

Oil prices plunge amid ample supplies

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New York: Oil prices dived on Friday as market expected the global supplies to exceed the demand.

Last Friday, the Organisation of the Petroleum Exporting Countries (OPEC) kept crude production pumping at current level in an already oversupplied market, Xinhua news agency reported.

The cartel's output accounts for around 40 percent of the global crude output. In November, OPEC production rose by 230,000 barrels per day from the previous month to an average of 31.70 million barrels per day, according to OPEC monthly oil market report released Thursday.

Investors were cautious ahead of a US Federal Reserve policy meeting next week, which is expected to raise interest rate for the first time in nearly a decade.

Trader predicated that Fed's decision would boost the US dollar, which in turn would make the dollar-priced crude more expensive and less attractive for buyers holding other currencies.

The West Texas Intermediate for January delivery moved down \$1.14 to settle at \$35.62 a barrel on the New York Mercantile Exchange, while Brent crude for January delivery decreased \$1.8 to close at \$37.93 a barrel on the London ICE Futures Exchange.

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