

Oil Edges Above \$50 on Speculation Producers Coordinating

By [The Moscow Times](#)

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Oil prices rose on Tuesday, heading for the first three-day gain in five weeks, on signals that the world's biggest producers of crude may act jointly to support prices, which have halved over the past year.

Brent crude, the global oil benchmark traded up 85 cents at \$50.10 a barrel by 1333 GMT, or 1.7 percent day on day. It rose 2.3 percent on Monday.

The U.S. benchmark, West Texas Intermediate crude, was up 54 cents at \$46.80 a barrel. The contract gained 1.6 percent in the previous session.

"The market is possibly moving on speculation that OPEC and non-OPEC countries will find an agreement to cooperate," said Carsten Fritsch, senior oil analyst at Commerzbank in

Frankfurt.

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This was in line with comments made by OPEC Secretary-General Abdullah Badri at a conference in London that OPEC and non-OPEC members should work together to reduce the global supply glut.

"There is one problem we are facing: the overhang," he said, adding there were already signs of higher crude demand and of a drop in supply growth from non-OPEC members.

The former head of U.S. shale producer EOG Resources said at the same conference that U.S. oil production growth would tail off this month and start to decline early next year due to weak prices.

The U.S. government echoed this assessment, saying in its monthly forecast that U.S. crude output would fall through mid-2016. The government's Energy Information Administration also raised its 2016 world oil demand growth forecast from 100,000 barrels a day (bpd) to 1.41 million bpd.

Iran's crude oil sales were on track to slip to the lowest in seven months as its main Asian customers were buying less than before.

The drop counters expectations that Iran's exports would rise after Tehran and six world powers reached a nuclear agreement on July 14, although sanctions are unlikely to be officially relaxed until next year.

Tensions also rose in the oil-rich Middle East after a fighter jet of unknown nationality "interfered" with Turkish military patrols on the Syrian border, according to the Turkish military.

The announcement came after two incursions into Turkish airspace by Russian jets over the weekend.

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