STRAIT OF HORMUZ MONITOR

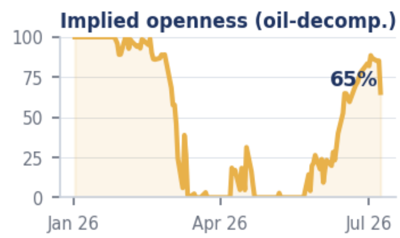
How open · how fast

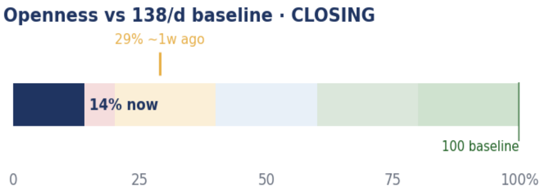
The headline question: how open is Hormuz, and how fast is it reopening? We lead with what we can OBSERVE; dark-share hides the rest.

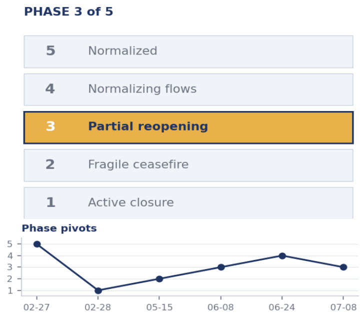
Hormuz ~14% open (observable) · **Phase 3/5 — Partial reopening** · **CLOSING** -15.0 pts/wk

Backing out SPR releases, OPEC+ slack and demand destruction ($12/bbl combined, per Global Oil S/D v12), today's Brent implies Hormuz is 65% open. Observed visible openness is 14%, total flow estimate 22%; the residual Hormuz risk premium in Brent is $12/bbl. Forward Brent has the premium decaying to $-3/bbl by 12m (100% implied openness).

Of the ships we can SEE, only 58% are AIS-off — but the visible count is itself a fraction of true flow: 20 transits/day vs 138 baseline (~14%), with most traffic running dark/unobserved (50-80% on an all-traffic basis). Estimated total ~22% of 20 mb/d throughput (est., low-confidence).







SYNTHESIS — three-sentence headline

DOWNGRADE: Phase 4 -> Phase 3 (Partial reopening). A one-off tanker strike became a two-way US-Iran kinetic exchange overnight: US CENTCOM hit 80+ Iranian targets after the IRGC struck three tankers (the Qatari LNG carrier Al Rekayyat, the Saudi Wedyan + a third), and Iran counter-struck Gulf bases (Bahrain, Kuwait) - the first US strike since the 17 Jun MoU. Is the Strait CLOSED? No - it is OPEN, but running only ~30-35% of normal and thinning. Transits today, our view: visible ~15-25/day (down ~40-55% from the ~35-45 plateau), dark share rising to ~58%, throughput ~4.5 mb/d - at least 4 tankers turned back after the strikes and the threat level is now 'severe' (hard cleared-counts lag ~2 days). The market PRICES ~70% open; the Strait PHYSICALLY moves ~one-third. Brent +6% to $78.78 (nearing the +8% re-stress trigger), gold soft ~$4,100; residual premium ~$9-11/bbl. Held at Phase 3, not 2, only because flows are not YET confirmed cut. A repeat strike, a boarding, a fee imposed, or a Brent +8% break tips it to Phase 2 and a supply-loss repricing. Phase 3 (Partial reopening) - downgraded from Phase 4 on a two-way US-Iran kinetic exchange. The Strait is OPEN, not closed - but moving only ~30-35% of normal and thinning (visible ~15-25/day today, dark ~58%, throughput ~4.5 mb/d; the market prices ~70% open, the Strait physically moves ~one-third). US CENTCOM hit 80+ Iranian targets; Iran counter-struck Gulf bases; Brent +6% to $78.78, gold soft ~$4,100. Held at Phase 3, not 2, only because flows are not yet confirmed cut - but at least 4 tankers turned back, the threat is 'severe', and diplomacy reversed (Iran conditions talks on the strikes stopping). Next step-up - a repeat strike, a boarding, a fee imposed, or a Brent +8% break - takes it to Phase 2 and a supply-loss repricing. This is an escalation to manage, not a normalization to confirm. The Strait is NOT closed — ships are still moving — but it is running at only ~30-35% of normal throughput and FALLING. A contested, thinning partial reopening under a live US-Iran kinetic exchange, not a closure.

