

SM132 | 7.29.2023**Summer Playlist 2023 | Episode 2****Arjun Murti, Former Head of Equity Research on Energy Sector at Goldman Sachs, Partner at Veriten, and Publisher of “Super-Spiked” on Substack**

Our Summer Playlist rolls on this week with Arjun Murti. Arjun is the Former Head of Equity Research on the Energy Sector at Goldman Sachs, a Partner at Veriten, and the publisher of “Super-Spiked” on Substack. SmarterMarkets™ host David Greely catches up with Arjun midway through the year to get his thoughts on where we are in the energy super vol cycle.

Arjun Murti (00s):

When you look at the energy needs for the rest of the world, there is a role for new technologies. We are going to need to have electric vehicles ramp if we are gonna meet the substantial energy needs in India, Africa, and so forth. So nothing I'm saying is a knock on the need for new technologies. In fact, just the opposite, it's pretty clear as energy needs grow, we are going to need all the different ways we can get modern energy, including the new stuff. My critique is usually with thinking we can get rid of the old stuff at any point in time before the new stuff is ready for primetime.

Announcer (31s):

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David Greely (01m 12s):

Welcome back to our SmarterMarkets' Summer Playlist 2023, where we're sitting down with our special guests midway through the year to talk about where we are and where we might be and need to be heading next. It's our beach reading in a podcast. I'm Dave Greely, Chief Economist at Abaxx Technologies. Our guest today is Arjun Murti, the Former Head of Equity Research on the Energy Sector at Goldman Sachs, Partner at Veriten and the Publisher of Super-Spiked on Substack. We'll be catching up with Arjun midway through the year to get his thoughts on where we are in the energy super vol cycle. Hello Arjun. Welcome back to SmarterMarkets.

Arjun Murti (01m 50s):

David it's always great to be here with you. Thank you for having me back on.

David Greely (01m 53s):

Well absolutely. I mean it was so great to have you here to kick off the year kick off 2023 with us in January, and now we're midway through the year and I'm really thrilled that you could pop back in with us to talk about how the year's been unfolding and where we might be heading next. So why don't we start there, Arjun, how would you characterize the first half of 2023 in the energy markets and how does it look through the lens of your super vol thesis that we talked about back in January?

Arjun Murti (02m 22s):

Yeah, thanks David. I think that super vol thesis is, is sort of the place to start. And I might take you back sort of over the last two years inclusive of the last six months, which is we had that nice run coming out of COVID, then Russia, Ukraine that took oil from 60 to one 20 and we've now been in a correction mode and it has been the core part of our framework, which is super vol, not supercycle. Now mercifully, David, I do not have published oil forecasts. I know you don't either and I don't think either of us miss doing that. So this is not about me trying to pat myself on the back at all. It is about the framework and how I think companies, investors, policymakers should think about things which is, I don't believe supercycle is the correct terminology. I think in an environment where there is uncertainty in the three major oil consuming countries on the economic outlook, China, Europe and the us and in a world where there's lots of cross currents on the pace of decarbonization in some of these trends and there's uncertainty in a number of the different key supply basins, I think this is the kind of environment we're gonna be in.

Arjun Murti (03m 24s):

So we got to one 20 from that reaction. We had a surge in the US rig count mostly from private producers. We've had sort of a little extra US shale supply this year. We've had some SPR releases, we've had Guiana Re-amp and so forth, and you've had some economic uncertainty creep in demand been okay, but it's not been booming. And so we've now pulled back a one standard deviation move in oil is \$20 a barrel. We went three standard deviations up from 60 to one 20. We've now pulled back two and a half standard deviations. And I think not surprising, knowing you David, your, your timing is impeccable in that I think we will say perhaps we're through the worst of that correction period. You can always go down more, you can always paint pictures of harder land ons if you want, but I think we are at one of those times where there's questions on when shallows gonna peak. There's sort of some notion of demand is hanging in there better and I do wonder if we've maybe not had the bulk of that correction. So I think it's an interesting time to talk, but these last two years and the last six months are emblematic of I think the kind of market people should expect going forward.

