

U.S. oil price falls on expectation of gasoline stockpiles increase

NEW YORK, June 4 (Xinhua) -- U.S. oil price dropped Tuesday on forecasts that gasoline inventories expanded last week. Traders expected that U.S. stockpiles of gasoline to climb 800,000 barrels last week, according to a survey before an Energy Information Administration report on Wednesday. Investors are expecting speeches from a string of Federal Reserve speakers later in the day for any hint of the Fed's monetary policy. The disappointing economic data fueled market with the speculation that the Federal Reserve will maintain its pace of stimulus. The U.S. manufacturing sector contracted in May for the first time since November 2012, the Institute for Supply Management said Monday, adding its index of manufacturing activity fell to 49 last month from 50.7 in April, the lowest level in nearly four years and the first time the index has dipped below 50 since November. A reading below 50 indicates contraction in the manufacturing sector. On the economic front, the U.S. trade deficit in April widened less than expected. The U.S. trade gap rose 8.5 percent to about 40.3 billion U.S. dollars in April as imports growth outpaced exports, the Commerce Department reported Tuesday. Economists expected trade deficit to increase to 41.2 billion dollars in the reporting period. Light, sweet crude for July delivery lost 14 cents, or 0.15 percent, to settle at 93.31 dollars a barrel on the New York Mercantile Exchange. Brent crude was buoyed by the encouraging European economic data. The euro-zone manufacturing PMI (purchasing managers index) jumped to a 15-month high of 48.3 in May. Spain's PMI rose from 44.7 to 48.1, the highest level in two years, though the country is still in contraction. Brent for July delivery increased 1.18 dollars, or 1.15 percent, to close at 103.24 dollars a barrel.