

Two Geopolitical Clocks

One Financial Window



08 - April - 2026

Prepared by
Enrichers Research Team

Relief Rally or Structural Reset?

A temporary **two-week ceasefire** between the **US and Iran**, alongside the **conditional reopening of the Strait of Hormuz**, has materially reduced near-term geopolitical tail risk. The agreement was mediated by Pakistan, easing fears of a major escalation that could have disrupted Middle East energy flows.

Markets had been positioned for a worst-case scenario, extended conflict, sustained oil supply disruption, and inflation re-acceleration. The easing of that probability has triggered a rapid repricing across risk assets.

A Deadline Averted

The breakthrough arrived just hours before President Trump's Tuesday 8pm ET deadline, which had threatened a significant escalation against Iranian infrastructure.

- **The Catalyst:** A **Pakistan-mediated** 10-point proposal, deemed a "**workable basis**" for negotiations.
- **The Event:** High-level talks are scheduled for April 10 in Islamabad, with U.S. Vice President J.D. Vance and Iranian Parliament Speaker Mohammad Bagher Ghalibaf expected to attend.
- **The Condition:** Iran has signaled safe passage through the Strait of Hormuz for the duration of the window, subject to coordination.

Market Reaction - The "Everything Rally"

- **Crude Oil:** Sharp downside correction (~15%) as war premium unwinds.
- **Equities:** Broad-based risk rally led by Asia (KOSPI, Nikkei up ~5%)
- **Currencies:** Risk-sensitive currencies (notably AUD) recover above key psychological levels
- **Gold:** Interestingly, Gold remained resilient (~+2.5%), shifting from a "geopolitical fear" trade to a "softer dollar/lower yields" play.
- **Dollar:** Partial unwind of safe-haven strength

This is a classic positioning-driven relief move.

Why the Move Was So Violent

Markets were heavily skewed toward escalation hedges:

- Extreme tail-risk pricing in **Oil** supply disruption
- Over-ownership of **USD** and defensive positioning
- Underpricing of diplomatic off-ramps

Once the worst-case scenario was partially removed, the unwind was mechanical and accelerated.

Crude Oil Outlook

Further downside is possible as geopolitical premium compresses

However, structural friction remains:

- Uncertainty over full freedom of navigation in Hormuz
- Damage assessment and delayed restoration of Gulf energy infrastructure
- Shipping, insurance, and logistics normalization lagging spot prices
- Fragile diplomatic clarity (ceasefire vs durable settlement gap)

Oil may trend lower tactically, but remains structurally bid above pre-escalation equilibrium until supply chains fully normalize.

Macro Implications

- Immediate risk of energy-driven inflation shock has eased
- Growth sentiment likely to stabilize, supporting cyclical assets
- However, **inflation “scars”** persist via freight, insurance, and supply-chain stickiness

Inflation impulse fades faster than underlying cost structure normalization.

Precious Metals (Gold & Silver)

- Supported by dual forces:
 - Easing immediate inflation panic
 - Persistent geopolitical uncertainty

Momentum slows, but the structural bid remains intact.
Gold transitions from a panic hedge to a strategic hedge.

Rate Cuts Back on the Table?

The ceasefire effectively takes the **"inflationary spiral"** scenario off the immediate menu. However, the Fed is unlikely to simply revert to its pre-crisis trajectory. The narrative is shifting from “higher for longer driven by shock persistence” to a more nuanced stance of “conditional easing, data-dependent, and uneven in timing.”

A Tactical Window for Risk Repositioning

The easing of immediate geopolitical stress has shifted markets out of panic pricing and into a phase of repricing and recalibration.

With the tail risk of an energy-driven inflation shock temporarily contained, risk assets are regaining traction and volatility is beginning to normalize.

This is not a return to pre-crisis stability, but rather a tactical window where dislocated pricing meets improving sentiment. For traders, the edge lies in selectively re-engaging risk—favoring indices, rate-sensitive assets, and growth-linked instruments, while volatility remains elevated

but directional clarity is improving. In this phase, **hesitation carries an opportunity cost**. The market is transitioning from fear-driven positioning to fundamentals-driven trading, and those able to act within this window may benefit most from the ongoing repricing cycle.

Market Repricing Snapshot

Asset Class	Move (approx.)	Interpretation
Crude Oil	-15%	War premium unwinding
Global Equities	+5.2%	Risk-on rotation
USD (Dollar)	-0.9%	Safe-haven flows fading
Gold	+2.3%	Safe-haven demand remains

Disclaimer

Enrichers Investment Group

Copyright © Enrichers Investment Group. All Rights Reserved.

The information contained in this document is the intellectual property of Enrichers Investment Group.

Informational Purposes Only:

The data and information provided in this document are for informational purposes only and should not be considered financial advice. This information does not constitute an offer to sell or a solicitation to buy any securities or other financial products.

Source and Accuracy:

This information is provided by Enrichers Investment Group and is based on publicly available data. While we strive for accuracy, we cannot guarantee the completeness or absolute correctness of the information presented.

Past Performance Disclaimer:

Past performance is not necessarily indicative of future results. Investment returns and principal value will fluctuate, and you may lose money.

Market Volatility:

Market conditions can change rapidly, and there is no guarantee that historical trends will continue.

Limitation of Liability:

Enrichers Investment Group is not liable for any losses or damages, whether direct, indirect, or consequential, arising from the use of this information.

Investment Decisions:

It is essential to conduct thorough research and seek the advice of a qualified financial professional before making any investment decisions. Your investment decisions should be based on your individual financial circumstances, risk tolerance, and investment objectives.

