Energy Sector - Neutral

News Update

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Oil surge as Iran tension renew

- **US crude inventories build**
- **Trump says US will refill SPR using Venezuelan oil**
- **Venezuela considering OPEC exit**
- **Russia extends diesel export ban for the third time**

Oil prices climbed in early Asian trade on Monday after the U.S. struck Iran for the first time in over a month, with Iran then retaliating against U.S. bases in Jordan.

Weekly US data: US crude inventories build

- **Crude Oil:** Commercial crude oil stocks excluding the Strategic Petroleum Reserve rose by 95,000 barrels to 428.9 million barrels in the week ended Aug. 21 and were about 1% above the five-year average for the year.
- **Product:** Gasoline inventories decreased by 2.5 million barrels while distillate inventory drops 2.2 million barrels w-w. This is surprising market expectation.

Trump says US will refill SPR using Venezuelan oil

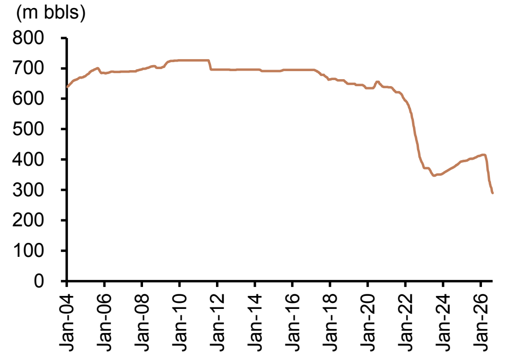
- **Venezuelan oil to replenish SPR**: U.S. President Donald Trump said on Sunday that oil from a recently struck deal with Venezuela will be used to replenish the Strategic Petroleum Reserve (SPR), which has been significantly drawn down in recent years in response to global supply disruptions and high fuel prices.
- **Refill likely to take time**: It remains unclear how quickly the Venezuela deal can provide oil for the SPR. The agreement aims to revive Venezuela's battered oil industry, but significant investment and infrastructure work will be required before production can increase substantially, limiting the near-term supply available for the reserve.
- **Venezuela considering OPEC exit**: Venezuela is reportedly considering leaving OPEC as relations with the US improve following the ousting of Nicolas Maduro earlier this year. An exit would reduce OPEC's influence over the oil market, although OPEC+ would still control a significant share of global supply. The move would not be surprising given the US has taken control of Venezuelan oil sales and could potentially take stakes in Venezuelan oil fields.
- **Limited urgency to refill**: The SPR has fallen to around 290mn barrels, equivalent to roughly 59 days of US crude net imports. While historically low, US public and private oil inventories together remain sufficient to meet the IEA's 90-day stockholding requirement, reducing the urgency to refill the SPR aggressively. The US can therefore wait for more attractive oil prices before accelerating purchases.
- **Impact:** We view SPR replenishment as modest medium-term support for oil prices rather than a major catalyst for a rally. The US can refill gradually and wait for lower prices, while the use of Venezuelan crude will take time to ramp up given the investment and infrastructure required to revive production. As a

US Weekly data (as of 26 Aug 2026)

(m bbls)	Weekly change	Consensus	Last week
Crude Oil	0.095	1.600	4.405
Gasoline	-2.536	-0.700	0.688
Distillates	-2.228	-1.600	-1.530

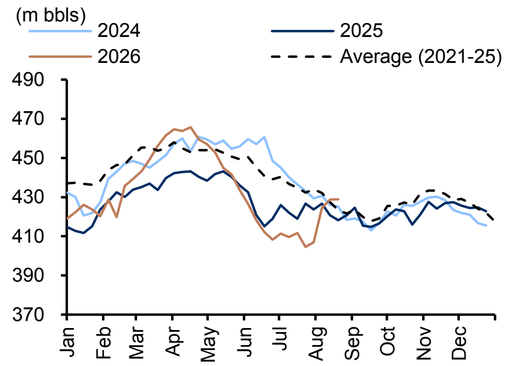
Source: EIA

Ex 1: US SPR



Source: EIA

Ex 2: US Commercial Crude Oil Inventory



Source: EIA

result, SPR buying is more likely to provide a downside floor for crude prices than drive sustained upside.

Russia extends diesel export ban until September 30

- **Third extension of the ban on Russian diesel exports:** Russia announced over the weekend that it will extend its diesel export ban by another month through September 30, 2026. The extension adds further pressure to an already tight global diesel market, with supply disruptions affecting both the Persian Gulf and Russia. Russia is the world's second-largest diesel exporter and is also facing domestic fuel supply issues amid intensifying Ukrainian attacks on its energy infrastructure.
- **Seasonal demand is turning stronger:** The diesel market is heading into a seasonally stronger demand period, supported by harvesting in the Northern Hemisphere and planting in the Southern Hemisphere over the next few months, followed by increased winter demand.
- **Impact:** Russia is unlikely to resume diesel exports quickly as refinery disruptions from ongoing Ukrainian attacks continue to constrain domestic fuel supply. Bullish for diesel cracks and refiners, as prolonged Russian export restrictions further tighten global supply just as seasonal demand strengthens. The combination could keep diesel margins elevated, particularly if supply disruptions in the Persian Gulf persist.

