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MARKET INSIGHTS

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BRETTON WOODS 2.0, THE NEW GREAT GAME, AND TRUMP:

Here begins the Great Game

Prologue

U.S. President Donald Trump's second term is not just another burst of tariff theatre; it is the opening move in a new great game over energy, artificial intelligence (AI), and money. By neutralizing Iran and Venezuela, squeezing Cuba, binding Canada, and courting Russia, Washington is trying to re-anchor oil in U.S. dollars and push BRICS¹ monetary ambitions to the margins. Layered on top are digital rails—dollar-backed stablecoins, tokenized Treasuries, gold, and even a strategic bitcoin reserve—designed to harden, not retire, King Dollar. If it works, Bretton Woods 2.0 will arrive not as a conference, but as the unannounced sequel to a crisis-ridden decade, with the U.S. once again writing the rules.

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“ ***Here begins the Great Game.***
- Mahbub Ali to Kim, in Rudyard Kipling's *Kim* ”

¹ Organization of ten nations including Brazil, Russia, India, China, South Africa, Egypt, Ethiopia, Indonesia, Iran, and the U.A.E.

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I. Here begins the Great Game

“Here begins the Great Game.” In Rudyard Kipling’s novel *Kim*, those words induct a boy into a world of clandestine maps, shifting loyalties, and contests that stretch far beyond his own horizon. In 2026, this could just as easily describe the role the U.S. is trying to assign itself under Trump: architect of a new monetary order, referee of energy flows, and gatekeeper of the digital rails that will carry value around the world.

The original Bretton Woods² deal was blunt in its simplicity: the U.S. controlled gold, industrial production, and oil, so everyone else agreed to peg their currencies to the U.S. dollar, which, for a time, was pegged to gold. When U.S. President Richard Nixon severed that link in 1971, the legal scaffolding disappeared but the hierarchy did not. Oil stayed priced in dollars, global savings flowed into U.S. Treasuries, and what critics decried as “exorbitant privilege” hardened into the operating system of globalization.

Trump’s second act flirts with a sequel. Call it Bretton Woods 2.0: eliminate BRICS as a monetary project, re-anchor oil in dollars, and hardwire a new U.S. dollar-centred digital payments rail—with gold and bitcoin as anchors to that world, not as exhibits in the case for American decline. What looks like chaos at the level of Trump’s social media posts starts to resemble a further sequence when you trace it through energy, geography, and balance sheets. In that sense, Mahbub Ali’s “Here begins the Great Game” reads less like fiction and more like a mission statement for a White House that sees finance, oil, and code as a single integrated battlefield.

That sequence begins, improbably, in Caracas. For years, Venezuela has been a kind of shadow tap for Beijing: heavily discounted crude, political alignment, and just enough distance from mainstream Gulf supplies to serve as a hedge. Washington’s current approach—mixing sanctions and conditional relief, letting Western oil majors tiptoe back in while keeping the threat of a further squeeze ever present—is less about ideological crusade than about reasserting control. The goal is to drag Venezuelan oil, and eventually its lithium, gold, and rare earths, back inside a U.S.-aligned architecture. If that happens, China loses more than barrels; it loses a useful, semi-deniable pipeline that lies outside America’s direct grip.

The next move is quieter but more profound, and it plays out across the world’s longest border. For decades, Canada could enjoy the benefits of proximity to U.S. power without fully surrendering to it. Under the original North American Free Trade Agreement (NAFTA), an obscure “proportionality” clause effectively guaranteed the U.S. a fixed share of Canadian oil and gas exports and sharply limited Ottawa’s ability to divert supply in a crisis. That clause is gone on paper, and Canadian politicians have dined out on its demise. In practice, something similar is being rebuilt by other means.

As North America knits together Arctic infrastructure, harmonizes critical mineral policy, and deepens joint energy security planning, Canada is being pulled back into a de facto right of first refusal regime on its resources. Liquefied natural gas (LNG) terminals, pipelines, transmission lines, and rare-earth projects are increasingly financed and permitted with “continental security” as the overriding test. Ottawa still flies its own flag, but the question of who gets Canadian barrels in a shortage, who has first call on its gas, uranium, potash, and critical minerals, and in what currency long-term contracts are written, will be effectively settled in Washington before it is debated in Parliament. The notorious proportionality clause may be defunct in statute, but its spirit is very much alive in the new continental bargain.

