Article published on December 3rd 2011 | Business

Business News Oil price above $100 on international banking plan:

Date December 1 , 2011

Oil price finished trading above $100 for the first time in two weeks on international banking plan.

The price of oil on Wednesday finished trading above $100 for the first time in two weeks, as the US and other countries made it easier for banks to lend money and keep the global economy growing.

The Federal Reserve said it will team up with the European Central Bank, the Bank of England and the central banks of Canada, Japan and Switzerland to increase the flow of dollars around the world. The coordinated move should be a shot in the arm for Europe, where a festering credit crisis has slowed the eurozone economy and threatened a recession.

Separately, China reduced the level of cash its banks are required to keep on hand in an effort to boost lending and keep the world s second-largest economy going strong.

Benchmark crude rose 57 cents to finish at $100.36 per barrel in New York. At one point it was as high as $101.75 a barrel. Brent crude, used to price many foreign kinds of oil, rose 12 cents to end at $109.98 per barrel in London.

Wednesday s price increases indicate that many oil traders think the global economy will eventually benefit

and oil demand will grow as more money flows through the banking system. The Fed added more encouraging news in its Beige Book survey released Wednesday. It showed the US economy expanding at a slow but steady pace in most parts of the country.

For now, however, oil and gas demand remains weak. The Energy Information Administration reported Wednesday that US wholesale gasoline demand fell in November to the lowest monthly average since January 2004.

"That was rather disappointing, given that last week included a holiday weekend," independent analyst and trader Stephen Schork said.

American motorists have been driving less with retail prices well above seasonal record levels.

The government reported Wednesday that oil and gasoline supplies grew last week, as imports rose and refineries slowed down because of weak demand. The weak supply and demand numbers kept oil prices from rising further.

In other energy trading, heating oil was virtually unchanged to end at $3.0214 per gallon, and gasoline futures rose 2.86 cents to finish at $2.5677 per gallon. Natural gas lost 8.3 cents to end at $3.550 per 1,000 cubic feet.

Article Source:

http://www.articleside.com/business-articles/business-news-oil-price-above-100-on-international-banking-plan.htm - Article Side

Ahtasham Ul Haq - About Author:
More Information visit the site:
http://www.wordworldnews.blogspot.com

Article Keywords:
world news, world news today, recent world news, the world news, world news live, world breaking news, business world news, bbc news world, bbc news live, forex news, education news, politics news, entertainment new, weather news, today s weather news, we

You can find more free articles on Article Side. Sign up today and share your knowledge to the community! It is completely FREE!