STRAIT OF HORMUZ MONITOR

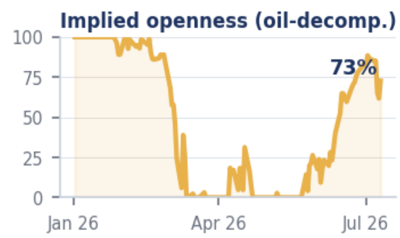
How open · how fast

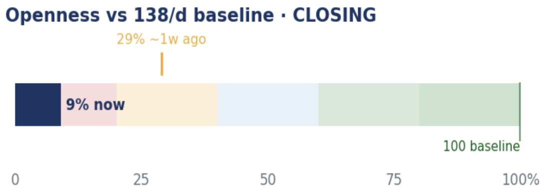
The headline question: how open is Hormuz, and how fast is it reopening? We lead with what we can OBSERVE; dark-share hides the rest.

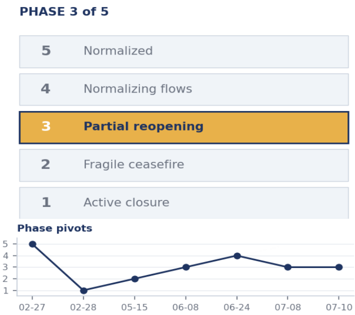
Hormuz ~9% open (observable) · **Phase 3/5 — Partial reopening** · **CLOSING** -20.0 pts/wk

Backing out SPR releases, OPEC+ slack and demand destruction ($12/bbl combined, per Global Oil S/D v12), today's Brent implies Hormuz is 73% open. Observed visible openness is 9%, total flow estimate 24%; the residual Hormuz risk premium in Brent is $9/bbl. Forward Brent has the premium decaying to $-3/bbl by 12m (100% implied openness).

Of the ships we can SEE, only 60% are AIS-off — but the visible count is itself a fraction of true flow: 12 transits/day vs 138 baseline (~9%), with most traffic running dark/unobserved (50-80% on an all-traffic basis). Estimated total ~24% of 20 mb/d throughput (est., low-confidence).







SYNTHESIS — three-sentence headline

Phase 3 (Partial reopening) HELD — now TILTING TO DE-ESCALATION. The US-Iran exchange continued past the 9 Jul Mashhad burial — a THIRD US strike day, a 10 Jul strike near Ahvaz — so this is NOT a clean off-ramp; but nor is it the war resumption the rhetoric threatens. The market is FADING the premium, not building it: oil actually FELL (Brent -2.2% to ~$76.3, WTI ~$72) DESPITE the third strike day, no oil-export terminal has been struck (Kharg unhit), and there is NO formal closure. Crucially the diplomacy is REACTIVATING — Axios reports 'extensive diplomatic efforts', and US envoys (Witkoff/Kushner) met Qatar's PM to restart the Doha channel. Is the Strait open? Yes — contested and thinner, but open: visible transits ~12/day plus a dark flow (~20/24h), no terminal struck, no closure. The tell that this is contained is the tape: oil is BLEEDING the war premium rather than spiking it. We HOLD Phase 3 and flag the de-escalation tilt. The downgrade to Phase 2 fires only if a terminal is actually struck, OR Iran issues a formal closure order, OR Brent breaks well through $85 — none in evidence, with oil falling. For now: fragile, but holding, and tilting the right way. Phase 3 (Partial reopening) HELD — now TILTING TO DE-ESCALATION. The US-Iran exchange continued past the 9 Jul Mashhad burial (a third US strike day; a 10 Jul strike near Ahvaz), so it is not a clean off-ramp — but the market is FADING the premium, not building it. Oil actually FELL (Brent -2.2% to ~$76.3, WTI ~$72) DESPITE the third strike day; no oil-export terminal has been struck (Kharg unhit); there is no formal closure; and the Doha channel is REACTIVATING (Axios: 'extensive diplomatic efforts'; US envoys met Qatar's PM). The Strait is OPEN (contested, thinner at ~12 visible transits/day + a dark flow). The tell is the tape: oil bleeding the war premium rather than spiking it. We HOLD Phase 3 and flag the de-escalation tilt. The downgrade to Phase 2 fires only if a terminal is actually struck, a formal closure is declared, or Brent breaks well through $85 — none in evidence, with oil falling. For now: fragile, holding, and tilting the right way. The Strait is open and moving ships — visible transits ~12/day plus a dark flow (~20 in the last 24h), no terminal struck and no formal closure. Some trackers flash 'closed' (day 131) as an editorial read, but that is not a legal closure and dark barrels keep transiting. Contested and thinner, not shut — and the premium is now bleeding, not building.

