

Oil Rises Above \$51 for First Time in Months



Houston, August 20 (RHC)-- The price of oil rose above \$51 per barrel in Friday's trading in international markets reaching the highest level since in multiple months. Brent North Sea crude settled at \$51.22 a barrel – a level not seen after Britain voted to exit the European Union – a historic vote known as Brexit that sent shockwaves to markets worldwide.

Also, U.S. benchmark West Texas Intermediate (WTI) hit a near seven-week high of \$48.71. Analysts say oil is rising as a result of hopes that the world's biggest producers will soon reach a deal to freeze output and help stabilize the markets.

Falls in the U.S. currency this week is also believed to have contributed to the rising oil prices. Earlier this week, Russia's Energy Minister Alexander Novak said that Moscow is looking into the possibility of starting talks with Saudi Arabia on stabilizing oil prices – an announcement that triggered speculations that he country is discussing a deal with Saudi Arabia to freeze their production.

Novak's remarks came days after Saudi Energy Minister Khalid al-Falih said Riyadh was ready to kick off talks with both OPEC and non-OPEC members to salvage the market and help revive oil prices.

The Organization of Petroleum Exporting Countries (OPEC) is preparing for a crucial meeting in Algeria in September to discuss the latest market conditions. Also participating in the meeting will be OPEC rivals

outside the group. There are already signs that the meeting could lead to an arrangement to tackle an oversupplied crude market which is largely blamed for the low oil prices.

Talks on a production freeze deal between Russia, OPEC, and other oil producers failed in April, after Saudi Arabia said Iran should also be included in the negotiations. Tehran had repeatedly emphasized that it would not cut production at the time, arguing that it needed to regain the market share it had lost as several years of sanctions.

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