copyright © Thanachart Securities Public Company Limited. All rights reserved. The report may not be reproduced in whole or in part or delivered to other persons without our written consent.

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 Charoen Pokphand Food Public Co. Ltd.(CPF) No. 1/2026 (B.E. 2569) tranche 1-3", therefore investors need to be aware that there could be conflicts of interest in this research.