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Oil May Fall as Supplies Gain, Fuel Use Declines, Survey Shows
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By Mark Shenk

April 1 (Bloomberg) -- Crude oil may fall next week as U.S. inventories increase and fuel consumption declines, a Bloomberg News survey showed.

Fourteen of 31 analysts, or 45 percent, forecast oil will drop through April 9. Twelve respondents, or 39 percent, predicted that futures will increase and five said the contract will be little changed. Last week, 38 percent of analysts said there would be a decrease in prices.

U.S. stockpiles of crude oil rose 2.93 million barrels to 354.2 million last week, leaving supplies 6.5 percent above the five-year average for the period, according to an Energy Department report yesterday. Inventories were forecast to climb by 2.5 million barrels, according to the median of 16 analyst estimates in a Bloomberg News survey.

"These numbers are bearish relative to expectations," said Tim Evans, an energy analyst at Citi Futures Perspective in New York. "This is a reminder that there is no physical tightness in crude oil. Supplies are at the highest level since June 12, 2009, which is quite a while back."

Total fuel consumption declined 1.6 percent to 19 million barrels a day last week, yesterday's report showed.

The crude oil contract for May delivery has increased \$3.76, or 4.7 percent, to \$83.76 a barrel so far this week on the New York Mercantile Exchange. Yesterday's settlement price was the highest since Oct. 9, 2008. Futures were up 5.5 percent last quarter and are 69 percent higher than a year ago.

The oil survey has correctly predicted the direction of futures 48 percent of the time since its start in April 2004.

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Bloomberg's survey of oil analysts and traders, conducted each Thursday, asks for an assessment of whether crude oil futures are likely to rise, fall or remain neutral in the coming week. The results were:

RISE	NEUTRAL	FALL
12	5	14

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