David Greely (04m 25s):

I think it's so important your emphasis on the super vol rather than supercycle and I'm really glad, I think the timing's working out just right to talk with you about this now because I think still many people look at the oil prices as you said, having gone from one 20 back down to 80 and been kind of choppy around much of this year, kind of flat to down and they ask, well what happened to the structural bull market and I was hoping that you could put that in context a little bit and share how you think about how structural bull markets play out and where are we in this one?

Arjun Murti (04m 55s):

I think there's actually a lot to dive into on that question and I to some degree if when you say super vol, are you just saying all prices are gonna go up and down and you wanna wash your hands of any specific I do. I do not miss the public price prognosticating business. I don't think you do either, David, what I will say though is I have never subscribed to what I'll call the perma bear sort of outlook, which is one of demand is permanently peaked, it's going to go away due to decarbonization and other effects and that technology, et cetera, will just allow supply to bubble out of the ground without a CapEx cycle. So I'm for sure not in that super bear category. The reason I've picked sort of super vol versus supercycle really is there is an economic uncertainty today that was not there when you and I were teammates back in the early two thousands when China was just emerging and they were clearly going up that sort of economic and GDPs curve with by the way a very heavy industry oil intensive type of economic growth that then fueled the kind of the big boom that we had that.

Arjun Murti (05m 54s):

So that's not the environment today. China, if anything has had peak population, probably peak industrialization and so it's a different environment there. And as we're waiting for India and Bangladesh and Pakistan and other Southeast Asia, Africa to ramp up, we're in a little bit of that transition phase on the demand side. Now, I don't think demand has peaked either and I know we'll get to that in a second and so in an outlook of sort of steadily growing oil demand, we don't need to motivate the major kind of supply response like we were trying to do 20 years ago. And I think there is a debate of can you sort of gut it out with shale and a little bit of OPEC creep and so forth, but none of this is going to be smooth and so overall expect prices to be high and volatile that may add up to an overall good period, quote unquote for oil prices, an overall good period for earnings and profitability for the sector. But I don't think anyone should think it's just a smooth lineup and when you and I were doing this 20 years ago, oh two to oh eight was almost every year up until the right. Whereas here, I think three standard deviations up, two standard deviations down, that is more likely to be what we expect going forward.

David Greely (06m 59s):

Yeah, and I loved you had written an article on your substack, I think you labeled it something like PTSD in the structural bull market and I think there is a lot of analysts out there who have that from, from the 2008 period and so I just wanted to ask you like, do you still have, when you look at the supply side of the market, I know as you said, there's not the booming oil demand coming in out of China at this point, but when you look at the, the supply side of the market, does it still look fairly constrained to you?

Arjun Murti (07m 26s):

I think we are still constrained on the supply side, but the demand side is relevant. So it, it's one thing to declare that we're not quite having the big them boom like we did 20 years ago. It's another thing though to believe, I'm gonna pick on them the IA is net zero by 2050 report from May of 2021. Now that was a scenario, but I think it was a willful scenario that has been weaponized by especially folks particularly passionate about the climate and that scenario call for oil demand to be somewhere around 75 million barrels a day in 2030 and you can call it a scenario, you can call it something that would have to happen if we were gonna have net zero by 2050. But

David, it was never realistic. It was never on track to happen. You could always debate out decades through some combination of fuel economy and substitution. But in the near term we were never, never ever on track to have \$75 million a day by 2030. And the IAs put out there, it used to be called the medium term oil or part, it's called something different now. And in 2028 this is a forecast 105 million barrels a day and that's 30 million barrels a day. That's not a small number.

David Greely (08m 33s):
A 50% miss it's a massive.

