STRAIT OF HORMUZ MONITOR

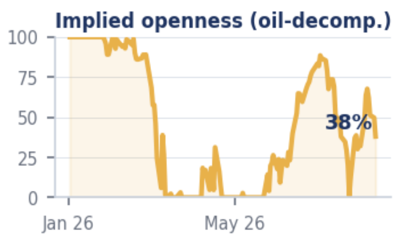
# How open · how fast

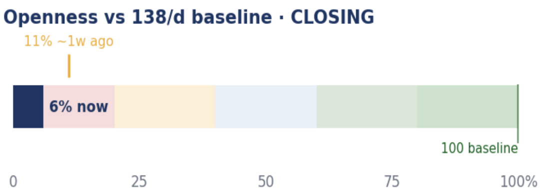
*The headline question: how open is Hormuz, and how fast is it reopening? We lead with what we can OBSERVE; dark-share hides the rest.*

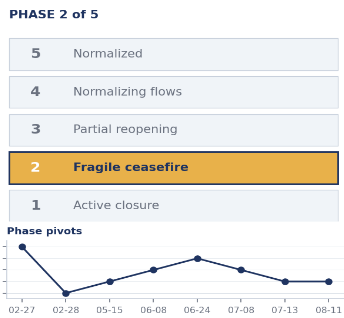
**Hormuz ~6% open (observable)** · **Phase 2/5 — Fragile ceasefire** · **CLOSING** -5.0 pts/wk

**Backing out SPR releases, OPEC+ slack and demand destruction ($12/bbl combined, per Global Oil S/D v12), today's Brent implies Hormuz is 38% open.** Observed visible openness is 6%, total flow estimate 16%; the residual Hormuz risk premium in Brent is $21/bbl. Forward Brent has the premium decaying to $-2/bbl by 12m (100% implied openness).

*Of the ships we can SEE, only 62% are AIS-off — but the visible count is itself a fraction of true flow: 8 transits/day vs 138 baseline (~6%), with most traffic running dark/unobserved (50-80% on an all-traffic basis). Estimated total ~16% of 20 mb/d throughput (est., low-confidence).*




## SYNTHESIS — three-sentence headline

HOLD — Phase 2; the DEAL MOVES BACKWARD and the WAR PREMIUM RE-BIDS HARD into CPI. The oil surge is DIPLOMATIC, not physical: on 10 Aug Trump REJECTED Iran's reparations demand and COUNTER-demanded Iran pay the US 'for the people they have killed and wounded with roadside bombs,' and Tehran installed HARDLINER Mohsen Rezaei (IRGC commander 1981-97) as Secretary of the Supreme National Security Council — the exact body that must sign the Oman corridor. Deal-is-near optimism evaporated in 24 hours. Brent SURGED +4.7% to $88.06 (WTI +5.0% to $82.53) — a fourth straight up-session, one day before July CPI; GOLD firm ~$4,377 (a multi-week high — the ATH ~$5,590 was Jan). The Strait is STILL all-but-closed (Closure Day 163; ~2-8 vessels/day; dark ~62%; Kharg dark since 31 Jul). HOLD Phase 2 — a risk-premium re-rating on FALLING deal odds; NO physical trigger (Brent $88 < the $90-100 line, no new strike/mine/Kharg hit). The swing: deal-dead-or-stalled + July CPI (Wed). HOLD — Phase 2; the DEAL MOVES BACKWARD and the WAR PREMIUM RE-BIDS HARD into CPI — but it is a DIPLOMATIC repricing, not a physical break. On 10 Aug Trump REJECTED Iran's reparations demand and counter-demanded Iran pay the US 'for the people they killed and wounded with roadside bombs,' and Tehran installed HARDLINER Mohsen Rezaei (IRGC commander 1981-97) as Secretary of the Supreme National Security Council — the exact body that must sign the Oman corridor. Last week's 'deal-is-near' optimism evaporated in 24 hours. Brent SURGED +4.7% to $88.06 (WTI +5.0% to $82.53) — a fourth straight up-session, the highest in nearly two weeks — one day before July CPI; GOLD sits firm ~$4,377 (a multi-week high — NOT a record; the ATH ~$5,590 was Jan). The PHYSICAL Strait is ALL-BUT-CLOSED (~2-8 vessels/day; ~3% of normal; dark ~62% on the AXSMarine 14 Jul-6 Aug cumulative, flagged as a stale carry, crude 79% dark; Closure Day 163; renewed-blockade Day 28), Kharg dark since 31 Jul, no mine-clearing. HOLD Phase 2 — NO Phase-1 trigger fired: no new terminal/Kharg strike, no mine, and Brent $88 is BELOW the decisive >$90-100 line (prior peaks tagged $90 on 29 Jul and mean-reverted). The swing: deal-DEAD-or-merely-stalled (an SNSC rejection / a compensation walk-back) + July CPI (Wed 12 Aug) — a +4.7% crude spike one day before the print is the macro cross-current. Forward (CO12 ~$74) still prices normalization; the near-term odds of it just fell. The 11 Aug read: the reopening trade UNWOUND hard on diplomacy, not a strike. Brent SURGED +4.7% to $88.06 (WTI +5.0% to $82.53) — a fourth straight up-session, the highest in nearly two weeks — after Trump rejected Iran's reparations demand and Tehran put a hardliner (Rezaei) at the SNSC sign-off point;