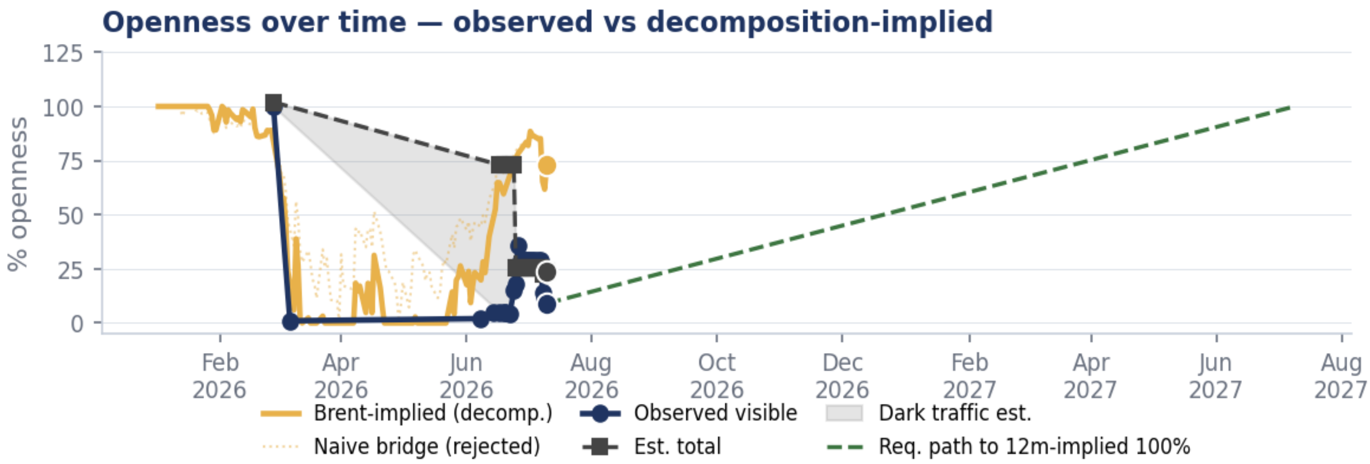
As of 2026-07-10 · **Sources:** visible transits (Windward / hormuzmonitor) · dark-share (Vortexa) · throughput (EIA Q1 avg) · Brent (ICE) · diplomatic (analyst principal-scored). Baselines: 138 ships/day · 20 mb/d.

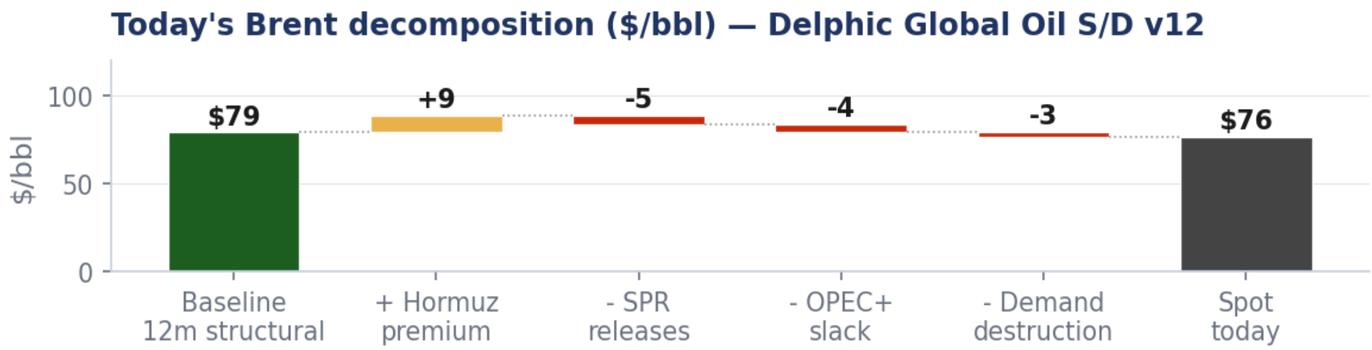
SYNTHESIS

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 73% open. Observed visible openness is 9%, total flow estimate 24%; the residual Hormuz risk premium in Brent is $9/bbl. Forward Brent has the premium decaying to $-3/bbl by 12m (100% implied openness).