Arjun Murti (08m 35s):
Delta right and so, hey, you and I can both attest to getting forecast wrong, but give me a break on what I will call the ideology of that report purposely weaponized versus the reality we're on. So I think it is remarkable actually that in a world where the three largest oil consuming countries, China, Europe, US are all facing economic uncertainty, we're on track to obliterate those net zero by 2050 type oil demand projections. It's a different discussion on how you should decarbonize and what are the steps you have to take but from purely an oil supply demand analysis standpoint, I think it is very noteworthy that here in 2023 we're probably gonna have 102 million barrels a day higher than 2019, we're on track for 104 in the next year and a half or so and again, we are up into the right. I think on the supply side, the big question is really about the Permian Basin and shale.

Arjun Murti (09m 26s):
This has been last decade, 70% of global supply and it is showing signs of maturing. Now some people have Permian production falling off a cliff or at least starting to decline. I don't have that, but I, again, I think it's noteworthy that for what counted as the overwhelming majority of oil supply growth, it is showing some signs of tiring a bit and I think exactly when that peaks in higher replace it, that is why we're gonna need a new CapEx cycle. We're gonna have to figure out what comes after the Permian and no one's even trying that yet.

David Greely (09m 57s):
Yeah, and I want to get back to, to that in some detail with you, but first I kind of wanted to ask you, I mean I don't want to press you for stock tips, but given your experience as an energy equity analyst hoping you could share, how do you think about company performance over these different stages of a super vol cycle or a structural bull market or however you wanna talk about it?

Arjun Murti (10m 19s):
Well, maybe it just hasn't been long enough, but one of the things I am very encouraged about when I look at sort of, I'll call it the publicly traded universe of mostly western major oils, independent producers, refiners services, the whole bucket of traditional energy companies is profitability continues to be doing much better than it did again 20 years ago where CapEx was skyrocketing and companies were starting to erode the returns and it's actually one of the things I take the greatest comfort in during what's now been a four quarter period of correction. We've had four quarters of sequentially down oil prices and while profitability is naturally down with it, it is holding up overall much better than what we've seen in past down cycles and I think investors should take a lot of comfort that at around \$70, \$75 WTI, this industry's gonna have at least a 15 and it may turn out to be 17%, 18% return on capital, which is an outstanding number.

Arjun Murti (11m 09s):
And so while one wouldn't normally call \$75 a quote trough oil price, I think if you were to then extrapolate that down to 50, which if you have a hard landing might be a more reasonable trough, you'd expect at least still cost of capital returns eight, nine, 10% for the sector, which is a heck of a lot better than losing billions of dollars as they did during the COVID trough or even being break even. So I think that sort of profit, and I do use the supercycle language for the return on capital outlook for the sector, my preferred profitability metric, you can use anyone you want, but the idea that this sector is on track after a really bad decade in the 2000 and tens to now have a, a kind of an above normal, if you will, decade coming forward, that I think is one of my biggest positive takeaways and I think that bodes well for the sector overall. You still need to get through this short term correction stuff and maybe we're getting through it. The near term trading will always impact equities, but that underlying profitability I think people should feel really good about.

David Greely (12m 06s):
And I wanted to come back because, you know, so much will be driven by the investment that happens. But you know, as you said earlier, there's been a lot of talk in recent years about peak demand. And I agree as like, you know, I think a lot of people misinterpreted that IEA scenario as a forecast or a projection. And I, I think it was pretty obvious, you know, as someone who's written reports that it would've been interpreted that way.

Arjun Murti (12m 31s):

Call it willful weaponization of a scenario and I think the IA knew what it was doing. That, those are my words, not yours.

David Greely (12m 38s):

I don't disagree. And the need to, you know, this need to transition away from oil and gas to lower carbon energy. It was seen as being more important than these supply constraints that seem to be looming out there. I know our former colleagues, your former colleagues at Goldman recently published their 20th edition of the top projects report, which I think you were, you and I were around for the first one, you, you and your team certainly did a lot more work on it. I was a happy consumer of it and that's kind of placed, as you said, peak Permian on the horizon. I was wondering, how are you thinking about weighing, you know, the peak demand versus peak Permian peak shale. Do you think that we're gonna hit a supply crunch at this point? And you know, how many years in the future if I could press you on that?

