

Oil falls \$1 amid escalating trade war between U.S. and China

Oil prices fell more than \$1 per barrel on Tuesday, trading at four-year lows, as recession fears exacerbated by the trade conflict between the United States and China, the world's two largest economies, overshadowed a recovery in the stock market.

Brent futures closed down \$1.39, or 2.16%, at \$62.82 per barrel. U.S. West Texas Intermediate (WTI) futures fell \$1.12, or 1.85%, to \$59.58.

Brent futures had dropped more than \$2 per barrel during the session.

Both benchmark indices had fallen 14% and 15%, respectively, on Monday, following U.S. President Donald Trump's announcement on April 2 of "reciprocal tariffs" on all U.S. imports.

The U.S. will impose a 104% tariff on China on Wednesday, a White House official said, after Beijing did not suspend its retaliatory tariffs on U.S. goods on Tuesday, within the timeframe set by Trump.

Both benchmark indices fell more than \$1 per barrel after the news.

On Tuesday, Beijing vowed not to bow to what it called U.S. "bullying," after Trump threatened to impose an additional 50% tariff on Chinese products if the country did not suspend its retaliatory 34% tariff.

China's Ministry of Commerce stated that the country would "fight to the end," raising fears of a contraction in the global economy.