

Oil prices rebound amid falling US output

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New York: Oil prices bounced back on Monday as data suggested that US crude output is dropping amid low prices.

Oil service company Baker Hughes reported on Friday that the oil rigs dropped eight last week, bringing the total rig counts down to 644.

US crude production fell 18,000 barrels to 9.117 million barrels a day as the week ended on September 11, according to the Energy Information Administration (EIA)'s weekly report, Xinhua reported.

For that week, US crude supplies of last week dropped 2.1 million barrels to 455.9 million barrels. Inventories at Cushing, Oklahoma, the delivery point for the US contract lost 1.9 million barrels to 54.5 million barrels.

Oil market also spiked as US stock market went higher. US stocks rebounded from heavy losses last Friday, as investors continued to digest the Federal Reserve's decision to keep interest rate unchanged.

The West Texas Intermediate for October delivery moved up \$2 to settle at \$46.68 a barrel on the New York Mercantile Exchange, while Brent crude for November delivery increased \$1.45 to close at \$48.92 a barrel on the London ICE Future Exchange.

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