Arjun Murti (13m 20s):

I think we are gonna need to start looking for other areas where we can get oil supply from. Now, again, unlike 20 years ago where there were individual years, oil demand grew 3 million barrels a day and often was growing over one and a half million barrels a day. Maybe we're trying to solve more now for summer between 750 and 1.2 million barrels a day of growth. So more modest growth rate than 20 years ago, but still a growth rate versus the expectation of decline and the idea that shale can provide 70% of it or maybe even 10% of that is hardly clear and at some point I think we are gonna probably peak in the Permian and Plateau, and maybe that's within the next three or four years. My own views are kind of very similar to what our colleagues McKayley Devin, our former colleagues put out just about a month ago.

Arjun Murti (14m 03s):

And so then what does come next you know, so there there's gonna be some ability for the OPEC countries to grow, but David, I think even in the course of my 25 year career, it's not obvious Saudi has gone from anywhere other than nine and a half million barrels a day about 20 years ago to 10 and a half million barrels today. I mean, so I, I know people like to declare that they can produce 12 or 13 or 11 and a half. They've never sustained more than 10 and a half and I'm, I'm not being bearish Saudi, I'm just looking at the numbers. So let's at least, why can't they demonstrate six months at 11 and a half before we declare it a done deal and so no one's saying they're running outta oil, we're saying they need an investment cycle just like other areas do.

Arjun Murti (14m 44s):

Now, is it gonna be Canada's oil sands. Are we gonna go back to deep water. These are all the areas we're gonna have to start looking at. But honestly we're not even trying so far. There's a little bit of a pickup and exploration, there's a little bit of an acknowledgement. Some of these other areas may make sense, but people aren't even trying. And I will say when you look at the energy needs for the rest of the world, there is a role for new technologies. We're going to need to have electric vehicles ramp if we're going meet the substantial energy needs in India, Africa and so forth. So nothing I'm saying is a knock on the need for new technologies. In fact, just the opposite, it's pretty clear as energy needs grow, we are going to need all the different ways we can get modern energy, including the new stuff. My critique is usually with thinking we can get rid of the old stuff at any point in time before the new stuff's ready for primetime.

David Greely (15m 33s):

Yeah, and I mean it is very strange to think we're in a world now where the US is a leading oil producer. You know, it's a leading exporter of liquified natural gas. It's strange to think that we're so reliant on the US for our traditional energy supplies at this point. Are you seeing things outside the US where you're like, okay, here's, here's where more supply is coming from or are we looking to have to meet that strictly from renewables?

Arjun Murti (15m 59s):

You know, I might phrase it slightly differently in the sense that I think there's a huge opportunity between the United States and Canada, but also in the Middle East to provide the energy supplies that the rest of the world is demanding. So I agree that in the OECD and the rich Western nations, and it'll include Japan and Australia and New Zealand in there, that oil demand and some of these traditional fossil fuels, probably if they haven't peaked, they're gonna peak soon and some amount of decline is going to happen. But then there are these other 7 billion people on earth who use like 20% on a per capita basis of the energy that the lucky 1 billion of use and how do you meet their needs? The world knows modern energy exists and so it's going to want to use it. And that could be the old stuff, it could be the new stuff, it's gonna be all of it.

Arjun Murti (16m 42s):

And we have a tremendous opportunity between our crude oil and we can say the Permian's maturing that maybe we motivate tier two and tier three to come into bean. The state of Alaska last time I checked is part of the United States. It's not clear why only Alaska gets labeled as Arctic Norway is allowed to do \$18 billion in new projects. Apparently Norway, they're touching of the Arctic Circle for some reason, doesn't count good for them from a branding perspective. Canada oil sands, lots of resource L n g from both Canada and the United States. This is all the energy the world needs. But we also have some of the best technology sector folks, the best entrepreneurs. And so whether it's electric vehicle technology, battery storage, hydrogen, any of this new stuff, that's also an opportunity for us to go help the rest of the world meet its energy needs.

