

WEEKLY TRADER CALL SUMMARY — RUSSELL THOMPSON

The Taco Trade

Weekly Market Update — Month End Edition

Iran peace diplomacy is alive but fragile, Trump is talking about taking Kharg Island and securing Iranian uranium, Yemen has entered the picture, and Asian equities sold off sharply overnight. The macro focus this week is squarely on the Iran resolution path, an under-the-radar inflation expectations beat, and a compelling global macro trade: short Gilts, short Sterling.

GEOPOLITICS: THE IRAN “TACO TRADE”

Where Things Stand

Significant diplomatic activity over the weekend. Pakistan has offered to host peace talks between Iran and the US, with Saudi Arabia, Turkey, and Egypt all attending or represented. Trump is publicly saying he is “getting close to a deal.” Iran has responded with a 5–6 point counter to the US’s 15–point plan. However, simultaneously, Trump is talking about seizing **Kharg Island** and securing Iranian oil — and there are widespread rumours of US special forces and the 82nd Airborne being positioned to secure uranium assets inside Iran.

Actor	Action / Position	Risk Assessment
Pakistan	Offering to host US–Iran talks (direct or indirect)	Positive diplomatic signal
Saudi Arabia / Turkey / Egypt	Weekend consultations attended	Regional backing for de-escalation
Trump	“Close to a deal” but also eyeing Karg Island & Iranian oil	Mixed — unpredictable
Iran	5–6 point response to US 15–point plan	Dialogue open; not capitulating
Yemen	Now involved — Suez Canal & straits risk	New escalation vector
US forces	Rumoured SF / 82nd Airborne in region	Elevated military optionality

Source: Hilbert Trader Call, 30 March 2026

Hilbert’s Base Case: This Fizzles Out

Despite the noise, Hilbert’s core view is that this ends as a “**taco trade**” — lots of bluster, ultimatums, and positioning, but ultimately a deal or de-escalation rather than boots on the ground. The US is not going to mount a meaningful ground invasion with a million Iranian soldiers defending their territory and surface-level regime support holding. That said, Yemen’s involvement is a new and unpredictable variable that could complicate Suez and Hormuz shipping.

RUSSELL THOMPSON - CIO, HILBERT GROUP

“I think this is going to end up being a huge taco trade. With a million Iranian soldiers in Iran and support for the regime still holding strong on the surface, they’re not going to put boots on the ground in any meaningful way. It’ll probably hopefully fizzle out, but who knows.”

MACRO: LAST WEEK’S DATA & KEY SIGNALS

PMI - A Wash

Manufacturing PMI beat expectations; Services PMI was a miss. The net read is roughly neutral — no strong directional signal for growth. The split between manufacturing (supported by restocking / defence/energy capex) and services (squeezed by consumer caution and oil costs) is consistent with Hilbert’s view that high oil is already beginning to bite on growth.

UK CPI - Retail Ticked Up, Headline In-Line

UK retail CPI edged higher. Headline CPI came in bang in line with expectations. However, this data point feeds directly into the Sterling crisis thesis: the UK is carrying a large debt funding burden while inflation risks remain sticky, and Starmer’s government has limited fiscal room to manoeuvre. Hilbert’s structural trade here is clear.

The Under-The-Radar Number: Inflation Expectations KEY

The most significant data point of the week — one largely ignored by consensus but closely watched by us (and by the Fed): **US inflation expectations came in at 3.8% vs 3.4% expected**. This is a meaningful beat. The Fed explicitly monitors this series, and a further rise in long-run inflation expectations would complicate the case for rate cuts even if Warsh’s structural disinflationary thesis is correct.

Why this matters: Inflation expectations can become self-fulfilling. If households and businesses start pricing in higher inflation, that influences wage demands and price-setting behaviour. This is the series the Fed fears most — and it just surprised to the upside significantly.

Fed Funds Futures — Repriced, But Less Extreme Than Last Week

Scenario	This Week	Last Week	Change
April meeting — hold	96%	85%	More hold priced
April meeting — hike	3–4%	15%	Hike risk eased
December — no change	79%	—	Base case
December — hike	13%	~48%	Significant de-escalation
December — cut	7%	—	Cuts almost off the table

Source: CME FedWatch / Hilbert Trader Call, 30 March 2026

The rate hike hysteria of last week (when a 15% chance of an April hike was priced) has partially unwound. April is now pricing 96% hold. December is now pricing mostly no change, with a residual 13% hike probability and only 7% for a cut — a dramatically different picture from February when multiple cuts were firmly priced in.

HILBERT’S FAVOURITE TRADE: SHORT GILTS, SHORT STERLING

The Sterling Crisis Thesis

This is Russell Thompson’s highest-conviction global macro trade right now. The thesis: the UK faces a compound problem of sticky inflation (retail CPI ticking up), a large and growing debt-funding challenge, a weak growth backdrop, and a government (Starmer) with limited political capital and fiscal flexibility. The last thing the UK needs is an oil-driven inflation spike, and yet that is exactly what is occurring.

