



OPEC pumped 31.9 million barrels a day last month. (Reuters)

Brent crude declined after the US government was said to have asked Saudi Arabia and other OPEC producers to raise oil supply. The request for a 1 million-barrel-a-day increase follows Washington's decision to reimpose sanctions on Iranian crude exports that had previously removed roughly the same amount from global markets. OPEC pumped 31.9 million barrels a day last month, unchanged from April when production was the lowest in a year, according to a Bloomberg survey.

Crude has lost its grip after last month rising to the highest level in more than three years. The decline follows a proposal by Saudi Arabia and Russia to ease output cuts to replace potential supply losses in Iran and Venezuela. With the Organization of Petroleum Exporting Countries' next summit a little over two weeks away, the market is looking for any clues on the scale of possible output increases.

"OPEC has every potential reason to raise production, they've achieved their mission," said Nitesh Shah, a commodity analyst at Wisdomtree Europe Ltd. "That's going to be the focus for the next few weeks now."

Brent futures for August settlement fell as much as \$1.13 to \$74.16 a barrel on the London-based ICE Futures Europe exchange, and were at \$74.31 as of 11:09 a.m. local time. The

global benchmark crude traded at a \$9.86 premium to West Texas Intermediate for the same month.

WTI for July delivery erased gains to trade down 16 cents at \$64.59 a barrel on the New York Mercantile Exchange. Total volume traded was about 5 percent below the 100-day average.

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