
Petrobras plans USD 41.9 billion CAPEX in 4 years

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Platts quoted Mr Jose Gabrielli CEO of Petrobras as saying that it plans to spend USD 174.4 billion for capital expenditures over the next 4 years. He said that the 2009-2013 spending would be 36% the USD 112.4 billion plan Petrobras had in place for 2008-2012. The 2009-2013 investment plan is very robust and very important for the continuity of Petrobras' growth.

Mr Gabrielli said that Petrobras is basing its capital spending on an average crude price of USD 42 per barrel for the four year period, including a USD 37 per barrel basis this year and USD 40 per barrel in 2010.

Capital spending for new exploration and production projects are to total USD 47.9 billion for 2009-2013, with USD 28 billion slated for work in Brazil's recently discovered and huge offshore pre salt assets. Petrobras expects 2012 production target of 3.3 million barrels per day and 2002 production of 5.1 million barrels per day.

Mr Gabrielli said that Petrobras plans to spend USD 2.4 billion to expand production. He added that "It is important to expand our presence in ethanol and biofuels."

Petrobras was originally set to unveil its 2009-2013 CAPEX plans in September but the company moved the date back several times because of the financial uncertainty caused by the worldwide credit crunch.

(Sourced from www.platts.com)

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