

Petrobras profits leap in second quarter on higher oil prices

August 3 2018



Results suggest Petrobras is turning around after a sharp drop in crude prices and a mammoth corruption scandal in the company

Brazil's flagship oil company Petrobras announced sharply higher net profits for the second quarter of 10.072 billion reais (\$2.7 billion)

Friday, crediting higher crude prices for the improvement.

The April to June period saw a 45 percent increase over the 6.96 billion reais net profits in the first quarter.

It was the best quarterly result since 2011 and came despite the company taking a pounding during a May truckers' strike that crippled the country's economy for almost two weeks, especially impacting fuel deliveries.

The truck drivers, who were angered by rising fuel costs, forced the resignation of Petrobras CEO Pedro Parente.

Friday's results were far stronger than the 6.5 billion reais net profits expected by analysts consulted by financial daily Valor.

They also demonstrated Petrobras's turnaround from a year ago, when the second quarter saw net profits of just 316 million reais, reflecting the continuing fallout from a sharp drop in crude prices and a mammoth corruption scandal in the company.

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