WORLD

OPEC+ speeds up output hikes again, adding pressure on oil prices

The producer group agreed a second straight large increase for June, despite oil already trading near four-year lows.

By Economic.Express Desk · 4 May 2025 · 2 min read



Crude falls for a fourth day as OPEC+ signals higher output

In 60 seconds

1. OPEC+ agreed to raise output by 411,000 barrels per day in June.
2. It is the second straight increase of that size.
3. Hikes for April, May and June total 960,000 barrels per day.
4. Brent crude closed at $61.29 a barrel on Friday, near four-year lows.

The OPEC+ group of oil producers agreed on Saturday to raise output by 411,000 barrels per day in June, the second month in a row it has sped up production increases, adding pressure on already weak oil prices.

Unwinding the cuts

The group, which includes Saudi Arabia and Russia, had cut production in recent years to support prices. With the June increase, it will have restored about 960,000 barrels per day across April, May and June, about 44% of a 2.2 million barrels per day cut, according to Reuters calculations.

Prices already low

The decision comes with oil already under pressure. Brent crude closed down 1.4% at $61.29 a barrel on Friday, and prices fell below $60 to a four-year low in April amid fears that US tariffs would slow the global economy and reduce demand for fuel.

> *More supply and weaker demand are a recipe for cheaper oil.*

Why it matters for India

India imports most of the crude oil it uses, so lower prices are good news for the economy. Cheaper oil reduces the import bill, helps keep inflation in check and supports the rupee.

Whether Indians see lower petrol and diesel prices depends on government taxes and oil marketing companies, which have often used periods of low crude prices to recover past losses rather than cut pump prices.