

Record oil prices put pressure on markets worldwide

Record oil prices sent bourses worldwide into a tailspin Friday, with indices in Asia falling by as much as 5 percent.

After an all-time high the previous night, the price per barrel of West Texas Intermediate US light crude for August rose to \$141.71, a \$1.70 more than at the previous day's close.

North Sea Brent crude rose to a high of \$141.98 per barrel, which is also a record.

Accelerating oil prices had devastating effects on bourses.

Following on from loses on Wall Street, Japan's key Nikkei 225 Stock Average hit a two-month low Friday following the US market's overnight tumble, plunging 277.96 points, or 2.01 percent, to close at 13,544.36.

The Shanghai Composite Index, which tracks shares on the larger of mainland China's two stock markets, fell 153.42 points, or 5.29 percent, to close at 2,748.43.

India's 30-share-sensitive benchmark Sensex lost more than 629.77 points to dip to 13,792.05 Friday. The index had gained 325 points in the last two trading sessions.

On Thursday evening, the blue-chip Dow index fell 358.41 points, or 3.03 percent, to 11,453.42. The broader Standard and amp; Poor's 500 dropped 38.82 points, or 2.94 percent, to 1,283.15. The technology-heavy Nasdaq Composite Index was down 79.89 points, or 3.33 percent, to 2,321.37.

Germany's DAX lost 0.82 percent in early trading, dropping to 6406, while the EuroSTOXX index of Europe's 50 leading companies lost 1.65 percent to drop to 3310.87, its lowers level since November 2005.

OPEC president Chakib Khelil blamed the rise of oil on speculators, and said prices between \$150 and \$170 a barrel during the summer were possible, according to an interview with television station France 24 Thursday.

An even more dire picture was painted by the head of the Russian energy giant Gasprom, Alexei Miller, who said in The Financial Times that oil could reach \$250 in the coming year.

According to Miller, OPEC has lost its influence on the price of oil.

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