

We won't let any oil out of the Middle East – Iran

A spokesperson for Iran's Islamic Revolutionary Guard Corps says Tehran will not allow "one litre" of Middle Eastern oil to reach the US or its allies.



The Liberian-flagged oil tanker Ice Energy transfers crude oil from the Iranian-flagged oil tanker Lana (former Pegas), off the shore of Karystos, on the Island of Evia, Greece, on May 26, 2022. PHOTO/REUTERS

BY REUTERS

Iran's Revolutionary Guards said yesterday they would not let any oil out of the Middle East until US and Israeli attacks cease, prompting US President Donald Trump to threaten to hit Iran "20 times harder" if it blocked exports.

Despite the defiant rhetoric from both sides, investors placed strong bets yesterday that Trump would call off his war soon, before the unprecedented disruption it has caused to energy supplies causes a global economic meltdown.

After he described the war as "very complete, pretty much", the bulk of Monday's historic surge in crude oil prices was reversed. Asian and European share prices staged a recovery yesterday from earlier precipitous falls.

But on the ground, there was no sign of any letup. Tehran residents reached by Reuters described intense US-Israeli bombardment of the capital overnight as the fiercest of the war.

"It was like hell. They were bombing everywhere, every part of Tehran," a resident said by phone, speaking on condi-

tion of anonymity for security reasons. "My children are afraid to sleep now. We have nowhere to go."

Israel's military said it had hit a weapons research-and-development target

in Tehran, among a wave of overnight strikes on the capital, and launched more strikes later yesterday.

A source familiar with Israel's war plans told Reuters the Israeli military was trying to inflict as much damage as possible before the window for further strikes closes, under the assumption Trump could end the war at any time.

CASUALTIES

At least 1,332 Iranian civilians have been killed and thousands wounded, according to Iran's UN ambassador, since the US and Israeli airstrikes began on February 28.

Scores have also been killed in Israeli attacks on Lebanon to root out the Iran-backed group Hezbollah, which has fired into Israel in solidarity with Iran. Iranian strikes on Israel have killed 11 people.

Iran has struck US military bases and diplomatic missions in Arab Gulf states but also hit hotels, closed airports and damaged oil infrastructure.

Trump press conference appears to reassure markets

Iran has refused to bow to Trump's demand that it let the United States choose its new leadership, naming hardliner Mojtaba Khamenei as supreme leader to replace his father, who was killed on the war's first day.

But Trump held a press conference on Monday that appeared to reassure markets he would stop his war before provoking an economic crisis like those that followed the Middle East oil shocks of the 1970s.

He said the US had already inflicted serious damage and predicted the conflict would end before the four weeks he initially set out.

Trump has not defined what victory would look like, but on Monday stopped short of repeating declarations that Iran must accept an "unconditional surrender" and let him choose its leader.

Unprecedented disruption

The war has effectively halted shipments through the Strait of Hormuz, where a fifth of global oil and liquefied natural gas normally passes along Iran's coast, and producers have run out of storage and stopped pumping.

In the latest of near-daily reported attacks on shipping that have stopped tankers braving the strait, the UK Maritime Trade Operations Centre reported that crew aboard a bulk carrier in the Gulf had witnessed a splash and a loud bang.

After Iran chose its hardline new leader, oil prices briefly surged to nearly \$120 (Shs445,300) a barrel on Monday.

But by 1100 GMT yesterday, Brent crude had settled back down to around \$92 (Shs342,400), suggesting traders now expected the disruption to end soon.

Trump said on Monday that US military might was sufficient to keep oil flowing.

If Iran blocks oil through the strait, "We will hit them so hard that it will not be possible for them or anybody else helping them to ever recover that section of the world," he said.

A spokesperson for Iran's Islamic Revolutionary Guard Corps dismissed Trump's remarks, saying Tehran would not allow "one litre" of Middle Eastern oil to reach the US or its allies while US and Israeli attacks continue. "We are the ones who will determine the end of the war," the spokesperson said.

In a later Truth Social post, Trump said: "If Iran does anything that stops the flow of Oil within the Strait of Hormuz, they will be hit by the United States of America twenty times harder than they have been hit thus far."

What quick end to war means

Ending the war quickly to let oil flows resume would appear to preclude toppling Iran's leadership, which held large-scale rallies on Monday in support of the new supreme leader.

Some Iranians openly celebrated the death of the elder Khamenei, weeks after his security forces killed thousands of people to put down anti-government protests in Iran's worst domestic unrest since the era of its 1979 revolution.

There has been little sign of anti-government activity since then amid concerns that it would be unsafe to protest while Iran is under attack.