If Venezuela is pulled westward and Canada is locked in, China’s obvious Plan B lies further east on the shores of the Gulf. Over the past decade, Beijing has turned Iran into a forward operating node without ever raising a People’s Liberation Army (PLA) flag. It has anchored Tehran inside the Belt and Road and energy networks, quietly fed critical missile inputs and guidance components into Iran’s arsenal, and helped build the surveillance and telecom spine of the Islamic Republic itself. China provides the “eyes” and the digital backbone; Iran provides the “fist” against U.S. forces and shipping from the Strait of Hormuz out into the Arabian Sea. In that sense, military strikes on Iranian command centres, missile depots, or data centres are not merely punitive toward Tehran; they serve as a proxy confrontation with Beijing’s engineering and export model. China’s fingerprints are all over Iran’s military and internal security toolkit.

² Conference held in 1944 to determine a new international economic order and cooperation after the end of the Second World War.

Missiles are only the most visible part of that story. Iran lacks the domestic capacity to produce many of the specialized chemicals and components needed for its modern rocket and drone fleet, so Chinese firms have stepped in to fill the gap, supplying propellant precursors and dual-use electronics that keep the arsenal alive. The same pattern holds in cyberspace. Chinese companies have helped reshape Iran's telecommunications architecture much as they do in Beijing, exporting a surveillance model honed in Xinjiang into the streets of Tehran and Mashhad. Facial-recognition systems and network tools first used to track Uyghurs now help Iranian authorities enforce hijab compliance and identify who marches and who posts—turning a domestic morality code into a data problem Chinese hardware and software are optimized to solve.

II. The New Great Game: energy, AI, and rails

At this point, the old imperial vocabulary suddenly feels current. The 19th-century "Great Game" that Kipling fixed in the imagination was a rivalry between Britain and Russia for control of Eurasia's buffer states, played out through spies, maps, and mountain passes. That British Empire, and the City of London that financed it, still matter—but each year they matter slightly less. Russia, too, increasingly takes a back seat: exposed on the battlefield, boxed in by sanctions, and pushed to trade its residual leverage for narrow deals. The centre of the board has shifted. The New Great Game is between the U.S. and China, and it is being fought over sea lanes, data centres, and payment systems rather than khanates and caravan routes.

The maxim has changed with the terrain. If the old dictum was that whoever controlled Eurasia controlled the world, the 21st-century version is harsher and more precise: whoever controls the energy arteries of Eurasia, the data-centre power that feeds AI, and the dollar-centric rails through which those trades settle, controls the tempo and terms of globalization itself. Neutralizing Iran as a reliable hub—whether through military strikes, subsequent internal fracture, or coercive diplomacy—is meant to rip out China's forward base in the Gulf and tilt that Great Game back toward Washington. It is not only about disrupting a regional spoiler; it also means stress testing the Chinese missile, satellite, and surveillance stack now embedded in Tehran. For the strategists around Trump, this is the mid-game position in which the whispered "Here begins the Great Game" has already given way to a more confident, if unspoken, "and we intend to finish it."

The most heretical part of this imagined strategy sits further north. Russia, for now, is a central partner in BRICS rhetoric and a major supplier to both Europe and Asia. It is also war-drained, sanctioned, and reliant on a narrow set of commodity exports. At some point, Moscow will want an exit ramp that preserves the regime but restores access to capital and technology. The theory is that Washington offers a narrow, transactional bridge: phased sanctions of relief and revenue guarantees in exchange for Russia gradually redirecting more exports toward Western-aligned markets, on Western terms. Canada, with its Arctic geography and energy ties, becomes the hinge. A Russia edging back into the Western trading system is, by definition, a less dependable counterweight for Beijing. China's last big, politically aligned fossil-fuel supplier becomes a hedger rather than a committed partner.

All this energy choreography is aimed less at maps than at money. BRICS was never going to be a military alliance; its true potential lay in monetary coordination. A common unit of account, pooled reserves, or simply a disciplined shift to non-dollar invoicing for energy would have posed a genuine challenge to dollar hegemony. Instead, the group is sagging under its own contradictions: India and China as strategic rivals, Gulf monarchies, Iran uncomfortably seated at the same table, and domestic fragility in Brazil and South Africa. The result is more brand than system.