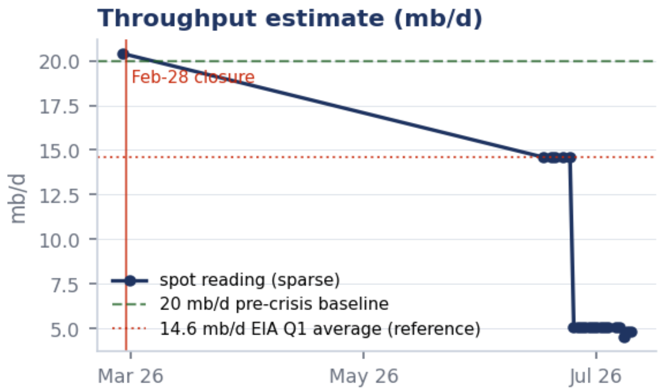
HOW BRENT TRANSLATES TO OPENNESS — Delphic decomposition

- **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 $76: implied premium $9/bbl, openness 73%. 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 77% 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 (73%) is the honest answer.

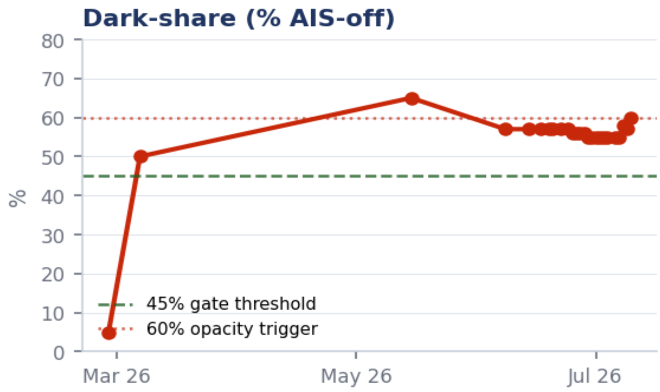
TRAJECTORY

Where we are vs where we have come from

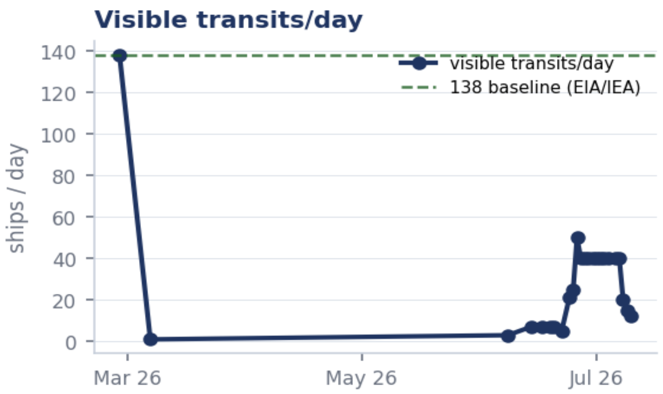
Dark-share and visible transits are the reliable trajectory signals. Throughput is shown as a reference (EIA Q1 average), not a daily spot.



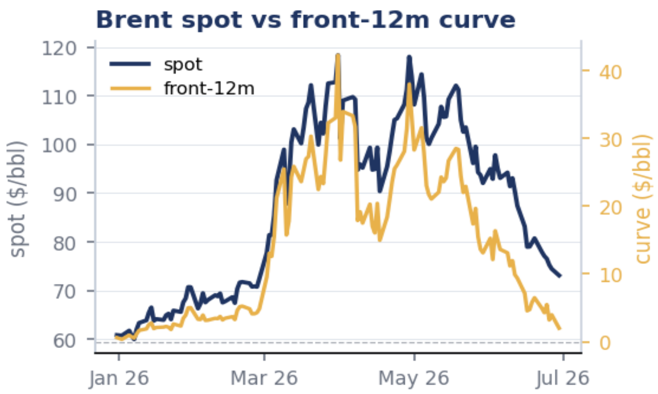
Throughput estimate vs 20 mb/d baseline · 14.6 EIA-Q1 reference line is an average, not a spot. The line is sparse because daily spot is genuinely uncertain while dark-share is high.



% 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. Phase 3 (Partial reopening) HELD — now TILTING TO DE-ESCALATION. The US-Iran exchange continued past the 9 Jul Mashhad burial — a THIRD US strike day, a 10 Jul strike near Ahvaz — so this is NOT a clean off-ramp; but nor is it the war resumption the rhetoric threatens. The market is FADING the premium, not building it: oil actually FELL (Brent -2.2% to ~$76.3, WTI ~$72) DESPITE the third strike day, no oil-export terminal has been struck (Kharg unhit), and there is NO formal closure. Crucially the diplomacy is REACTIVATING — Axios reports 'extensive diplomatic efforts', and US envoys (Witkoff/Kushner) met Qatar's PM to restart the Doha channel. Is the Strait open? Yes — contested and thinner, but open: visible transits ~12/day plus a dark flow (~20/24h), no terminal struck, no closure. The tell that this is contained is the tape: oil is BLEEDING the war premium rather than spiking it. We HOLD Phase 3 and flag the de-escalation tilt. The downgrade to Phase 2 fires only if a terminal is actually struck, OR Iran issues a formal closure order, OR Brent breaks well through $85 — none in evidence, with oil falling. For now: fragile, but holding, and tilting the right way.

