

Oil rises, stocks mixed on US-Iran deadlock

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● Beijing has said it is ready to work with Washington in pursuit of "more stability"

● UK government bond yields rose only slightly after Prime Minister Keir Starmer vowed to prove his "doubters" wrong

AFP | London, United Kingdom

Global stock markets diverged while oil prices rose yesterday after US President Donald Trump rejected Iran's terms for ending the war in the Middle East.

Wall Street's three main indices moved in mixed directions as trading got underway, with the Dow edging higher while the broader S&P 500 and tech-heavy Nasdaq Composite both dipped.

In Europe, London rose while Paris and Frankfurt fell in afternoon trading after a mixed session in Asia, where Tokyo declined and Chinese indices advanced.

Key figures at around 1330 GMT

Brent North Sea Crude:	▲ 1.7% at \$103.01 a barrel
West Texas Intermediate:	▲ 1.5% at \$96.84 a barrel
New York - DOW:	▲ less than 0.1% at 49,629.56 points
New York - S&P 500:	▼ 0.2% at 7,387.51
Nasdaq Composite:	▼ 0.4% at 26,136.16
London - FTSE 100:	▲ 0.4% at 10,277.09
Paris - CAC 40:	▼ 0.8% at 8,051.21
Frankfurt - DAX 30:	▼ 0.2% at 24,295.39
Tokyo - Nikkei 225:	▼ 0.5% at 62,417.88 (close)
Hang Seng Index:	▲ 0.1% at 26,406.84 (close)
Shanghai - Composite:	▲ 1.1% at 4,225.02 (close)
Euro/dollar:	▲ at \$1.1783 from \$1.1779 on Friday
Pound/dollar:	▼ at \$1.3620 from \$1.3625
Dollar/yen:	▲ at 157.07 from 156.76 yen
Euro/pound:	▲ at 86.53 pence from 86.45 pence

The stalemate between the United States and Iran dashed investors' hopes of an imminent peace deal and heightened concerns over further violence and disruptions to oil supplies through the Strait of Hormuz.

Oil prices spiked more than 4% following the exchange, before easing to gains of under 2% as trading opened in New York.

"The price of oil remains highly reactive to news around the reopening of the Strait of Hormuz, both positive and negative," said Kathleen Brooks, research director at trading group XTB.

"Signs that tankers are getting through the Strait, even if it is a trickle, could weigh on the oil price in the coming days," she added.

But Briefing.com analyst Patrick O'Hare said Monday's gains were a "token response" compared to the 10% drop when the peace proposal was announced.

"There is a dose of concern, then, that the Iran situation could take a turn for the worse, but frankly there isn't any real fear that it will," he said.

O'Hare also noted that traders see Trump as unlikely to aggravate the oil supply situation

ahead of his summit meeting with his Chinese counterpart Xi Jinping this week.

Beijing has said it is ready to work with Washington in pursuit of "more stability" as the two countries remain at odds over key issues including trade tariffs, the Middle East war and Taiwan.

In Asia, Tokyo stocks fell, Hong Kong was little changed and Shanghai jumped more than 1%, while Seoul climbed around 4%, supported by a rally in tech stocks.

A tech-led surge driven by strong quarterly earnings and optimism about artificial intelligence has pushed several markets to record highs despite the Mideast crisis.

In Tokyo, Nintendo shares plunged almost 10% after the Japanese gaming giant warned Friday of lower profits this year and said it would raise the price of its Switch 2 console.

UK government bond yields rose only slightly after Prime Minister Keir Starmer vowed to prove his "doubters" wrong in a speech seeking to quell a growing threat to his leadership following disastrous local election results.

"The relatively mild reaction in the bond market... suggests that traders do not believe that the threat to Keir Starmer will materialise," Brooks said.

Macron announces 23 bn euros of investment at Africa summit

AFP | Nairobi, Kenya

French President Emmanuel Macron announced 23 billion euros (\$27 billion) of investment for Africa during a major summit on the future of the continent hosted by Kenya yesterday.

France has brought together dozens of heads of state and business leaders for the two-day Africa Forward summit in Nairobi, aimed at renewing France's engagement with the continent after years of strained ties with its former colonies.

The investments Macron announced include 14 billion euros in private and public funds from French entities, and nine billion euros from African investors, focused on energy transition, digital and AI, the maritime



Former French football manager Claude Le Roy (back R) watches as France's President Emmanuel Macron (C) plays football at a sport demonstration during the Africa Forward summit in Nairobi

economy and agriculture. They would create 250,000 direct jobs in France and Africa, Macron said.