Arjun Murti (17m 27s):

And I think we are uniquely positioned to do that. I'm talking about US plus Canada, we're in the Middle East, it's gonna be mostly oil and natural gas that they have to offer the world and maybe not on the cutting edge of some of the newer technologies from a proprietary development standpoint. And I think it is very interesting, David, from, again, from 20, 30, 50 years ago to think about the US as being long energy, all forms of energy that as our demand kind of matures and possibly goes down, we can free it up to go to these other areas of the world that clearly need it and are gonna want it.

David Greely (17m 57s):

Yeah, I think that was a big lesson coming out of the, the European energy crisis last year where fortunately a very warm winter saved a lot of hardship, but there was a lot of hardship experienced in some of the developing countries and in areas like Pakistan and others where the LNG cargoes that were needed in Europe did not show up in other places and so unfortunately I feel like these energy crises always balance on the backs of the poorer countries and poorer people in richer countries and I think we need to keep that in mind when we think about what we're doing with our energy supplies and that really shifted the conversation. That's what I wanted to ask you about as well. It seemed like, you know, during that period there was a big shift in the conversation, maybe a rebalancing of the energy conversation away from some of the more extreme ESG stances and towards energy security. And I was curious, are we, are we finding a, a path to the middle at this point and how are investors thinking about balancing the need for secure and environmentally sustainable energy now because to meet those opportunities that you talk about, we need investment and are we gonna be able to see reasonable, rational, responsible investment in the industry?

Arjun Murti (19m 10s):

I mean, listen David, doing better on the environment and decarbonizing our important goals, my pushback is they shouldn't be the only goal and frankly they'll never be the number one goal and so this shift to now talking about an energy dilemma as some have talked about it, where it's a mixture of geopolitical security, reliability as well as climate and environmental goals is a step in the right direction. But I think still fall short of the reality of the world we live in, which is its availability first and foremost, full stop and we know that looking at Germany, one of the country's most committed to decarbonizing Russian gas is cut off and it didn't take five seconds, five seconds for them to restart up coal plants. And David, as you know, lignite coal, which I'm pretty sure as a non-coal expert, is the worst form of coal that you can actually have.

Arjun Murti (19m 58s):

And they somehow decided to do this while retiring their nuclear pants, which is probably for another conversation on another podcast, but the most climate conscious people of the world apparently are burning lignite coal because They don't, couldn't live without energy for five minutes and I don't blame them one bit. So what about the other 7 billion people on earth that are using three barrels of oil per capita versus the 16, the lucky 1 billion of us use. You look at a economy like Africa, it's 1.3 billion people that use 4 million barrels a day. That's, that's insane. We use over 20 here in the United States for three 50 million people. If Africa goes from using one barrel per capita to three barrels per capita, which by the way is that sort of rest of world average, that's 8 million barrels a day of oil demand. Now China grew by 8 million barrels a day over 15 years from I wanna say 2002 to 2017.

Arjun Murti (20m 51s):

I don't know if Africa as a continent will grow that quickly, but that in a nutshell is your energy transition. It is meeting the energy needs of the rest of the world and the idea that anyone can say you have to do without or we want, or you're gonna, you know, degrowth, you don't get to grow. It's insanity. It's pure insanity and none of that is to say we don't care about environmental and climate goals. We do, but you're gonna have to figure out how to meet the people's energy needs first. Hopefully it's affordable, hopefully it's reliable and

from geopolitically secure countries. And the goal will be to do it with a better environmental footprint, but it's availability first. It's a hierarchy of needs in my opinion.