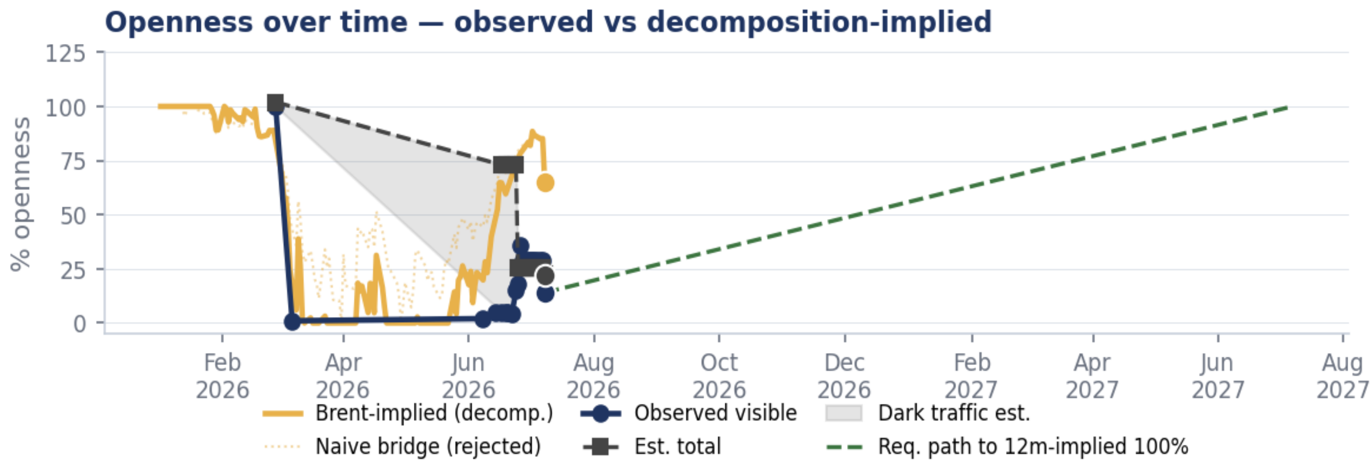
As of 2026-07-08 · **Sources:** visible transits (Windward / hormuzmonitor) · dark-share (Vortexa) · throughput (EIA Q1 avg) · Brent (ICE) · diplomatic (analyst principal-scored). Baselines: 138 ships/day · 20 mb/d.

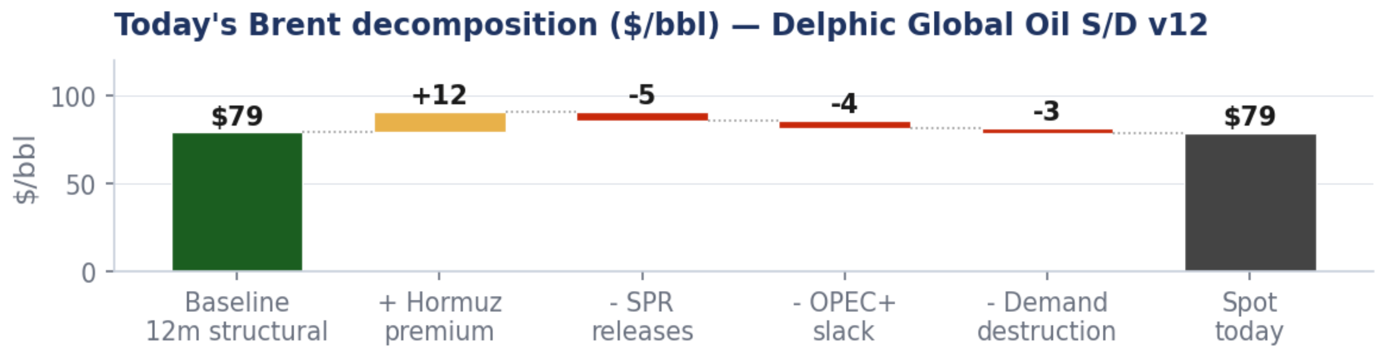
SYNTHESIS

What this means · oil-pricing consistency check

Two readings — the physical openness curve and the oil pricing curve — tell parallel stories. The gap between them is the central tension and the value of the monitor.