GOLD sits firm ~$4,377 (a multi-week high — the ATH ~$5,590 was Jan). The FLOW is unchanged and STILL CLOSED (Kharg dark since 31 Jul, ~2-8 vessels/day). NOT a reopening — and now moving the wrong way: the deal is not merely unsigned but re-hardening, and even a future signature, on the leaked terms, is a managed, tolled, US-excluded corridor — not free flow. No new physical event since the 8 Aug ADNOC strike.

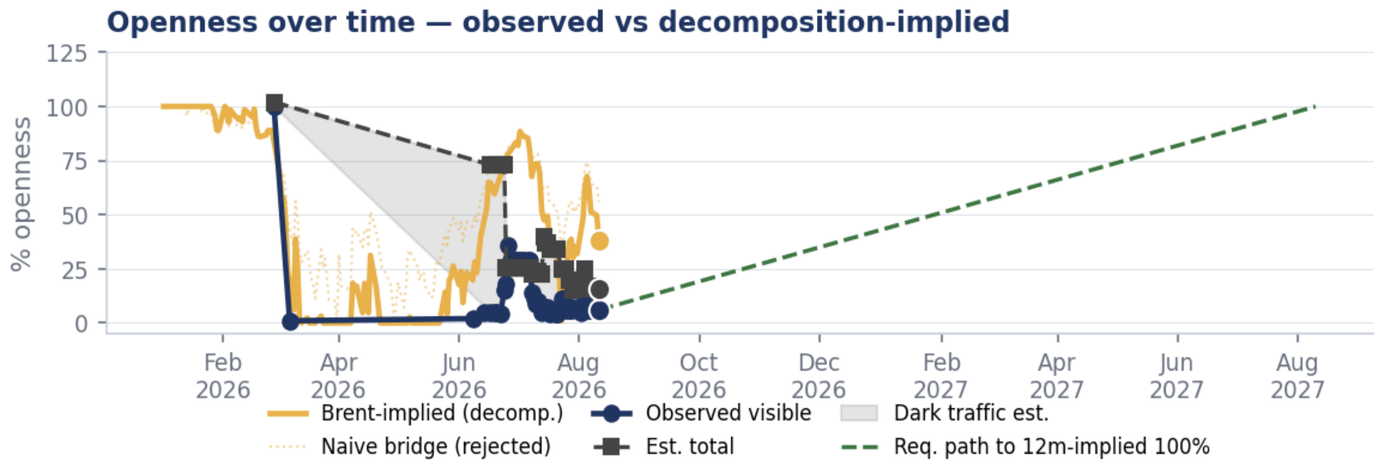
**As of** 2026-08-11 · **Sources:** visible transits (Windward / hormuzmonitor) · dark-share (Vortexa) · throughput (EIA Q1 avg) · Brent (ICE) · diplomatic (analyst principal-scored). Baselines: 138 ships/day · 20 mb/d.