David Greely (21m 29s):

Yeah, and I wanted to ask you, often what we see is that developed countries are able to kind of leapfrog technological stages. So going wireless instead of stringing up thousands of miles of, of telephone line. Do you see any scope for that with the energy transition? Because if you look in the us if you look in Europe, like why are we shutting down nuclear plants that have useful lives and trying to replace it when you could be, you know, building next generation technology closer to consumers in the developing world, rather than having them need to be reliant on, you know, fossil fuels are very portable it's very easy to, you know, logistically less demanding. Is there any scope for that or is that too much of a pipe dream?

Arjun Murti (22m 12s):

It's a great question and I think one of the worst analogies that climate tech people use is sort of the landline to smartphone leap that say India did and then say, well instead of using ice vehicles, we're gonna use EVs, et cetera and so forth and smartphones are infinitely better than landlines. There's no chance you'd build a landline infrastructure. It's probably not actually cheaper. And then clearly all the benefits of a smartphone, which I don't need to go into here and make it just a no-brainer to switch, but they're also a thousand dollars or \$500 or \$200 products. They're consumer products. It's not a whole infrastructure in the system. And while I personally prefer driving an EV over an ice vehicle, the performance differences, I mean, some people, you know, there's some pros and cons to both of them.

Arjun Murti (22m 57s):

It's not obviously better. It's certainly not obviously cheaper, you know, and so I might phrase it somewhat differently in the sense that when you look at energy, you look at a country like China, which imports 10 to 12 million barrels a day of oil, I think there is motivation to switch to EVs and you'd rather have a coal-fired EV than an OPEC plus fired ice vehicle and so I think there is a misnomer that China's doing this for environmental reasons. Maybe they are, maybe they aren't. I think they're doing it primarily for geopolitical reasons. And then when you look at a country like India, they're not gonna want to repeat importing 10 million. They're not long oil in India. They're not gonna want to import 10 million barrels a day or more. So I think they will be motivated to use EVs for geopolitical reasons and so when we look at energy, you have to take all these things into account.

Arjun Murti (23m 43s):

You can't just focus on, well for Co2 two reasons India's a switch. They're not gonna wanna import just LNG and by the way, that means they're gonna use a bunch of coal, but they're probably also gonna be used a bunch of solar. And so how do each of these countries solve for, how do they minimize their insecurity from a geopolitical standpoint, domestic resource first, solar and wind or domestic OPEC barrels tend to not be, unless you're an OPEC country and so on and so forth. And I would, I would encourage that type of analysis by country and region versus the European and US, and I apologize, David, left of center ideology of c o two is all we care about. It may be all you care about, but until you provide energy for all, you're not gonna, I think get your Co2 reductions that you want.

David Greely (24m 29s):

It's such an interesting idea that in in countries, in order to get off their dependence on oil, they could switch to EVs and power by coal. It's, it's such an interesting and important perspective of just if you see ev car growth doesn't necessarily mean that these countries are doing it for environmental reasons. You gotta look at the power source that's ultimately behind those. And I think that's an interesting way to look at

Arjun Murti (24m 52s):

David, yeah, let me just jump in there for one second because I was, I was critical of the left. So let me be balancing be critical of the right. I think tagging solar, wind and EVs is simply, you know, crazy and viral lefty stuff isn't accurate either. I think we do need these technologies and it is incumbent upon people on the right and conservatives to figure out how to embrace these technologies because it is charge geopolitical advantage to pursue them in this country and help these emerging regions develop and meet their energy needs. So I apologize for interrupting, but I just want make sure I'm balanced.

David Greely (25m 22s):

No, I want to make sure everything's balanced and you, you've been able to say what you intend to say and maybe with that, you know, one last thing that I really enjoy in your Substack is, I think you put it in your words, is taking a longer term focus on shorter term issues

and I think that's great for the middle of the year. As you've said, we've kind of gone through these early innings in the super vol cycle. Have things been happening this year that you kind of are taking in and influencing the longer term outlook that you have, are there things that you know, have come up that might not seem like a big thing but may turn out to be a big thing in coming years?