Backing out SPR releases, OPEC+ slack and demand destruction ($12/bbl combined, per Global Oil S/D v12), today's Brent implies Hormuz is 65% open. Observed visible openness is 14%, total flow estimate 22%; the residual Hormuz risk premium in Brent is $12/bbl. Forward Brent has the premium decaying to $-3/bbl by 12m (100% implied openness).





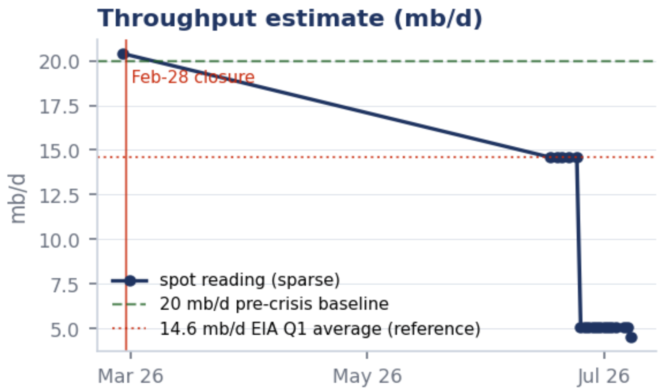
HOW BRENT TRANSLATES TO OPENNESS — Delphic decomposition

- **DECOMPOSITION** — Brent_spot = baseline + Hormuz_premium - non-Hormuz_offset. Baseline = $79/bbl (Delphic 12m structural fair-value, full normalization). Peak Hormuz premium = $34/bbl (Strike scenario vs baseline). Solving for premium and mapping linearly 0..peak gives implied openness 0..100%.
- **NON-HORMUZ OFFSETS TODAY** — $12/bbl backed out of today's Brent (per Global Oil S/D v12): $5 from active US/IEA SPR releases (172 mb US commitment, ~164 mb of 400+ mb deployed by May 8); $4 from deployed OPEC+ slack (UAE coiled-spring flush, Saudi paper quota); $3 from permanent demand destruction (~0.5-0.8 mb/d, teapot exits + electrification).
- **SPOT vs FORWARD** — SPOT $79: implied premium $12/bbl, openness 65%. 12m-FORWARD $71: offsets shrink to $5/bbl (SPR refill demand reverses release pressure above $85; demand recovers +1.0 mb/d by 12m); premium $-3/bbl, openness 100%.
- **WHY NOT THE NAIVE BRIDGE** — A linear bridge from observed crisis-peak ($118) to pre-crisis avg ($64) would imply 73% openness today — attributing 100% of Brent's decline to Hormuz reopening. That is analytically wrong: SPR / OPEC+ / demand destruction have done the heavy lifting. The decomposition method (65%) is the honest answer.

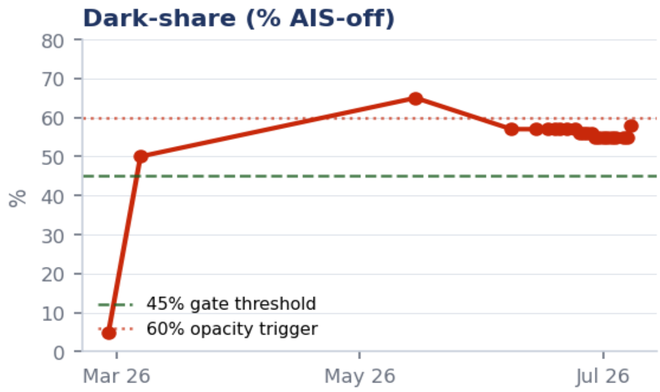
TRAJECTORY

Where we are vs where we have come from

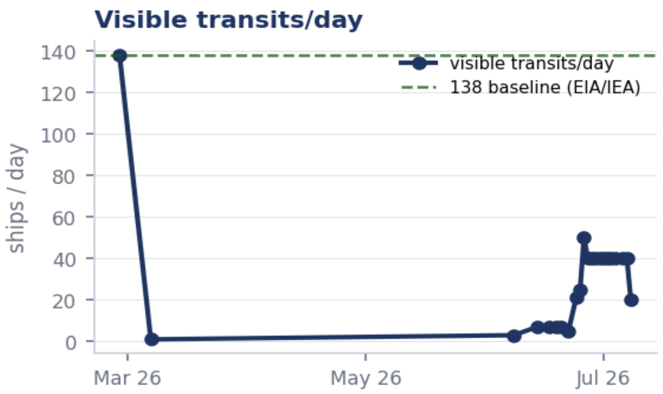
Dark-share and visible transits are the reliable trajectory signals. Throughput is shown as a reference (EIA Q1 average), not a daily spot.



