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PODCAST

As production falls, the bearish case for US oil

US crude output fell this year in response to low demand stemming from the coronavirus pandemic.

Production has held at around 10.5 million b/d to 11 million b/d since late October, according to the US Energy Information Administration. But that is down roughly 2 million b/d on the year, and many analysts expect little change for 2021.

However, some oil industry leaders are much more bearish on production.

Adam Waterous is one of them.

Waterous, managing partner and CEO of North American private equity firm Waterous Energy Fund, believes the Permian Basin in particular has already peaked. Investors have been burned by low returns and are not likely come back in force, according to Waterous.

He joins us today to discuss the implications of what he describes as a major structural shift in the industry, and where it is headed.

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