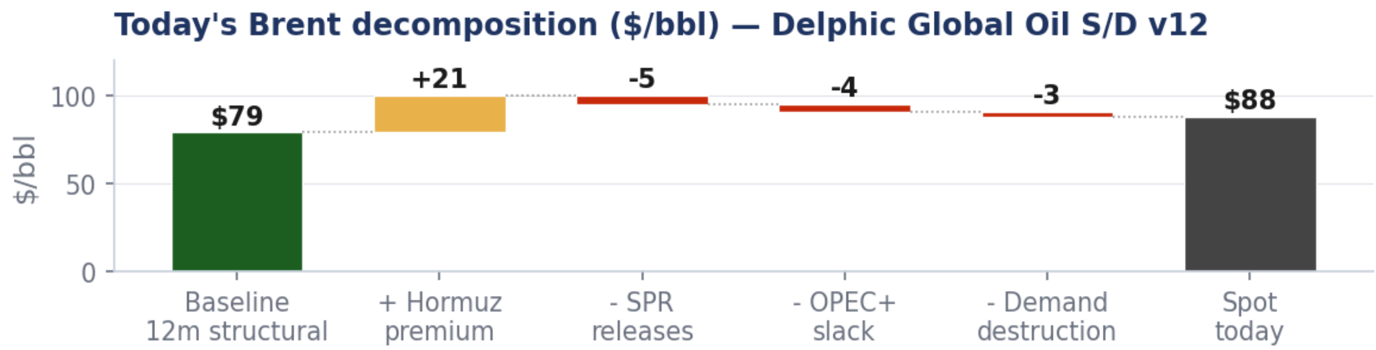
SYNTHESIS

# 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 38% open.** Observed visible openness is 6%, total flow estimate 16%; the residual Hormuz risk premium in Brent is $21/bbl. Forward Brent has the premium decaying to $-2/bbl by 12m (100% implied openness).



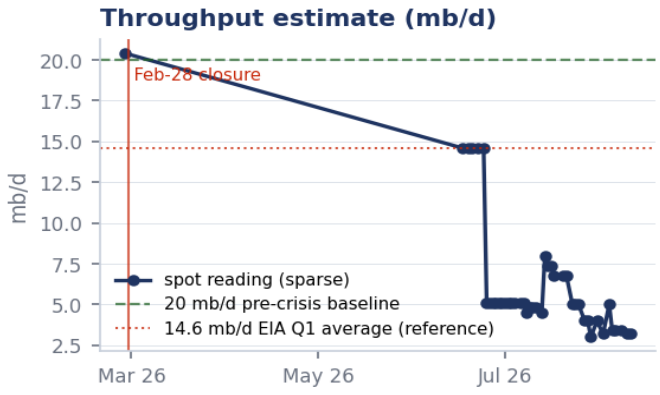

## HOW BRENT TRANSLATES TO OPENNESS — Delphic decomposition

- **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 $88: implied premium $21/bbl, openness 38%. 12m-FORWARD $72: offsets shrink to $5/bbl (SPR refill demand reverses release pressure above $85; demand recovers +1.0 mb/d by 12m); premium $-2/bbl, openness 100%.
- **WHY NOT THE NAIVE BRIDGE** — A linear bridge from observed crisis-peak ($118) to pre-crisis avg ($64) would imply 56% 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 (38%) is the honest answer.

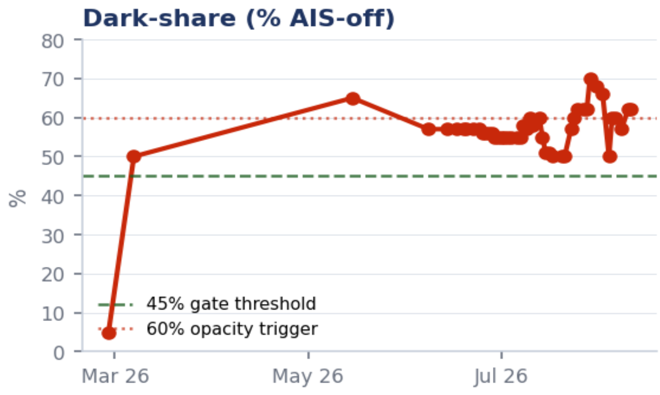
TRAJECTORY

# Where we are vs where we have come from

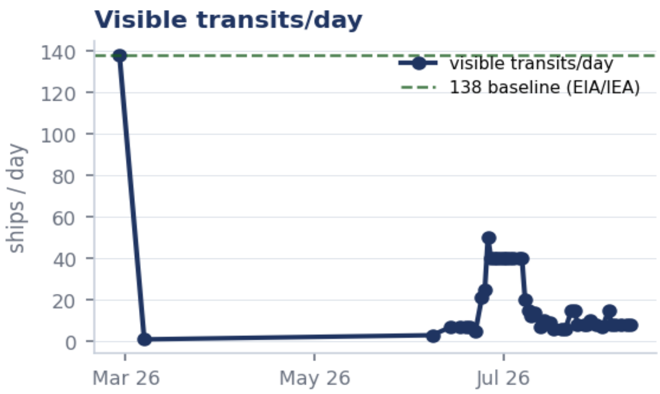
*Dark-share and visible transits are the reliable trajectory signals. Throughput is shown as a reference (EIA Q1 average), not a daily spot.*



