

Weekly What's Important Next

Week: 13 April to 17 April 2026

13 April 2026

Middle East negotiations breakdown, with the US announcing a blockade of Iranian ports

Why it's important?

The breakdown of talks highlights the widely divergent negotiating positions of both sides. The US blockade marks a further dangerous escalation in an unprecedented global energy shock and means that the best-case scenario now is probably a slower resumption of traffic through the Strait of Hormuz.

Iran earns much-needed revenue from energy exports and has continued with them through the war, so the fact that those flows have not been targeted by the US up until now is a bit of a surprise. Current shut-ins across Middle East Gulf oil producers amount to roughly 13 million barrels per day, out of a global market of approximately 105 million barrels per day. Blockading Iran would raise that to approximately 15 million barrels per day.



Expect oil and gas prices to increase further having weakened on the expectations of talks. Volatility is likely to remain. Global equities are likely to retrace as the war grinds on (the strait has been effectively shut for six weeks now), keeping fuel prices high and dampening growth. The impact on bonds will be closely watched, with there being a trade-off between growth and inflation. European assets may be somewhat insulated this week, following a landslide election victory for Hungary's pro-Europe opposition Tisza party.

US quarterly reporting season gets under way

Why it's important?

After last week's US inflation figures and the employment report from the week before, tier-1 economic data takes something of a breather this week. However, the US quarterly reporting season now gets under way. As usual, the major banks will get things started; Goldman Sachs report on Monday, JPMorgan, Citigroup and Wells Fargo on Tuesday, followed by Morgan Stanley and Bank of America on Wednesday.



This will help give a read on how the banking sector is viewing the economy overall but also on the health of corporate bond markets, particularly for banks with significant exposure to private markets. This was a focus for markets before conflict in the Middle East pushed it off the front pages. If credit conditions weaken, it may become more difficult/expensive for companies to refinance debt, meaning they may have to make cutbacks elsewhere. AI disruption had been causing ructions in the software space not that long ago, which pushed down the value of private credit vehicles which had lent to that sector. It was notable that the software sector was under pressure again last week, marking a new low for the year.

Approved by Omnis Investments on 13 April 2026.
Images are copyright and used here under license from shutterstock.com

Issued by Omnis Investments, which is authorised and regulated by the Financial Conduct Authority. Registered address: Auckland House, Lydiard Fields, Swindon SN5 8UB. This update reflects our view at the time of writing and is subject to change. The document is for informational purposes only and is not investment advice. Omnis Investments is unable to provide investment advice. Every effort is made to ensure the accuracy of the information, but no assurance or warranties are given. Past performance should not be considered as a guide to future performance.