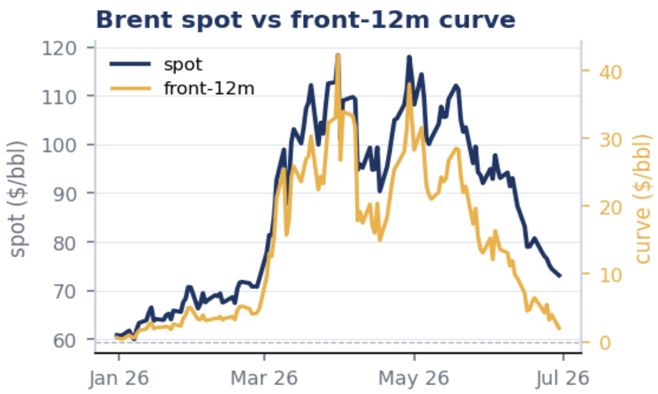
Throughput estimate vs 20 mb/d baseline · 14.6 EIA-Q1 reference line is an average, not a spot. The line is sparse because daily spot is genuinely uncertain while dark-share is high.



% of vessels with AIS off — the observability gap (Vortexa). Falling = visibility returning. Gate clears below 45.



Visible transits/day vs 138 baseline — the reopening curve and the headline openness metric (Windward / hormuzmonitor). The slope is the reopening velocity.



Brent spot + front-12m curve over the last 6 months (ICE, parquet). Falling spot + flattening curve = war-premium discharging.

ANALYSIS

Read · triggers

Thesis. DOWNGRADE: Phase 4 -> Phase 3 (Partial reopening). A one-off tanker strike became a two-way US-Iran kinetic exchange overnight: US CENTCOM hit 80+ Iranian targets after the IRGC struck three tankers (the Qatari LNG carrier Al Rekayyat, the Saudi Wedyan + a third), and Iran counter-struck Gulf bases (Bahrain, Kuwait) - the first US strike since the 17 Jun MoU. Is the Strait CLOSED? No - it is OPEN, but running only ~30-35% of normal and thinning. Transits today, our view: visible ~15-25/day (down ~40-55% from the ~35-45 plateau), dark share rising to ~58%, throughput ~4.5 mb/d - at least 4 tankers turned back after the strikes and the threat level is now 'severe' (hard cleared-counts lag ~2 days). The market PRICES ~70% open; the Strait PHYSICALLY moves ~one-third. Brent +6% to $78.78 (nearing the +8% re-stress trigger), gold soft ~$4,100; residual premium ~$9-11/bbl. Held at Phase 3, not 2, only because flows are not YET confirmed cut. A repeat strike, a boarding, a fee imposed, or a Brent +8% break tips it to Phase 2 and a supply-loss repricing.

