



Hopes fade for Iran peace deal

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BY REUTERS

Hopes for a peace deal on Iran faded on Tuesday after Donald Trump said a ceasefire with Iran was "on life support" as Tehran rejected a US proposal to end the conflict and stuck to a list of demands the US president described as "garbage".

Iran has called for an end to the war on all fronts, including Lebanon, where US ally Israel is fighting Iran-backed Hezbollah militants. Tehran also emphasised its sovereignty over the Strait of Hormuz, demanded compensation for war damage, and an end to the US naval blockade, among other conditions.

Trump said Iran's response threatened the status of a ceasefire announced on April 7.

"I would call it the weakest right now, after reading that piece of garbage they sent us. I didn't even finish reading it," Trump, who has repeatedly threatened to end the ceasefire, told reporters.

The US had proposed an end to fight-

ing before starting talks on more contentious issues, including Iran's nuclear programme.

Brent crude oil futures extended gains in early Asian trade on Tuesday, climbing above \$107 (Shs399,634) a barrel, as the deadlock left the Strait of Hormuz largely closed.

Before the war began on February 28, the narrow waterway carried one-fifth of the world's oil and liquefied natural gas shipments, and has since become a central pressure point in the conflict.

Disruption caused by the near-closure of the strait has forced oil producers to cut exports, and OPEC oil output dropped further in April to the lowest in more than two decades, a Reuters survey showed on Monday.

Iranian officials stand firm

Iranian officials, meanwhile, issued statements signalling continued resolve in the face of US pressure.

A Fars news agency report cited Mohammad Akbarzadeh, deputy political director of the Islamic Revolutionary Guard Corps Navy, as saying Iran had expanded its definition of the Strait of Hormuz into a "vast operational area" under a new plan.

There was no immediate reply from Iranian authorities to a request for comment on Akbarzadeh's remarks, which defined the waterway as a zone stretching from the coast of the city of Jask in the east to Siri Island in the west.

In a post on X, parliamentary nation-

al security and foreign policy commission spokesperson Ebrahim Rezaei said Iran could enrich uranium up to 90 percent purity, a level considered weapons-grade, if the country is attacked once more.

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The United States on Monday imposed new sanctions on individuals and companies it said were helping Iran ship oil to China, part of efforts to cut off funding for Tehran's military and nuclear programmes, while also warning banks about attempts to evade existing curbs.

Trump is expected to arrive in Beijing on Wednesday, where Iran is set to be among the topics discussed with Chinese President Xi Jinping.

Trickle of shipping through Hormuz

Traffic through the Strait of Hormuz is at a trickle compared with before the war. Shipping data on Kpler and LSEG showed that three tankers laden with

crude exited the waterway last week, with trackers switched off to avoid an Iranian attack.

A second Qatari LNG tanker was attempting to transit the strait, the data showed, days after the first such cargo crossed under an arrangement involving Iran and Pakistan.

In the US, surveys show the war is unpopular with US voters who are paying more for fuel less than six months before nationwide elections that will determine whether Trump's Republican Party retains control of Congress.

Two out of three Americans, including one in three Republicans and almost all Democrats, think Trump has not clearly explained why the country has gone to war, according to a Reuters/Ipsos poll completed on Monday.

Trump said he would suspend the federal tax on gasoline until it was "appropriate", to help reduce fuel prices.

"As soon as this is over with Iran, as soon as it's over, you're going to see gasoline and oil drop like a rock," he said.

Washington has also struggled to build international support, with Nato allies refusing to send ships to reopen the waterway without a full peace deal and an internationally mandated mission.

In separate statements on Monday, the State Department said US Secretary of State Marco Rubio held separate calls with his Australian and British counterparts to discuss "efforts to restore freedom of navigation in the Strait of Hormuz." It did not elaborate.