Ex 3: Prices And Spreads

	Unit	This	Last	%	Quarterly						Yearly		
		week	week	chg	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	2024	2025	2026
Upstream													
Dubai	(US$/bbl)	81	84	-3%	66	68	63	78	88	78	80	71	83
Brent	(US$/mmbtu)	90	92	-2%	67	68	63	79	97	86	80	71	92
Henry hub	(US$/mmbtu)	2.9	2.8	3%	3.5	3.1	4.1	3.5	2.9	2.9	2.4	3.7	2.9
JKM Spot	(US$/mmbtu)	24.2	23.6	2%	12.4	11.8	10.8	13.2	17.4	20.5	11.9	13.2	19.0
Dutch TTF	(EUR/MWh)	69	68	1%	36	33	30	40	46	58	35	41	52
NEX coal price	(US$/tonne)	131	132	0%	100	109	108	119	137	130	136	104	134
Crack spreads over Dubai													
Gasoline	(US$/bbl)	23.6	23.6	0%	11.5	10.3	15.7	9.6	28.4	29.6	13.0	11.3	29.0
Jet fuel	(US$/bbl)	53.7	61.7	-13%	14.2	16.1	24.6	36.3	62.9	61.2	15.7	17.0	62.1
Diesel	(US$/bbl)	62.1	70.7	-12%	15.8	18.7	24.5	35.4	63.0	66.8	15.8	18.0	64.9
HSFO	(US$/bbl)	0.7	3.3	-79%	1.7	(5.5)	(7.0)	(2.6)	2.5	2.8	(5.2)	(3.2)	2.7
Freight cost	(US$/bbl)	(16.1)	(13.3)	21%	(1.6)	(1.7)	(2.8)	(5.4)	(8.9)	(10.9)	(1.1)	(1.9)	(9.9)
SG GRM	**(US$/bbl)**	**11.1**	**17.1**	**-35%**	**7.0**	**5.9**	**8.8**	**8.3**	**22.7**	**21.2**	**6.1**	**6.1**	**22.0**
Aromatics													
PX-naphtha	(US$/tonne)	265	264	0%	207	236	243	262	274	229	274	188	252
BZ-naphtha	(US$/tonne)	215	214	0%	173	158	123	93	162	148	335	245	155
Olefin													
HDPE-naphtha	(US$/tonne)	405	404	0%	374	348	331	322	532	357	338	324	444
LDPE-naphtha	(US$/tonne)	625	624	0%	587	568	496	484	743	589	503	497	666
PP-naphtha	(US$/tonne)	395	394	0%	414	373	307	313	460	321	326	338	391
Others													
Integrated PET	(US$/tonne)	173	173	0%	134	113	116	177	275	176	140	119	225
Phenol-BZ	(US$/tonne)	119	125	-5%	55	56	118	103	97	152	6	76	125
BPA -Phenol	(US$/tonne)	240	240	0%	337	337	291	323	444	243	300	333	344

Sources: TOP, Bloomberg

Ex 4: Valuation

	Rating	Current price (Bt)	Target price (Bt)	*Upside/ (Downside) (%)*	Market cap (US$ m)	Norm EPS grw 26F (%)	Norm EPS grw 27F (%)	Norm PE 26F (x)	Norm PE 27F (x)	EV/EBITDA 26F (x)	EV/EBITDA 27F (x)	P/BV 26F (x)	P/BV 27F (x)	Yield 26F (%)	Yield 27F (%)	ROE 26F (%)	ROE 27F (%)
BANPU	BUY	14.50	19.00	*31.0*	1,771	na	24.4	11.6	9.3	4.8	4.3	0.4	0.4	5.6	6.4	4.0	4.4
BCP	BUY	55.75	60.00	*7.6*	2,476	114.1	(49.4)	3.1	6.1	2.8	3.2	0.9	0.9	13.8	5.2	32.4	14.3
IRPC	SELL	2.68	1.45	*(45.9)*	1,651	na	(66.4)	15.3	45.5	5.5	6.6	0.8	0.8	1.1	1.1	5.2	1.7
IVL	SELL	24.40	21.00	*(13.9)*	4,131	na	(22.5)	18.6	24.0	7.1	6.8	1.1	0.9	2.9	3.5	6.7	4.9
OR	BUY	12.50	13.50	*8.0*	4,523	(14.6)	31.4	17.5	13.3	6.3	5.1	1.3	1.2	3.1	4.1	7.4	9.4
PTG	BUY	7.65	10.50	*37.3*	385	(27.4)	63.4	17.2	10.5	4.0	3.1	1.3	1.2	5.2	5.2	7.4	11.7
PTT	BUY	40.75	43.00	*5.5*	35,098	49.6	(9.7)	11.4	12.6	4.1	4.1	1.0	1.0	6.1	5.6	8.8	7.7
PTTEP	SELL	148.50	111.00	*(25.3)*	17,777	13.2	(9.9)	9.3	10.3	3.0	3.1	1.0	0.9	6.1	5.4	11.3	9.4
PTTGC	SELL	44.50	31.00	*(30.3)*	6,050	na	(47.2)	22.1	41.8	7.8	8.5	0.7	0.7	1.1	1.1	3.3	2.4
SCC	SELL	261.00	192.00	*(26.4)*	9,444	157.9	33.3	24.5	18.4	15.8	10.7	0.9	0.9	2.3	2.7	3.7	4.9
SPRC	BUY	13.20	12.50	*(5.3)*	1,726	182.9	(50.2)	4.4	8.8	3.0	4.7	1.2	1.1	10.6	5.7	30.2	13.2
TOP	BUY	64.00	75.00	*17.2*	4,311	236.6	(63.1)	3.7	9.9	3.3	5.9	0.6	0.6	8.2	2.5	19.4	6.7

Sources: Company data, ttb wealth estimates

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