READ — Openness * phase * velocity

- **IS IT CLOSED? NO — OPEN, BUT ~ONE-THIRD OF NORMAL AND THINNING** — The Strait is NOT closed — ships are still moving — but it is running at only ~30-35% of normal throughput and FALLING. A contested, thinning partial reopening under a live US-Iran kinetic exchange, not a closure.
- **TRANSITS TODAY (8 Jul), OUR VIEW — hard counts lag ~2 days** — VISIBLE (AIS-on): we estimate ~15-25/day TODAY (~20), DOWN ~40-55% from the ~35-45/day plateau as owners pause Hormuz calls after the strikes. DARK (AIS-off): RISING to ~58% of all traffic (from ~55%) as more vessels transit covertly — ~19 laden dark tankers already hold off-Strait. TOTAL throughput ~4.5 mb/d (from ~5.1) vs ~20 normal. This is OUR estimate for today; the hard cleared-count (PortWatch) lags ~2 days.
- **THE DATA BEHIND THE VIEW** — Last HARD visible prints, all PRE-strike: 4 Jul = 25, 5 Jul = 34 (PortWatch, ~41% of its ~83/day baseline), 6 Jul = 45 (Windward). Since the 7 Jul attacks: at least FOUR tankers TURNED BACK (Qatari LNG carriers Al Ghariya/Duhail/Al Ruwais + an Indian tanker with ~2m bbl Kuwaiti crude, Kpler/LSEG), the threat level is now 'SEVERE', war-risk hull cover re-bidding toward ~$10-14m/VLCC. Direction of travel: DOWN.
- **PHASE** — DOWNGRADE — Phase 4 Normalizing flows -> Phase 3 PARTIAL REOPENING (prev Phase 4). The gate still FAILS on both legs (throughput 5.1 < 12 AND dark ~55 > 45); the pricing gate alone would not fire (Brent 1m momentum still negative off the June peak), so the downgrade is driven by the DURABILITY COLLAPSE — the first US strike + first two-way exchange since the 17 Jun MoU. We hold Phase 3, not 2, only because flows are not yet confirmed interrupted; a confirmed interruption, a closure move, or a Brent +8% break tips it to Phase 2.
- **VELOCITY** — SHARPLY NEGATIVE. Pricing spiked (Brent +6% to $78.78, WTI ~$72) and the durability vector collapsed — a one-off tanker strike became a US-Iran military exchange in <24h. Diplomacy REVERSED: Iran conditions any final-deal talks on the strikes stopping, so the funeral hiatus is now a hostilities hiatus. The live movers are kinetic; momentum is toward further escalation, not normalization.
- **HOW OPEN — the two numbers (be explicit)** — There are TWO openness reads and they DIVERGE. (1) IMPLIED openness (pricing / residual war-premium basis) sits in the LOW-70s% and is what the model shades. (2) ACTUAL PHYSICAL throughput (visible + dark combined) is far lower: visible ~20-40% of normal, dark barrels lifting the effective figure to only ~30-40% of normal (~5.1 mb/d vs ~20 mb/d; dark share ~55-57%, Vortexa, off the 65.2% May peak). So the honest headline: the market is PRICING ~70% open, but the Strait is PHYSICALLY moving only ~30-35% of normal TODAY and FALLING (turn-backs, 'severe' threat, dark share rising to ~58%). Residual premium ~$9-11/bbl; Brent $78.78 is ~2pts of the +8% re-stress trigger.

OFFICIAL RECORD * SoH — Statements * decisions — as regards the Strait

- **US CENTCOM RETALIATION — the escalation (first US strike since the MoU)** — Overnight 8 Jul US CENTCOM struck 80+ Iranian targets — air defences, radar, anti-ship missile sites and 60+ IRGC small boats, with explosions on Qeshm Island, Bandar Abbas, Sirik and Bushehr — 'to impose heavy costs' for a 'clear ceasefire violation'. The first US strike since the 17 Jun Islamabad MoU; the corridor is now a live US-Iran theatre.
- **IRAN RETALIATION — Gulf bases hit** — Iran retaliated with missiles/drones on Bahrain (5th Fleet HQ) and Kuwait (Ali Al Salem), triggering air-defence alerts; the IRGC says the US 'openly violated the ceasefire'. The GCC calls for a 'firm and deterrent' response; Qatar calls the Al Rekayyat hit a 'grave violation', Saudi denounces the Wedyan strike. A two-way exchange.
- **TANKER STRIKE (the trigger) — three vessels hit** — The 7 Jul-night IRGC missile strike ~8nm off Limah struck the Qatari LNG carrier Al Rekayyat (engine-room fire) and the Saudi crude tanker Wedyan; the 'third targeted' vessel was actually struck within 24h — three hit, not two-plus-attempt. Washington had already REVOKED the Iran oil-sales waiver; Tehran called it an MoU (section 10) violation.
- **DIPLOMACY — Doha hardens, funeral becomes a hostilities hiatus** — Iran's FM: 'negotiations on a final deal will not commence if threats continue'. US-Iran indirect talks stay suspended for the Khamenei funeral (Iraq leg 8 Jul, burial Mashhad 9 Jul; successor Mojtaba still a no-show). The pause is now a hostilities pause; the 'regroup after 9 Jul' timeline is in doubt.
- **IAEA / TOLL — the standoffs stand under the strikes** — Iran's all-20-sites inspection ban stands (no access before a final deal + full sanctions relief; continuity-of-knowledge broken). The toll / 'maritime service fee' dispute persists (vessels paying in yuan). Both are now secondary to the kinetic vector but compound the durability collapse.
- **PRICE — supply-loss risk re-prices crude** — Brent $78.78 (+6%; WTI ~$72) — the war premium re-bids hard on a two-way exchange, approaching the +8% re-stress trigger; OPEC+ +188 kb/d and record Gulf flows are the only cap left. Gold ~$4,100 is SOFTER (a stronger USD + higher yields; energy-inflation not refuge). Implied openness low-70s, residual ~$9-11/bbl — a premium re-bid tipping

toward a supply-loss repricing.

