

Oil prices dip slightly after Trump reiterates promise to increase U.S. supply

Oil prices fell on Thursday after U.S. President Donald Trump reiterated his promise to increase U.S. oil production, unsettling traders a day after the country reported a much larger-than-expected rise in inventories.

Brent crude futures fell \$0.32, or 0.4%, closing at \$74.29 a barrel. U.S. oil dropped \$0.42, or 0.6%, to \$70.61.

On Thursday, Trump reiterated his promise to boost U.S. production, which is already the highest in the world, in an attempt to lower oil prices and curb consumer inflation.

Oil prices erased initial gains following Trump's comments. Still, analysts questioned whether U.S. oil producers would be willing to pump more barrels into the current market.

"There is no indication of an acceleration in drilling activity in the U.S.," said Giovanni Staunovo, an analyst at UBS, noting that he was surprised by the market's reaction to Trump's comments.

Oil prices were also pressured by the increase in U.S. crude oil inventories. Benchmark prices fell 2% on Wednesday after U.S. government data showed domestic inventories rose by 8.7 million barrels last week, well above analysts' expectations of a 2 million barrel increase.