Trump's swaggering declaration that "BRICS is dead" is not just theatre. The goal is to make sure that the bloc never matures from slogans into architecture. Ad hoc yuan-denominated cargoes and rupee-settled deals can be tolerated; a serious BRICS unit of account for oil cannot. That, in turn, is the subtext of Washington's wider campaign. By constricting China's reliable suppliers, courting Russia, and locking down North America, the U.S. is sending a blunt message to capital and to capitals alike: King Dollar is here to stay.

The fulcrum, as in the 1970s, remains oil. After Bretton Woods proper collapsed, the de facto system that replaced it rested on petrodollars: crude priced in U.S. dollars, surpluses recycled into U.S. financial assets. Trump's would-be Bretton Woods 2.0 does not require a formal revival of that deal. It only requires that, in practice, the deepest and safest way to price and hedge energy remains in dollars. If Venezuelan barrels are brought under Western influence, Iranian barrels are unreliable, and Russian barrels are at least partially normalized, Gulf producers are nudged back toward the monetary system that underwrites their security and their sovereign wealth portfolios. Long-dated

contracts, derivatives, shipping, and insurance naturally reconverge on U.S. dollars. The dollar cage is rebuilt not through an explicit pact, but through structural necessity.

Where this prospective order really diverges from its mid-20th-century ancestor is in the plumbing. The old system was wired through correspondent banks, paper ledgers, and telex machines. The new one is being built on APIs, blockchains, and always-on markets. Regulated issuers now mint dollar-denominated stablecoins backed one-for-one by cash and short-dated U.S. Treasuries, and there is a growing ambition to add tokenized gold to that reserve mix—not as a nostalgic retreat to a failed standard, but as a quiet keel that makes digital dollars feel less like pure code and more like claims on real collateral.

Corporates, banks, and fintechs are beginning to use these tokens to settle trade, handle payroll, and sweep cash across borders. The user sees a better dollar— instant, programmable, available 24/7. The U.S. Treasury sees something else: each token a micro-claim on U.S. assets; each new use case another strand tying global liquidity back to the American sovereign balance sheet. Gold's role in this architecture is not to broadcast the failure of Trump-era policy, but to stabilize a new stablecoin world at the margin—the way ballast steadies a ship already driven by engines, sensors, and software.

A digital rail backed by U.S. dollars, U.S. Treasuries, and, increasingly, vaulted gold is therefore not a technocratic footnote. It is a geopolitical instrument. The dollar remains not only the unit of account, but also increasingly the infrastructure: the pipes, switches, and compliance layers through which value moves. Every wallet integrating these rails extends the reach of U.S. law and sanctions enforcement. Every foreign institution that opts in is, in effect, voting for continued dependence on U.S. paper, lightly buttressed by old-world metal.

Then there is bitcoin, the former protest asset that the system can no longer ignore. For a decade, it has served as a bet against central banks—a digital gold for those who distrust fiat. In a world of energy shocks, fiscal spillage, and political risk, bitcoin can grow from counter-culture instrument into systemically meaningful collateral. The Bretton Woods 2.0 script imagines Washington leaning into that reality rather than fighting it. After a crisis-driven price surge, a U.S. administration announces a Strategic Bitcoin Reserve, funded not by taxpayers but by seized adversary assets, windfall levies, and structured deals with miners and custodians.

Here, again, gold's presence is interpretive rather than accusatory. Gold stays on the books as the legacy anchor; bitcoin becomes the forward-looking signal that America has absorbed some of its critics' hard-money lessons; and dollar stablecoins, backed by Treasuries and seasoned with a touch of bullion, become the everyday rails. Together, they form a layered assurance structure: metal in vaults, code on chains, paper at the core.

III. King Dollar at the centre of the New Great Game

This is where personnel matters. With a seasoned market operator like U.S. Treasury Secretary Scott Bessent helping shape policy, the architecture of the new system starts to look less like a politician's doodle and more like a macro trader's term sheet: flows, incentives, and balance sheets wired deliberately to keep global savings trapped in U.S. instruments, sweetened by harder collateral and superior rails.