WHERE WE'VE COME FROM — Trajectory

- **2026-06-17** — Islamabad/Versailles MoU signed; toll-free 60-day reopening clause starts the recovery.
- **2026-06-22/26** — Switzerland Round 1 + Hormuz de-confliction -> UPGRADE to Phase 4; the glut narrative takes over. Phase 4 HOLDS through early July.
- **2026-07-04/05** — Doha concludes 'positive progress' then pauses for Khamenei's funeral; IRGC VHF warnings divert ~6 vessels (4-5 Jul); Iran asserts it 'will definitely charge' service fees. Phase 4 HOLDS.
- **2026-07-07** — Quiet consolidation, but the IAEA HARDENS (all-20-sites ban). Overnight the IRGC STRIKES tankers (Al Rekayyat + Wedyan) — the first ceasefire-era attack; the US revokes the Iran oil waiver. Brent +3% to $74. Phase 4 -> FRAGILE.
- **2026-07-08** — TWO-WAY KINETIC EXCHANGE. US CENTCOM strikes 80+ Iranian targets; Iran retaliates on Gulf bases (Bahrain, Kuwait). Brent +6% to $78.78; gold softer ~$4,100. Flows still run, but the reopening is contested -> DOWNGRADE to Phase 3 Partial reopening.

WHERE IT'S HEADED — Direction * accelerants * reversers

- **DIRECTION** — ESCALATING. A one-off tanker strike became a US-Iran exchange in <24h; the durability vector has collapsed and diplomacy reversed (Iran pre-conditions talks on the strikes stopping). Flows still run, so Phase 3 not 2 — but the momentum is toward further escalation, and the next confirmed flow interruption or Brent +8% break tips it lower.
- **REVERSER / ACCELERANT (now dominant)** — The escalation ladder is live: a confirmed Strait-flow interruption, a formal Strait-closure threat, a strike on a Gulf export terminal, or a Brent break above the +8% trigger takes it to Phase 2 and a supply-loss repricing (Brent +$10-15). The path DOWN: a rapid ceasefire re-establishment (mediated by Qatar/Oman) + a halt to strikes before flows are hit — which would stabilise Phase 3 rather than un-downgrade quickly.

SCENARIOS — Base * Bear * Bull

- **BASE** — Phase 3 holds: the exchange stays contained (strikes on military/IRGC assets, not export terminals), flows keep running ~25-35/day, Qatar/Oman broker a re-ceasefire within days; Brent holds mid-to-high-$70s with a ~$9-11 premium; talks resume only after a strikes halt.
- **BEAR** — The exchange widens — a Strait-flow interruption, a closure threat, a terminal strike, or a Brent +8% break; downgrade to Phase 2, dark-share climbs back toward 65, the curve re-backwardates and Brent snaps +$10-15 into a supply-loss repricing.
- **BULL** — A fast off-ramp: both sides declare the exchange 'proportionate and concluded', Qatar re-anchors the ceasefire, flows never interrupt, and the premium bleeds back out; Phase 4 re-confirms in 1-2 weeks. Lower-probability while the funeral/hostilities hiatus runs.

Bottom line. Phase 3 (Partial reopening) - downgraded from Phase 4 on a two-way US-Iran kinetic exchange. The Strait is OPEN, not closed - but moving only ~30-35% of normal and thinning (visible ~15-25/day today, dark ~58%, throughput ~4.5 mb/d; the market prices ~70% open, the Strait physically moves ~one-third). US CENTCOM hit 80+ Iranian targets; Iran counter-struck Gulf bases; Brent +6% to $78.78, gold soft ~$4,100. Held at Phase 3, not 2, only because flows are not yet confirmed cut - but at least 4 tankers turned back, the threat is 'severe', and diplomacy reversed (Iran conditions talks on the strikes stopping). Next step-up - a repeat strike, a boarding, a fee imposed, or a Brent +8% break - takes it to Phase 2 and a supply-loss repricing. This is an escalation to manage, not a normalization to confirm.