READ — Openness * phase * velocity

- **IS IT OPEN? YES — CONTESTED AND THINNER, BUT NOT SHUT** — The Strait is open and moving ships — visible transits ~12/day plus a dark flow (~20 in the last 24h), no terminal struck and no formal closure. Some trackers flash 'closed' (day 131) as an editorial read, but that is not a legal closure and dark barrels keep transiting. Contested and thinner, not shut — and the premium is now bleeding, not building.
- **TRANSITS TODAY (10 Jul) — best available data + our view** — FRESHEST TRACKER: straits.live reads ~12 visible / ~20 dark transits in the last 24h (dark elevated vs a ~15 baseline) and still flags 'closed' editorially — not a legal closure. LAST HARD COUNT: 5 Jul = 34 (IMF PortWatch, ~2-day lag, ~39% of its ~88/day baseline). OUR VIEW: visible stays in the low-teens (~12/day) on war-risk caution; dark ~60% of what moves; throughput ~4.8 mb/d. War-risk cover ~8x pre-crisis (~$2.5m/VLCC). Hard confirmation of the 8-10 Jul level lags ~2 days (Windward / Vortexa / Kpler / PortWatch).
- **HOW OPEN — implied ~60s-70%, physical ~25-30%** — IMPLIED openness (pricing / residual-premium) has FIRMED back toward the high end of the ~60s-70% band as Brent FELL to ~$76.3 — the war premium is bleeding, so the market is NOT pricing a supply catastrophe. ACTUAL physical throughput ~25-30% of normal (visible + dark), broadly steady. The gap between the two is narrowing the right way — a fragile Phase 3 tilting to de-escalation, not a closure.
- **PHASE** — Phase 3 Partial reopening HELD (prev Phase 3). Durability is fragile (-0.36) but stays ABOVE the -0.5 downgrade line, and Brent's momentum is now NEGATIVE (oil falling), so no gate forces a move — and none forces an upgrade either while the levels gate still fails (throughput 4.8 < 12, dark 60 > 45). Phase 3 is the sticky read; the tilt is toward Phase 4, not Phase 2.
- **VELOCITY** — TWO-SIDED, but the market vector has turned. Kinetically the exchange is still live (a third strike day past the burial) — the reason we do not yet upgrade. But the PRICE vector has flipped to de-escalation: oil fell despite the strikes, gold did not spike, and the Doha channel is reactivating. The swing is the next 24-48h — a confirmed talks resumption + a strike-pause tips toward Phase 4.

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

- **STRIKES CONTINUED PAST THE BURIAL — a third day, still military targets** — The US-Iran exchange ran a THIRD day through the 9 Jul Mashhad burial (Trump broke his promised funeral pause); a 10 Jul strike near Ahvaz killed 3 more, cumulative US targets ~90-170 (air defence, launch sites, drone stores). Critically the targets stayed MILITARY — NO strike on any oil-export terminal, NO ground escalation. Live, but bounded.
- **DIPLOMACY REACTIVATING — the key new signal** — The decisive 24-48h development: Axios reports 'extensive diplomatic efforts' under way to secure de-escalation and schedule another nuclear round, and US envoys (Witkoff/Kushner) met Qatar's PM in Doha to restart the channel. Trump keeps the ceasefire 'over' rhetorically but says strikes 'would end quickly' — the door is ajar. The funeral hiatus is turning into a negotiation window.
- **PRICE — the premium is BLEEDING off** — Brent ~$76.3 (-2.2% in 24h; -3% off the intra-crisis peak), WTI ~$72 — oil FELL despite a third strike day, the opposite of a supply-shock path. The glut + OPEC+ (pledged +206 kb/d to cover disruption) cap it. Gold ~$4,072 (+0.7%) firm but no panic. Residual premium narrowing; the market has stopped pricing escalation.
- **TERMINAL-STRIKE TRIGGER STILL NOT FIRED** — Trump again threatened Kharg Island / a blockade, but NO oil-export terminal has been struck. This remains the single line to Phase 2/1 — unfired, so Phase 3 holds. Qatar holds Iran 'fully legally responsible' for the 7 Jul Al Rekayyat LNG-tanker strike; the GCC on max alert but no state has escalated to oil.
- **SHIPPING CAUTIOUS, NOT HALTED** — War-risk premiums stay elevated (~8x pre-crisis) and some lines wait out the exchange, but the corridor keeps moving a visible + dark flow. Cautious, not a full stoppage — the distinction between Phase 3 (contested) and Phase 2 (collapsed).
- **IRAN RHETORIC — hot, but targets unchanged** — Iran's negotiator: 'if you strike, you will be struck', demanding Iranian control of the Strait; the FM called the US 'evil and psychopathic'. Rhetoric is hot and the closure THREAT stands — but the actions remain military strikes, not a closure order or a terminal hit. Watch the gap between words and deeds.

