

Oil Falls Amid Recession Fears but Records Third Weekly Gain

Oil prices closed lower on Friday due to concerns that the U.S. trade wars could trigger a global recession, but they rose for the third consecutive week after Washington increased pressure on OPEC members, Venezuela, and Iran.

Brent crude futures fell 0.5% to \$73.63 a barrel. U.S. West Texas Intermediate (WTI) futures declined 0.8% to \$69.36 a barrel.

U.S. President Donald Trump plans to announce reciprocal tariffs targeting a wide range of imports starting April 2.

The trade war has left investors worried about a potential recession, analysts at JPMorgan (NYSE:JPM) told clients.

“Concerns about a trade war, along with high political uncertainty in the U.S., are weighing heavily on sentiment,” they said.

Although the risk of recession has risen, high-frequency demand indicators for oil have remained relatively stable for now, JPMorgan noted.

Data from mid-week by the Energy Information Administration showed that U.S. oil inventories fell by 3.3 million barrels to 433.6 million barrels last week, compared to analysts’ expectations in a Reuters poll, which forecasted a decline of 956,000 barrels.

On a weekly basis, Brent futures gained 1.9%, while WTI rose 1.6%. Since hitting multi-month lows in early March, Brent has increased by more than 7%, and WTI has recovered by over 6%.