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# Ceasefire opens Strait of Hormuz: first reaction



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A two-week US–Iran ceasefire is set to reopen the Strait of Hormuz, easing supply concerns and pushing Brent crude about 13% lower to under USD 95 per barrel. But uncertainty around the durability of the truce remains.

After nearly six weeks of disruption, the Strait of Hormuz is set to reopen following the agreement of a two week ceasefire between Iran and the United States. Iran has said it will guarantee safe passage for ships “in coordination with its military and with due consideration of technical limitations,” according to the Iranian foreign

minister. Brent crude prices have fallen by around 13% to under USD 95 per barrel<sup>1</sup>.

President Trump said that “almost all of the various points of past contention have been agreed between the US and Iran,” adding that the two week ceasefire is intended to allow time to finalise a broader agreement.

Iranian statements have been more cautious. Tehran acknowledges ongoing negotiations and refers to two competing frameworks, which appear to overlap primarily on the removal of sanctions but diverge on the conditions attached to that outcome.

A reported US 15 point plan – details remain unconfirmed – that would include the dismantling of Iran’s nuclear programme, limits on ballistic missile capabilities, the reopening of the Strait of Hormuz, and an end to Iranian support for regional proxy groups, in exchange for the removal of all sanctions.

1. Source: **Financial Times** (as of 8 April 2026)

## CEASEFIRE OPENS STRAIT OF HORMUZ: FIRST REACTION

Full details of an Iranian 10 point plan have not been disclosed. Earlier Iranian proposals have included an end to sanctions, demands for “reparations” (potentially

financed through transit fees for the Strait of Hormuz), continued uranium enrichment, and the closure of US military bases in the region.

### Next steps

Pakistan is expected to host the next round of negotiations, potentially including in person talks. How the central point of contention – Iran’s nuclear programme versus US security guarantees – will be resolved remains unclear. The same applies to broader regional dynamics and the political fallout in the US, where ratification of any agreement could face domestic opposition. This raises the risk of renewed, potentially disruptive initiatives as political diversion. Against this backdrop, a continued – and possibly elevated – geopolitical risk premium in energy prices appears justified.

On the positive side, the episode reinforces a familiar pattern: the US president has repeatedly retreated from disruptive policy initiatives in the face of political resistance and market turbulence. That pattern may help keep financial markets relatively resilient in the near term.

The ceasefire also gives global central banks time to assess the growth and inflation implications of this latest supply shock, reducing the risk of rate hikes as early as this month.

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