TRIGGERS — open materiality list (name · status · rule · source)

NAME	STATUS	RULE	SOURCE
RE-STRESS	DORMANT	brent_1m > +8%	brent.parquet (ICE)
OPACITY	ARMED	dark_share > 60%	dark_share.json (Vortexa)
DIPLOMATIC DETERIORATION	FIRED	durability < 0	diplomatic_scores.json (analyst)
NEAR-CONFIRM	DORMANT	throughput > 12 mb/d AND dark_share < 50%	throughput_mbd.json + dark_share.json
DOWNGRADE-RISK	FIRED	brent_1m > +8% OR durability < -0.5	brent.parquet + diplomatic_scores.json

METHODOLOGY & SOURCES

How the monitor works

Reference page: indicator families, baselines, computed metrics, sources, and the phase state-machine rules. All upstream data lives in the Dropbox store at delphic-market-data/store/.

INDICATOR FAMILIES

- **PRICING (leads / warns)** — Brent spot + front-12m curve from ICE (parquet). War-risk premia from manual entry. Pricing leads the call — can trigger downgrades alone but cannot trigger upgrades without physical confirmation.
- **PHYSICAL (confirms upgrade / lags)** — Throughput estimate (EIA Q1 average, reference only). Dark-share % (Vortexa). Visible transits/day (Windward / hormuzmonitor). The physical gate gates upgrades past Phase 2.
- **DIPLOMATIC (durability)** — Five milestones scored -2..+2 by the principal: navigation freedom, nuclear / ballistic, sanctions / reconstruction, ceasefire compliance, succession stability. Composite is the weighted average.

BASELINES

- **138 ships/day** — Pre-crisis steady-state visible transits (EIA / IEA 2025 reference). Denominator for visible_pct.
- **20 mb/d** — Pre-crisis throughput baseline (EIA). Denominator for est_total_pct.
- **Brent endpoints (Delphic Global Oil S/D v12)** — Structural fair-value baseline $79/bbl (12m, full normalization, no Hormuz premium). Peak Hormuz premium $34/bbl (Strike scenario $113 vs baseline $79). Non-Hormuz offsets today: SPR $5 + OPEC+ slack $4 + demand destruction $3 = $12/bbl. Used by the decomposition on the synthesis page.

COMPUTED METRICS

- **visible_pct** — = visible_transits / 138 — the OBSERVABLE openness headline.
- **est_total_pct** — = throughput_mbd / 20 — estimated total including covert flow. Labelled low-confidence whenever dark-share > 30%.
- **observability_gap** — = est_total_pct - visible_pct — the unobserved share.
- **velocity_pts_per_week** — = visible_pct now minus visible_pct ~7 days ago (nearest non-today entry within +/-3 days), normalised. Labels: ACCELERATING > +3, RECOVERING +0.5..+3, STALLED within +/-0.5, CLOSING < -0.5.
- **implied_openness (Delphic decomposition)** — Brent_spot = baseline + Hormuz_premium - non-Hormuz_offset. Solve for Hormuz_premium, then implied_openness = clamp(100 * (1 - premium / peak_premium), 0, 100). Same formula on 12m-forward Brent with shrunk offsets. The naive linear bridge (without backing out non-Hormuz factors) is REJECTED.
- **phase (state machine)** — UPGRADE requires physical confirmation (throughput > 12 AND dark-share < 45) AND durability >= 0 AND pricing momentum > 0. DOWNGRADE may fire on pricing or durability alone (asymmetric).

SOURCES

- **Visible transits** — Windward and hormuzmonitor public counts; written to store/soh/visible_transits.json
- **Dark-share** — Vortexa AIS-off coverage; written to store/soh/dark_share.json
- **Throughput estimate** — EIA Q1 2026 average mb/d; written to store/soh/throughput_mbd.json. Not a daily spot reading.
- **Brent + front-12m curve** — ICE daily prints, mirrored to store/commodity/brent.parquet and store/commodity/brent_co12.parquet.
- **Diplomatic scores** — Analyst principal-scored, store/soh/diplomatic_scores.json.
- **History** — store/soh/history.jsonl. Seeded with public-record anchors (EIA, Vortexa, Windward, press). Appended every build.