



CIO expects oil to trade closer to USD 80/bbl over the coming two quarters. (UBS)

Trump looks to oil for leverage

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US President Donald Trump on Sunday threatened 25-50% secondary tariffs on buyers of Russian oil, if he feels Moscow is blocking White House-led efforts to broker a peace deal with Ukraine.

Trump discussed a potential Russia-Ukraine ceasefire deadline of 20 April with Finnish President Alexander Stubb, who golfed with Trump on Saturday in a surprise visit. Alongside expressing anger at Putin over the negotiations, Trump warned Ukraine's leader would face "big problems" if he were to reject or renegotiate a critical minerals resource deal with the US. Trump also threatened a separate run of secondary sanctions if Iran does not agree to end its nuclear weapons program, alongside a threat of "bombing the likes of which they have never seen before."

Our view: The threat itself cannot be dismissed, with President Trump setting the stage with last week's 25% secondary tariffs on countries buying oil or gas from Venezuela, effective 2 April. If similar tariffs are enacted and enforced on either Russia or Iranian crude, this could further complicate an already difficult market for big oil consumers like India and China, potentially adding to pressure on energy costs. This supports our expectations for oil to trade closer to USD 80/bbl over the coming two quarters, and our preference for gold as both a geopolitical and inflation hedge.

Original report: [Risk-off mood takes hold ahead of 2 April, 31 March 2025.](#)

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