Oil Up for 5th Day as Traders Await U.S. Data

Pablo Gorondi, Associated Press

Oil prices rose slightly for a fifth straight session Wednesday despite a forecast for weaker global demand growth and expectations of rising U.S. crude stocks.

By early afternoon in Europe, benchmark oil for April delivery was up 15 cents to $92.69 a barrel in electronic trading on the New York Mercantile Exchange. The contact rose 48 cents to finish at $92.54 per barrel on the Nymex on Tuesday.

The Energy Information Administration's supply report will be out later Wednesday. Last week it said the nation's supply of crude was 10.3 percent above year-earlier levels. And U.S. oil production, at more than 7 million barrels a day, is at its highest level since the late 1990s.

Data for the week ending March 8 is expected to show an increase of 2.3 million barrels in crude oil stocks and a drawdown of 1.5 million barrels in gasoline stocks, according to a survey of analysts by Platts, the energy information arm of McGraw-Hill Cos.

Also on Wednesday, the U.S. government releases its latest monthly tally for retail sales. Analysts estimate that retail sales rose slightly in February.

"Housing is the one sector of the economy that seems to be faring well and one would have expected to see this reflected in the retail sales data," analysts at DBS Bank Ltd. in Singapore said in a market commentary.

Sustained concerns about the global economy — highlighted in the latest monthly oil market report from the International Energy Agency — helped keep a lid on crude prices in recent weeks.

The Paris-based IEA lowered its expectations for global oil demand growth in 2013 by 20,000 barrels a day from its prediction last month. It now sees global appetite for crude this year at 90.6 million barrels a day.

"Continued deterioration in the European economic environment, signs of a potential slowdown in China and automatic U.S. government spending cuts combined to suggest that oil demand growth might remain relatively weak in 2013," the IEA said. "Together, these three economic 'hits,' affecting as they do the world's three largest economies and oil consumers, appear to further delay an elusive turnaround in global economic, and in turn oil demand, growth."

Brent crude, used to price many kinds of oil imported by U.S. refineries, was down 25 cents to $109.40 a barrel on the ICE Futures exchange in London.

In other energy futures trading on the Nymex:

— Wholesale gasoline lost 0.11 cent to $3.137 a gallon.

— Heating oil fell 0.51 cent to $3.0375 a gallon.

— Natural gas added 1.3 cents to $3.658 per 1,000 cubic feet.

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Pamela Sampson in Bangkok contributed to this report.

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