New York, Sept. 23 (Agencies): Oil prices fell sharply on Friday following a report that Saudi Arabia did not expect a deal at major crude exporters next week aimed at freezing output and reining in a global glut, while world stock indexes edged lower.

The price of Brent crude fell by more than 3 percent, the steepest decline since July, after the report. The price of the US benchmark, West Texas Intermediate (WTI) for delivery in October, dropped by more than 2 percent. World stock indexes, already down this week, were also lower, with the Dow Jones Index losing 0.2 percent.

Airlines are also discussing the situation with the European Central Bank (ECB) and the International Monetary Fund (IMF) to see if they can come up with a solution.

The news comes as the latest batch of quarterly earnings reports are due to be released later this week, with companies expected to report mixed results. Many are also facing pressure from investors to cut costs and boost profitability, leading to a rise in share prices.

Gold traders are also keeping a close eye on the situation, with some analysts predicting a further decline in the price of gold if the glut continues.