US AWAITS IRAN RESPONSE TO LATEST DEAL OFFER

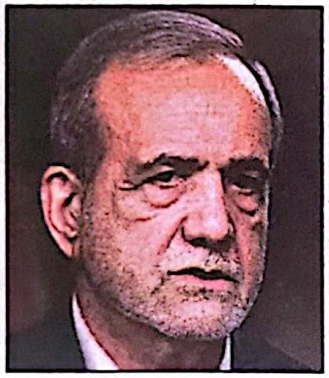
TEHRAN

The US was waiting yesterday for Iran to respond to its latest proposed deal to end the war in the Middle East and to reopen the key shipping lane out of the Gulf.

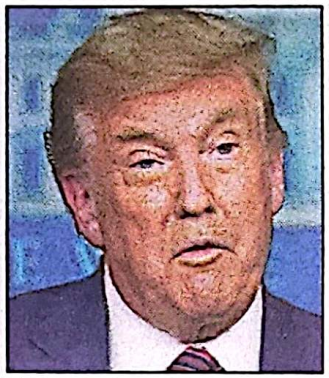
Oil prices tumbled 5% after US President Donald Trump said once again that an agreement could be near after positive talks and Iran said it would pass on its latest position to mediator Pakistan.

Any agreement to prolong the ceasefire between the US and Iran could also lower tensions in Lebanon, where an already fragile truce was under renewed strain after an Israeli strike on southern Beirut killed a Hezbollah commander.

The war, launched by the US and Israel in late February, has seen Iran respond with attacks across the Middle East and impose a chokehold on the Strait of Hormuz, the gateway to the Gulf oil and gas industries and a strategic trade route.



Pezeshkian



Trump

Trump had this week briefly launched a naval operation to escort commercial vessels and force open the strait, only to stand it down within hours, citing progress on negotiations with Iran, which have been mediated by Pakistan and supported by Washington's Gulf Arab allies.

Among oil traders and diplomats, there was optimism.

"We've had very good talks over the last 24 hours, and it's very possible that we'll make a deal," Trump said on Wednesday, adding his now habitual threat to return to bombing if Tehran refuses to back down to the US demands.

Iran's foreign ministry spokesman Esmaeil Baqaei said Tehran would communicate its position to mediator Pakistan "after finalising its views".

But inside Iran, many were cynical about the talks.

"Neither side in these negotiations is really capable of reaching an agreement," 42-year-old photographer Shervin told AFP reporters in Paris.

"This is another one of Trump's games; otherwise, why are so many warships and military forces being sent toward Iran?"

OIL PRICES FALL

Oil prices fell again, tumbling by 5% yesterday – having fallen around 10% over the previous two days. International benchmark, Brent North Sea crude, shed 5.1% to $96.06 a barrel. The main US contract, West Texas Intermediate, lost 5.5% to $89.87.

Energy prices are still much higher than before the conflict, but international standard Brent and West Texas Intermediate are both now below the symbolic $100 level.

Markets have been particularly concerned about the Strait of Hormuz, which in peacetime carries a fifth of the world's oil and liquefied natural gas trade as well as a good chunk of its fertiliser.

UNDER REVIEW

According to a report from US network NBC News, Trump's U-turn came after Saudi Arabia – whose Crown Prince Mohammed bin Salman reportedly talked directly to Trump – refused to allow US forces to use its airspace and bases for the Hormuz operation.

US news outlet Axios, citing two officials, reported that both Tehran and Washington were close to agreement on a one-page memorandum of understanding to end the war and set a framework for negotiations on Iran's nuclear programme.

Trump has claimed that Iran's leadership is divided, in the wake of the deaths of many senior figures in the US and Israeli strikes.

But President Masoud Pezeshkian said yesterday he had met with the country's supreme leader Mojtaba Khamenei, who has not been seen in public since his appointment in early March.

"What struck me most during this meeting was the vision and the humble and sincere approach of the supreme leader of the Islamic revolution," Pezeshkian said, in a video broadcast by state television.

Khamenei, reportedly wounded in strikes on the first day of the Middle East war that claimed the life of his father and predecessor Ali Khamenei, has released only written statements since his appointment.

On the Lebanese front, Israel struck Beirut's southern suburbs on Wednesday in the first such attack in nearly a month, killing a senior Hezbollah commander from its elite Radwan force.

AFP

CamScanner