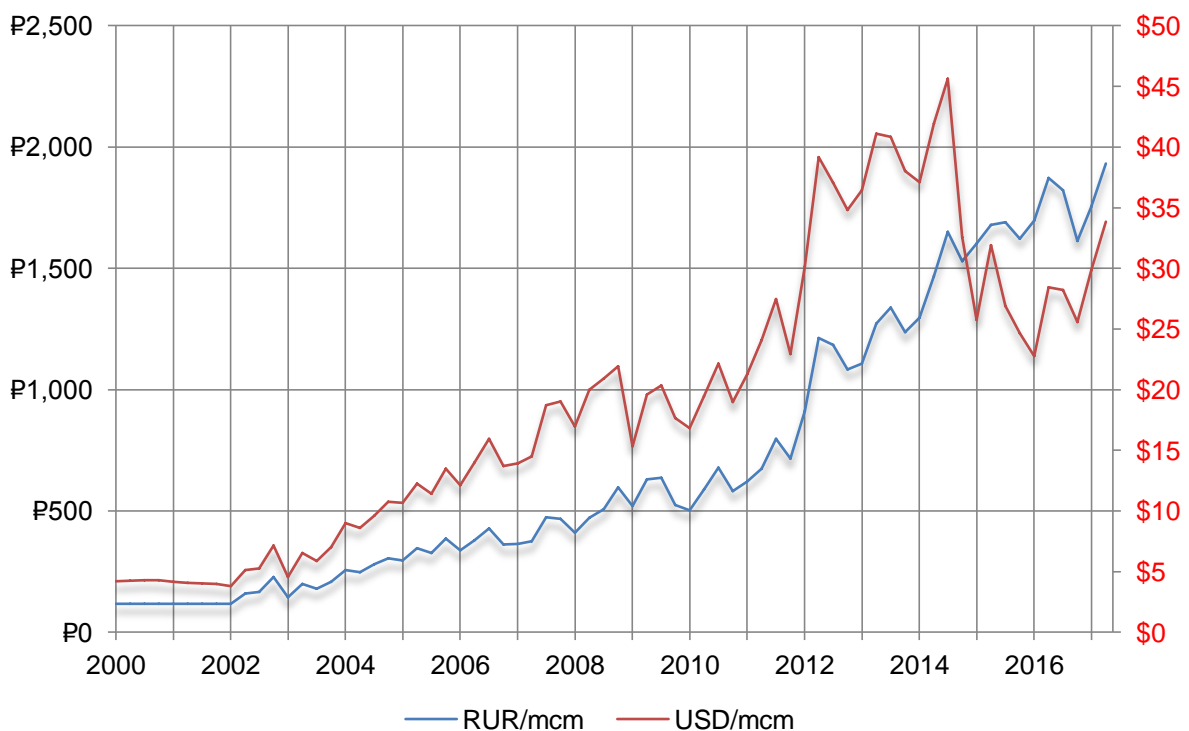


### Gazprom reports average gas production cost at \$33.84/mcm

According to the segment information of the financial report of Gazprom for January-June 2017, the average production cost of natural gas in Q2-2017 was at ₱1934 per 1000 cubic meters (mcm) or \$33.84/mcm. In Q2-2016, Gazprom reported ₱1873/mcm or \$28.43/mcm. The official average US dollar rates in Q2-2017 and Q2-2016 were ₱57.14 and ₱65.88, respectively.

Figure 1. Average Gas Production Cost of Gazprom per 1000 cub m



Sources: Annual and quarterly financial reports of Gazprom.

Notes: (1) There are no quarterly data for 2000-2001;

(2) Dollar costs are based on the average exchange rate of the corresponding period.

The average cost in the period of January-June 2017 is reported at ₱1836/mcm or \$31.67/mcm compared with ₱1733/mcm or \$25.90/mcm in 2016. Russia's Central Bank reported the average US dollar rates in H1- 2017 and 2016 (full year) at ₱57.97 and ₱66.90, respectively.

Mikhail Korchemkin  
 East European Gas Analysis  
 Malvern, PA 19355  
 USA

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