

## Macro Roundup Article

**Headline:** [What the End of the US Shale Revolution Would Mean for the World](#)

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**Tweet:** As shale fracking costs surge and firms face demands to return capital to shareholders, American shale is no longer the world's swing producer despite record American oil exports. @ft

**Summary:** High costs and labor shortages now bedevil the shale patch. Wall Street wants profits paid back to investors, not reinvested in new rigs. Even with crude prices at \$80 a barrel, a price far above the long-term average, shale producers still fear to splurge capital. To top it off, new wells are yielding less oil. "The aggressive growth era of US shale is over," says Scott Sheffield, chief executive of Pioneer Natural Resources, the country's biggest shale producer. "The shale model definitely is no longer a swing producer." Output today remains well below the pre-Covid highs, and is now growing glacially by shale standards despite 18 months of strong oil prices.

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