Sterling gains as dollar dips

Oil up as Saudi ‘signals’ extension of OPEC deal

Brent oil prices peaked in the middle of this week, while WTI crude rose to a five-month high Friday, after the energy-rich country raised the possibility of extending an output reduction deal.

Brent crude was at $62.27 a barrel by 1556 GMT, up 0.2% from Friday’s close, while WTI crude was at $54.60 a barrel, up 0.4%.

Reuters, which compiled the data, said that the extension would be a positive signal for the oil market, as it would help to stabilize prices and increase investor confidence.

The gains came after Saudi Arabia’s Energy Minister Khalid al-Falih said on Saturday that OPEC was likely to extend its output cuts.

Falih had said that he did not want to be taken by surprise to make up for a level of price and that a new decline in the market was the main concern.

The news boosted oil prices, as it raised the possibility of higher demand and lower supply.

Brent and WTI crude prices both rose further from four-month lows this week, with the OPEC+ group, which includes Russia and other producers, meeting for the first time since late 2016.

The group could make a decision to extend its output reduction deal, which is due to expire at the end of this month.

The decision will allow OPEC to prolong their cuts, which have helped to support oil prices, as the global economy struggles with the impact of the pandemic and a sharp decline in demand.


ewest news

NEW YORK, June 8 (RTRS): US Treasury yields tumbled on Friday after a slowdown in US job growth fueled hopes of an interest rate cut by the Federal Reserve, as investors continued to bet on a more dovish policy.

Yields on the benchmark 10-year Treasury note and the 30-year Treasury bond fell, with the 10-year note yield hitting 1.22%, to 2,878.14 and 2,178.12 respectively.

The near $16-trillion sector posted its biggest weekly gain since March, as economic growth has weakened and fears of a global recession have grown.

The core consumer price index in May showed a 0.3% increase, with gains across all sectors.

The US core inflation is expected to remain fairly low, which could support the Fed’s decision to cut interest rates.

Bonds still have room to run

Fund managers bet on bond market

A modest rally, in bond market, was all the bullish signal in recent weeks for the bond market as investors waited for the US Federal Reserve to cut interest rates.

On Wall Street, the benchmark S&P 500 index and the Dow Jones Industrial Average both rose on Friday, with the S&P 500 gaining 0.8%, to 2,942.60, and the Dow gaining 0.6%, to 26,750.63.

The Dow is on course for its first weekly gain since early April, after a slowdown in US job growth fueled hopes of an interest rate cut by the Federal Reserve, as investors continued to bet on a more dovish policy.

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