- **Short Gilts:** UK debt funding burden is large; higher inflation = higher yields required; supply/demand imbalance in UK bond market
- **Short Sterling:** Stagflationary dynamic developing; BoE caught between growth support and inflation; capital flows under pressure
- **Political risk:** Starmer’s government under pressure; fiscal credibility a key watchpoint

Hilbert’s view: “There’s a Sterling crisis coming in the UK. The last thing they want now is higher inflation on top of everything else with a huge debt funding issue. Starmer’s in trouble. Short Gilts and short Sterling is my favourite global macro trade right now.” — Russell Thompson

CRYPTO & DIGITAL ASSETS

This week’s call was macro-heavy given the Iran situation and month-end dynamics. The broader backdrop, conservative risk positioning, elevated geopolitical uncertainty, and rate expectations that are now firmly “no cut” for most of 2026, keeps the environment cautious for risk assets including Bitcoin.

Context from prior weeks: BTC triple bottom ~\$60k remains the key support; MA resistance at \$79–80k; skew still heavily put-weighted; basis trade flat; USD yield ~3.5%. These conditions remain broadly unchanged until a Gulf resolution provides a catalyst.

EVENT RISK & UPCOMING CALENDAR

Event	Date	Notes
IRAN PEACE TALKS This week (Pakistan-hosted) Direct or indirect US–Iran talks expected. Resolution = significant risk-on catalyst. Failure or escalation (especially Yemen / Suez) = continued oil pressure and market stress.		
MONTH END FIX Tuesday, 31 March Month-end rebalancing flows could create short-term volatility in FX and equities.		
US & GLOBAL DATA This week Watch for any further prints on inflation expectations or consumer sentiment data. PCE (Fed’s preferred) and any Fed speak will shape April meeting narrative.		

Date	Event	Notes
This week	US–Iran peace talks (Pakistan)	Saudi / Turkey / Egypt attending; outcome highly uncertain
This week	Yemen / Suez developments	New escalation vector; watch shipping disruption
Next 4 weeks	April FOMC meeting	96% hold; watch rate path language under Warsh
Coming	Warsh confirmation	Congressional process ongoing
Coming	SLR reform announcement	Bessent-flagged structural BTC/risk bullish

Source: Hilbert Trader Call, 30 March 2026

OUTLOOK

The Iran situation remains the dominant variable for all risk assets - a negotiated resolution, even a messy one, would be the biggest single catalyst for a Bitcoin and risk asset recovery. The structural Hilbert macro thesis (rate cuts, SLR reform, TGA drawdown) remains intact but is on hold while geopolitical uncertainty persists. The short Gilts / short Sterling trade is the cleanest expression of the current environment outside of crypto.

Inflation expectations at 3.8% deserve more attention than markets are giving them. If this series continues to drift higher through Q2, it will complicate the Fed’s ability to respond to any growth slowdown with cuts - exactly the stagflationary scenario that is worst for equities and most complex for Bitcoin.

BY THE NUMBERS

FED FUNDS FUTURES (30 MAR)	
Scenario	Prob
April hold	96%
April hike	3–4%
Dec no change	79%
Dec hike	13%
Dec cut	7%

KEY DATA LAST WEEK

PMI Manufacturing

Beat

PMI Services

Miss

UK Retail CPI

Ticked up slightly

UK Headline CPI

Bang in line

Inflation Expectations

3.8% vs 3.4% est. ▲

GEOPOLITICAL SNAPSHOT

Iran talks

Pakistan hosting; Saudi / Turkey / Egypt attending

Trump position

“Close to a deal” + Karg Island rhetoric

Yemen

Now involved — Suez risk

Hilbert base case

Taco trade — fizzles out

HILBERT’S TOP TRADE

Short Gilts

UK debt burden + sticky inflation

Short Sterling

Stagflation risk; Starmer political fragility

Hilbert’s #1 global macro trade

BITCOIN CONTEXT

Key support

~\$60k (triple bottom)

MA resistance

\$79–\$80k

Catalyst needed

Gulf resolution

Positioning

Conservative / low delta

TOP ASSETS PERFORMANCE - 7D

#	Asset	7d
1	BTC	-4.23%
2	ETH	-3.39%
3	BNB	-3.49%
4	XRP	-5.87%
5	SOL	-9.76%
6	TRX	+0.69%
7	DOGE	-2.94%
8	ADA	-8.50%
9	HYPE	-8.23%
10	LINK	-5.06%

UPCOMING EVENTS

This week	Iran talks
Tue Mar 31	Month end fix
This week	Yemen / Suez
April	FOMC meeting
Coming	Warsh confirm.
Coming	SLR reform