"We are not simply here to come and invest on the African continent alongside you -- we need the great African business leaders to come and invest in France," he told the audience at Nairobi's convention centre.

"And that too is what underpins this relationship, now entirely free of hang-ups," he added.

Ahead of the summit, Macron told The Africa Report that colonialism could no longer be blamed for all of Africa's challenges.

"We must not exonerate from all responsibility the seven decades that followed independence," he told the magazine,

calling on African leaders to improve governance.

Europe's former colonial powers were not "the predators of this century," he added.

In a speech at the summit, Macron also said that the process of returning African artworks looted during the colonial era had become "unstoppable". The French parliament last week passed a law paving the way for Macron to return looted African cultural artefacts.

"International order" Macron has sought to position Europe as a more reliable trade partner than China and the United States.

"Europe defends the international order, effective multilateralism, the rule of law, free and open trade," he told The Africa Report.

On critical minerals and rare earths, China, he said, "operates according to a predatory logic: it does the processing at home" and creates "dependencies with the rest of the world".

He has also emphasised the need for an overhaul of international finance, to set up a system of financial guarantees to bring in private investment, he added.

"There is no reason today for there to be so little private investment coming into a continent as full of energy and youth as yours," he told the audience at the close of the summit's first day.

France has struggled to maintain ties with its former colonies in recent years, withdrawing its troops from Mali, Burkina Faso and Niger after the military in each of those countries seized power between 2020 and 2023.

He defended France's military presence in the Sahel region, as it had been requested to fight the jihadist threat.

"When our presence was no longer wanted after the coups, we left," he told The Africa Report. "That wasn't a humiliation but a logical response to a given situation."

"A new era is about to start. The Sahel will one day regain normal governance" with democratically elected leaders who "genuinely care about their people", he added.

World's 'largest energy shock' may affect markets into 2027: Saudi Aramco CEO

Aramco had announced a net profit rise of more than 25% in the first quarter of 2026



AFP | Riyadh, Saudi Arabia

The Middle East war triggered the world's largest energy shock with market recovery likely to extend into 2027 even if the Hormuz blockade is lifted soon, Saudi oil giant Aramco's CEO told investors yesterday.

A day earlier, Aramco had announced a net profit rise of more than 25% in the first quarter of 2026 compared to the same period last year, fuelled by higher oil prices as exports remain blocked in the Strait of Hormuz.

"The energy supply shock that began in the first quarter is the largest the world has ever experienced," said Aramco CEO and president Amin H. Nasser.

"If the Strait of Hormuz opens today, it will still take months for the market to rebalance, and if its opening is delayed by a few more weeks, then normalisation will last into 2027," he added.

Crude prices jumped during the first quarter from the mid \$60s in early February to more than \$100 a barrel

in March as Iran's shutdown of the key waterway sparked a global energy crisis.

The market has seen an "unprecedented supply loss of about a billion barrels of oil", he said, putting the figure at roughly 880 million barrels.

"If the current disruptions continue at this rate, the market will lose around 100 million barrels for every week the Strait of Hormuz remains closed," he added.

The loss was offset in part by oil flows bypassing Hormuz, the release of strategic government petroleum reserves and Saudi Arabia's East-West pipeline -- which avoids the blockaded strait, he said.

Saudi Arabia has used the pipeline at its maximum capacity of 7 million barrels per day to deliver oil despite the blockade.

"If and when normal trade and shipping resumes, we anticipate very robust return to demand growth significantly higher than the initial estimate for the growth in 2026," Nasser said.

UK PM vows legislation to nationalise British Steel

AFP | London, United Kingdom

UK Prime Minister Keir Starmer announced yesterday that he would introduce legislation to nationalise Chinese-owned British Steel, after the government took control of the company last year.

"Legislation will be brought forward this week to give the government powers... to take full national ownership of British Steel," Starmer said in a speech aimed at resetting his leadership after disastrous local elections.

The country's last factory that can make steel from scratch faced imminent closure last year after its Chinese owner Jingye said the plant was no longer financially viable.

After unsuccessful negotiations with the company, the

UK government passed emergency legislation to prevent the struggling plant's blast furnaces going out.

Since then, "it has not been possible to agree a commercial sale with the current owner," the government said in a statement yesterday.

"The government believes introducing legislation to provide a route to public ownership is the appropriate next step," it said, adding that the move remained subject to a public interest test.

Nationalisation would bring British Steel back into government ownership for the first time since 1988.

The government has seen the possible closure of the plant in northern England as a threat to Britain's long-term economic security, given the decline of the UK's once-robust steel industry.



The African Union represents 55 countries and more than 1.5 billion people – making it one of the world's largest political blocs.