

Re: Oil profits: rent?

Source: <http://sci.tech-archive.net/Archive/sci.econ/2005-11/msg00370.html>

- *From:* "Ron Peterson" <ron@xxxxxxxxxxxxxxxx>
 - *Date:* 22 Nov 2005 07:26:23 -0800
-

Dan in Philly wrote:

- > I almost hate to ask this in this group – could lead to a lot of
- > monologues – but maybe someone knows the answer:

- > Oil companies have made big profits lately. How much of that is due to their
- > owning oil wells? (as opposed to profits from refining, transporting, etc).

- > Citations would be appreciated; I googled but couldn't find anything. TIA.

The Yahoo Industry Browser has the following information on return on equity

Independent Oil & Gas – 23.80
Oil & Gas Drilling & Exploration – 18.30
Oil & Gas Equipment & Services – 16.40
Oil & Gas Pipelines – 11.70
Oil & Gas Refining & Marketing – 30.90

Looking at Valero with a 30% ROE, I think that refining is the most profitable part of the energy business now.

—
Ron

• *References:*

- ◆ *Oil profits: rent?*
 - ◇ *From:* Dan in Philly

- Prev by Date: *Re: The American Dream*
- Next by Date: *Re: The Problem with Economics (was: Re: LVT: a discussion with a center/left economist)*
- Previous by thread: *Re: Oil profits: rent?*
- Next by thread: *Re: Oil profits: rent?*
- Index(es):

Re: Oil profits: rent?

- ◆ Date
- ◆ Thread