Strip away the personalities and the pattern is unmistakable. The British Empire and the City of London, which once sat at the centre of the financial universe, continue their long, graceful decline. Russia, for all its nuclear weapons and propaganda, is pushed toward the wings. The New Great Game is a dyad: the U.S. and China manoeuvring for advantage across regions, technologies, and financial architectures. And the events of this year—from energy realignments to stablecoin legislation and open confrontation with Chinese technology in Iran—suggest that at the centre of that contest sits the same protagonist that anchored the first Bretton Woods: the dollar.

If this project succeeds even partially, the shift will not just be institutional and geopolitical; it will be profoundly psychological. A world that watches the U.S. run the economy hot, grow out of a debt scare, retool its industrial base with productive capital, lead in digital assets and AI, and reassert de facto control over global energy markets will not seem a fluke. It will seem a doctrine. Trump's "peace through strength" approach—overwhelming energy capacity, visible military superiority, and financial rails no rival can match—would then be sold as the strategy that delivered a peace dividend: fewer live conflicts, more deterrence, and oil geopolitics turned on its head as producers and consumers alike price security into dollar contracts rather than into hedges against American retreat.

Trump and his team would be recast from wreckers of the old order into authors of a new one. The story almost writes itself: we refused austerity; we rejected

managed decline; and we used tariffs, deregulation, energy production, and digital innovation to reignite growth and restore American leverage. If King Dollar emerges from this period harder, more digital, and more central than before, the conclusion many investors and voters will draw is simple: the Trump formula worked.

That narrative power matters. It would make it easier to sell a strategy of “running the economy hot” as a deliberate choice rather than a policy error, to present high nominal growth as the path out of the debt crisis, and to justify further rounds of pro-growth, pro-capital-formation policy. A United States that is visibly leading in AI infrastructure, setting the rules of the global digital asset game, and shaping energy flows from the Arctic to the Gulf would be able to say, with some plausibility, that all of it was in service of a single goal: the reestablishment of King Dollar at the centre of the system.

IV. What should investors do?

For investors, it is important to see past the temporary Iran-linked disruptions in markets. The real question is how to position if this version of events becomes the organizing story of the late 2020s. The first implication is to take the durability of the dollar seriously. A successful Trump-Bretton Woods 2.0 would reinforce, not weaken, the case for holding U.S. assets as the core of global portfolios. That argues for maintaining a structural overweight to high-quality U.S. equities and credit, and for treating short-duration Treasuries and T-bill funds as central collateral rather than optional ballast.

The second is to lean into the real economy winners of a “run it hot and retool” strategy. If Washington is determined to grow out of its debt problem and rebuild productive capacity, then upstream and midstream energy, grid and data centre infrastructure, advanced manufacturing, critical mineral supply chains, and AI-enabling hardware all sit on the right side of policy. If “peace through strength” does deliver a peace dividend—fewer long-term disruptions to shipping lanes, more predictable supply out of key producers, a credible American backstop in the Gulf—the result would be to turn oil geopolitics on its head: less risk priced into barrels, more value created in the infrastructure that moves and hedges them.

The third is to think in layers of money. In a system where Treasuries stand at the core, gold and bitcoin provide signalling and insurance, and dollar-backed stablecoins become the everyday rails. Portfolios should echo that structure: core positions in U.S. dollar cash and sovereigns; a measured allocation to gold as an anchor and to bitcoin as a high-beta call option on a successful “harder dollar” regime; and select exposure to the firms that will operate and secure the new rails—regulated stablecoin issuers, compliant exchanges, custodians, and infrastructure providers.

Finally, investors should remember that even successful grand strategies generate losers and unintended consequences: a more open proxy confrontation with Chinese technology in places like Iran, sharper regional volatility, and a faster arms race in both hardware and algorithms. Those risks can be hedged—through modest allocations to non-U.S. real assets, to regional champions that might benefit from partial decoupling, and to instruments that pay off if volatility spikes.

Kipling’s line—“Here begins the Great Game”—was once a doorway for a single boy into a secret imperial rivalry. Today it reads more like a caption for the entire system: a reminder that the game does not end, it merely changes boards. Bretton Woods 2.0 will not be unveiled in a New Hampshire resort. It will come disguised as a string of crises, sanctions packages, and software upgrades—and only later be recognized as a new iteration of an old order. And when the dust settles, the headline will not herald the birth of a rival reserve currency. It will record the survival, and mutation, of the incumbent: King Dollar, chastened, reengineered, and still in charge at the centre of the New Great Game.

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