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## Oil Prices Rise in Asian Trading

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(12-02) 21:29 PST SINGAPORE, (AP) --

Oil prices rose Monday amid speculation that OPEC may not decide to boost output this week after last week's sharp price drop.

Crude oil contracts tumbled last week on expectations that the 12 members of the Organization of Petroleum Exporting Countries will agree at a meeting Wednesday to raise production to help ease record-high oil prices. That sent prices to their lowest level Friday since Oct. 25 — quite a turnaround from earlier in the week when prices were approaching \$100 a barrel.

"With oil prices having since receded and comments from some OPEC officials quite noncommittal on what OPEC may or may not do, I think maybe there's just a bit more caution coming into the market," said David Moore, a commodity strategist with the Commonwealth Bank of Australia in Sydney.

Light, sweet crude for January delivery gained 81 cents in electronic trading on the New York Mercantile Exchange midday in Singapore. The contract fell \$2.30 to settle at \$88.71 a barrel Friday.

In recent days, several OPEC ministers have said their nations are ready to boost oil output to bring down high oil prices. Analysts speculate that the cartel will boost production by anywhere from 500,000 to 1 million barrels a day.

But Sunday, Venezuela's oil minister said his country will oppose any increase in crude oil output quotas during the Dec. 5 OPEC meeting in Abu Dhabi, in the United Arab Emirates.

"We don't see a need to increase oil production ... The market is well supplied," Rafael Ramirez told reporters.

Meanwhile, prices were also being supported by news that leading international powers may reach agreement within weeks on a third U.N. resolution imposing sanctions on Iran because of its nuclear program.

A French diplomat said after closed-door talks in Paris Saturday that a compromise text on a new resolution would be circulated among the six countries involved — the United States, Britain, France, Russia, China and Germany — this week.

Clamor for new sanctions — led by the United States, Britain and France — mounted after Friday's collapse of an 18-month European Union effort to persuade Iran to stop uranium enrichment.

Iran is OPEC's second-largest producer, and any hint of new tensions over Tehran's nuclear defiance can cause jittery markets to jump on worries about potential supply disruptions.

In other Nymex trading, heating oil futures added 1.65 cents to \$2.5315 a gallon while gasoline prices rose 1.92 cents to \$2.2498 a gallon. Natural gas futures dropped 14.2 cents to \$7.16 per 1,000 cubic feet.

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