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**Opec cut fear steady crude**

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LONDON: Oil was steady above \$62 a barrel yesterday, supported by the prospect that Opec will cut supply for a second time in two months at a meeting next week.

The chance of another Opec cut, an attack on Nigeria's oil industry and tension over Iran's nuclear work are providing a floor for prices that have held in a range almost continuously since late September.

"We expect crude prices to be well supported between now and the Opec meeting," Man Financial said in a report. "We think that Opec's inclination would still be to go for another cut."

US crude was down 5 cents to \$62.14 by 1310 GMT. Prices are down from an all-time peak of \$78.40 hit in July.

London Brent crude was down 4 cents at \$63.03.

Yesterday, gunmen struck an Agip oil export terminal in the Niger Delta and kidnapped three Italians. Eni said work at the terminal was unaffected.

A fifth of output in Nigeria, the world's eighth-largest oil exporter, is already closed because of militant attacks.

Oil ministers from Opec, source of more than a third of the world's oil, meet next Thursday in Nigeria. Opec agreed to lower output from November 1 and several oil ministers have said they back a further reduction.

"Crude oil should benefit next week from an increased risk premium due to the Opec meeting," analysts Petromatrix said in a report. "An Opec cut is, however, starting to be priced in."

Putting a lid on prices is the knowledge that crude oil inventories in the US, the world's largest oil consumer, are at their highest for the time of year since 1993.

Prices also are restrained by expectations that a recent cold snap in the US Northeast, the world's biggest heating oil market, will relent by the weekend.

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