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 takes over.

- **2026-07-07** — IRGC strikes three tankers - the first ceasefire-era attack; the US revokes the Iran oil waiver. Brent +3% to $74. Phase 4 -> FRAGILE.
- **2026-07-08** — TWO-WAY EXCHANGE: US strikes 80+ Iranian targets, Iran hits Gulf bases. Brent +6% to $78.78. DOWNGRADE to Phase 3 (partial reopening).
- **2026-07-09** — Contained second cycle during the mourning week: Trump says ceasefire 'over', a second US strike round, a second Iran Gulf barrage; oil well-behaved (~$80, gold fell), transits softer but not shut, no terminal struck. Phase 3 HELD.
- **2026-07-10** — Strikes continue a THIRD day past the burial (Ahvaz) — but oil FELL (Brent -2.2% to ~$76.3), no terminal struck, no closure, and the Doha channel REACTIVATES (Axios: 'extensive diplomatic efforts'). Phase 3 HELD, tilting to DE-ESCALATION.

WHERE IT'S HEADED — Direction * accelerants * reversers

- **DIRECTION** — TWO-SIDED but tilting to DE-ESCALATION. Kinetically the exchange is still live (a third strike day), which is why we hold Phase 3 rather than upgrade; but the market vector has turned — oil falling, premium bleeding, Doha reactivating. The swing is the next 24-48h: a confirmed talks resumption + a strike-pause re-opens the path to Phase 4.
- **TIP TO PHASE 2** — A confirmed strike on a Gulf export terminal (Kharg), OR a formal Iranian closure order, OR a runaway Brent break well through $85. Any of these downgrades to Phase 2 (fragile ceasefire) and, if a terminal is hit, Phase 1. None is in evidence — and oil is FALLING, not breaking higher.
- **THE OFF-RAMP — now the base case** — A Qatar/Oman-brokered pause + a Doha resumption before a terminal is hit stabilises Phase 3 and bleeds the premium — and with oil already falling and envoys back in Doha, this is now the LIKELIER path. A clean pause upgrades toward Phase 4 over 2-3 weeks.

SCENARIOS — Base * Bear * Bull

- **BASE** — The Doha channel firms and the strikes taper off; the exchange stays on military targets, no terminal is hit, transits recover off the ~12/day soft patch; Brent eases into the low-to-mid $70s as the premium bleeds; Phase 3 holds and firms toward Phase 4.
- **BEAR** — The talks fail and a terminal is struck / a formal closure is declared; Phase 3 -> 2 (and 1 on a terminal hit), the dark flow halts, Brent +$10-20 to $90-100, a supply-loss shock. The tail risk while strikes continue — but the tape is not pricing it.
- **BULL** — A fast off-ramp: both sides declare the exchange concluded, Doha resumes a nuclear round, the fleet re-enters and the premium bleeds out; Phase 4 re-established over 2-3 weeks.

Bottom line. Phase 3 (Partial reopening) HELD — now TILTING TO DE-ESCALATION. The US-Iran exchange continued past the 9 Jul Mashhad burial (a third US strike day; a 10 Jul strike near Ahvaz), so it is not a clean off-ramp — but the market is FADING the premium, not building it. Oil actually FELL (Brent -2.2% to ~$76.3, WTI ~$72) DESPITE the third strike day; no oil-export terminal has been struck (Kharg unhit); there is no formal closure; and the Doha channel is REACTIVATING (Axios: 'extensive diplomatic efforts'; US envoys met Qatar's PM). The Strait is OPEN (contested, thinner at ~12 visible transits/day + a dark flow). The tell is the tape: oil bleeding the war premium rather than spiking it. We HOLD Phase 3 and flag the de-escalation tilt. The downgrade to Phase 2 fires only if a terminal is actually struck, a formal closure is declared, or Brent breaks well through $85 — none in evidence, with oil falling. For now: fragile, holding, and tilting the right way.

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	ARMED	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.