

MARKET UPDATE

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Oil rises from 3-week low as supply concerns linger

Oil prices rose on Thursday from a three-week low touched in the previous session after consuming nations announced a huge release of oil from emergency reserves, as worries over tight supplies still clouded the market outlook.

Brent crude futures climbed \$1.42 or 1.4%, to \$102.52 a barrel at 0651 GMT, while U.S. West Texas Intermediate (WTI) crude futures rose \$1.55, or 1.6%, to \$97.78 a barrel.

Both benchmarks plunged more than 5% in the previous session and hit their lowest closing levels since March 16.

Shell Sees \$4 Billion-\$5 billion Hit from Exiting Russia in 1Q Results

Shell (LON:RDSA) expects a hit to earnings of as much as \$5 billion after-tax in the first quarter as a result of its abrupt exit from Russia, the energy giant said Thursday.

Europe's biggest oil and gas producer announced it would divest Russian businesses almost immediately after Vladimir Putin's invasion of Ukraine in February. While it continued to buy Russian oil for its trading operations, it soon had to discontinue that, too, after outrage at its participation in an export tender by one of the country's largest producers.

Dollar holds near 2-year highs after Fed aids greenback bulls

The dollar hovered near two-year highs against a basket of major currencies on Thursday after meeting minutes showed the Federal Reserve preparing to move aggressively to fight inflation, while commodity currencies fell further from recent peaks.

The euro bucked the trend but was near a one-month low below \$1.09 as investors await European Central Bank minutes due later.



Gold flat as firm dollar, yields counter Ukraine uncertainty

Gold was flat in range-bound trade on Thursday, as the uncertainty over the Ukraine conflict offset pressure from firmer dollar and yields following the U.S. Federal Reserve's aggressive stance to combat inflation.

Spot gold was flat \$1,925.61 per ounce by 0710 GMT. U.S. gold futures was up 0.3% to \$1,927.90.

With the correlation between gold and Treasury yields breaking, "the war and high inflation take precedence over the Treasury bills. And that's the reason why we've seen gold prices actually holding well, but also not going up because of pressure of high interest rates," said Brian Lan, managing director at dealer GoldSilver Central. The Financial Conduct Authority said it and the Bank of England would determine if further action should be taken.

European shares rise as investors play safe with defensive stocks

European shares on Thursday recovered from a selloff, as healthcare stocks surged to a record high even though risks from a hawkish Federal Reserve and Washington's new sanctions on Russia kept investors on edge.

The pan-European STOXX 600 index rose 0.3% after losing 1.5% in their worst session in a month on Wednesday. Sectors more resilient to economic downturn led the gains, with healthcare jumping 1.4%.

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