Arjun Murti (25m 59s):

So I've, I've tagged it. My Super-Spiked was tagged as sort of a messy energy transition era arrives and I think that tagline is starting to morph into the energy transition needs to transition into kind of what we just talked about with start with availability, figure out how countries can meet their domestic needs through both new and traditional technologies and then how do you do that in a way that's affordable, but also does take into account environmental and climate concerns and I think that is some of the short-term volatility and noise. I do think what happened to Europe when Russia first invaded Ukraine, \$500 equivalent natural gas prices just being caught off energy. It has shifted that conversation at least somewhat in the right direction. You may not realize that when they're shutting nuclear plants, but that one major negative issue aside, you know, I think, so there's a lot of this short-term stuff I think is contributing to a better understanding of why we use energy and that some of the simplistic landline to cell phone analogies just don't apply here.

Arjun Murti (26m 56s):

And, and so I do take some hope, I take some hope that I think the conversation has brought in that you are seeing people right of center try and engage on these topics where it's not just a left of center type perspective from a political standpoint, there's still a long way to go on basic education to all sides of the aisle, both here in the United States and around the world. But I am an optimist and I do think progress is being made and I take a lot of comfort in independent voices. So I write on CK but there is many other people in many different avenues and people with a range of views, those views are getting out there. People might not like every view, they may not agree with every view, but I take some comfort that energy is elevated to a point of prominence and conversation that we have a chance at least to have better solutions going forward.

David Greely (27m 39s):

Yeah, and it's so important. You know, I find like the, the need to really think about transitioning our thinking about energy. I mean, back when, when you and I were analysts, energy was almost a shorthand for oil and natural gas. Kind of was like the broader way to talk about the two and now we really do need to think broadly about all the different ways that we can bring the energy people need to their world and it requires thinking about not only the supply, the security, the other forms that can come in the carbon footprint. So I feel like it's being able to talk with you, being able to talk with many other people that, that that educational aspect and broadening our own thinking is so important for us all to move forward. But, you know, that's a lot of work also, it's the summertime. So I, one thing I wanted to ask you, this is you know, our summer playlist series and so we'd like to ask each of our guests what are they reading this summer and what's on your beach reading list or just what are some of the things that you're trying to use to expand your own mind?

Arjun Murti (28m 36s):

You know, I'm a big reader and one of the best and favorite authors has been Vaclav Smil. So for people who care about energy, Dr. Smil is a professor, I want to say at the University of Manitoba. He is an energy expert and to me does not have an agenda. I don't think what he says is right wing or left wing. It is pragmatic, it is truly science-based, analytically based and he has a bunch of books. His latest one is, let see if I can pull up the title Invention and Innovation and I just read it. He's an absolute treasure. Numbers Don't Lie is another good one. The Way The World Really Works is the third one I would recommend everyone left, right center if you live in an autocratic country, if you live in a democracy wherever you live, whatever you do read Dr. Vaclav Smil I love him. The other book I read is actually an oldie but maybe a goodie I'd not read it before, is The Big Rich, which was about the four founding families of the Permian Basin. It's a guy, I think Brian Burroughs, if I have his name correctly. I think it was written like in the late two, 2009 type timeframe. But that was my fun reading. So I'm a little bit of a loser for sure. I have a serious energy book and I have kind of a fun energy book. I, I probably do need to broaden in my horizons. David, I'll listen to the other episodes to make sure I get some, some, some better, more broad based recommendations.

David Greely (29m 50s):

Thanks so much Arjun.

Arjun Murti (29m 51s):

You. It is such a pleasure to speak with you, David, and always nice to be here on SmarterMarkets.

David Greely (29m 57s):

Thanks again to Arjun Murti, Former Head of Equity Research on the Energy Sector at Goldman Sachs, Partner at Veriten, and the Publisher of Super-Spiked on Substack. Join us next week as we continue our Summer Playlist 2023 with our next special guest. We hope you'll join us.

Announcer (30m 15s):

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Announcer (31m 04s):

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