

US awaits Iran response to latest deal offer

AFP :: The United States was waiting on Thursday 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.

Asian stocks soared and oil prices fell 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 United States and Iran could also lower tensions in Lebanon, where an already fragile truce with Israel was under renewed strain after a strike on southern Beirut killed a Hezbollah commander.

The war, launched by the United States 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.

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.

In Iran, however, many were wary of increased repression as the war drags on.

"The economic situation got worse, and this government has become even more brutal," 49-year-old Ali told AFP journalists in Paris from the Iranian city of Tonekabon, using only his first name for fear of retribution.

– ‘Under review’ –

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

Iran’s foreign ministry spokesman Esmaeil Baqaei said the US proposal remained “under review” and Tehran would communicate its position to mediator Pakistan “after finalising its views”.

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 US and Israeli strikes.

But President Masoud Pezeshkian said Thursday 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.

– Oil prices fall –

Oil prices fell again, tumbling by two percent Thursday – having fallen around 10 percent over the previous two days – and Tokyo's Nikkei index led another strong rally across Asia stocks, fuelled by revived optimism that the talks will bear fruit.

Energy prices are still much higher than before the conflict, but international standard Brent and US benchmark 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 LNG trade as well as a good chunk of its fertiliser.

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

In a video released by his office, Israel's Prime Minister Benjamin Netanyahu said: "I say to our enemies in the clearest possible terms: no terrorist is immune. Anyone who threatens the State of Israel will die because of his actions."

The Israeli military said in a statement Thursday that an "explosive drone impact" had wounded four of its soldiers – one severely – in southern Lebanon the previous day.

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