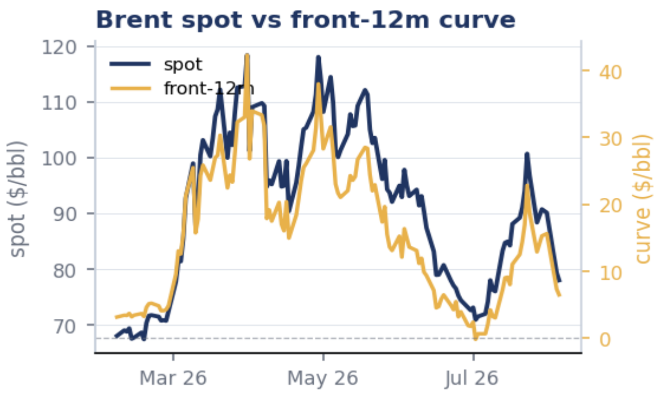

Throughput estimate vs 20 mb/d baseline · 14.6 EIA-Q1 reference line is an average, not a spot. The line is sparse because daily spot is genuinely uncertain while dark-share is high.




% 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.** HOLD — Phase 2; the DEAL MOVES BACKWARD and the WAR PREMIUM RE-BIDS HARD into CPI. The oil surge is DIPLOMATIC, not physical: on 10 Aug Trump REJECTED Iran's reparations demand and COUNTER-demanded Iran pay the US 'for the people they have killed and wounded with roadside bombs,' and Tehran installed HARDLINER Mohsen Rezaei (IRGC commander 1981-97) as Secretary of the Supreme National Security Council — the exact body that must sign the Oman corridor. Deal-is-near optimism evaporated in 24 hours. Brent SURGED +4.7% to $88.06 (WTI +5.0% to $82.53) — a fourth straight up-session, one day before July CPI; GOLD firm ~$4,377 (a multi-week high — the ATH ~$5,590 was Jan). The Strait is STILL all-but-closed (Closure Day 163; ~2-8 vessels/day; dark ~62%; Kharg dark since 31 Jul). HOLD Phase 2 — a risk-premium re-rating on FALLING deal odds; NO physical trigger (Brent $88 < the $90-100 line, no new strike/mine/Kharg hit). The swing: deal-dead-or-stalled + July CPI (Wed).

## READ — Openness * phase * velocity

- **IS IT OPEN? A DIPLOMATIC collapse — oil surges +4.7% to $88, but no new physical event; still all-but-CLOSED** — The 11 Aug read: the reopening trade UNWOUND hard on diplomacy, not a strike. Brent SURGED +4.7% to $88.06 (WTI +5.0% to $82.53) — a fourth straight up-session, the highest in nearly two weeks — after Trump rejected Iran's reparations demand and Tehran put a hardliner (Rezaei) at the SNSC sign-off point; GOLD sits firm ~$4,377 (a multi-week high — the ATH ~$5,590 was Jan). The FLOW is unchanged and STILL CLOSED (Kharg dark since 31 Jul, ~2-8 vessels/day). NOT a reopening — and now moving the wrong way: the deal is not merely unsigned but re-hardening, and even a future signature, on the leaked terms, is a managed, tolled, US-excluded corridor — not free flow. No new physical event since the 8 Aug ADNOC strike.
- **TRANSITS + THROUGHPUT (dedicated 11 Aug dark re-search) — ~2-8 vessels/day, ~3% of normal, dark ~62% (crude 79% dark); Closure Day 163** — On a fresh dark-transit re-search: NO daily print newer than the AXSMarine 14 Jul-6 Aug cumulative (102 transits) — <b>62% AIS-off</b> / 38% transmitting (crude 79% dark, products 50% dark; 56% non-transparent ownership). We CARRY 62% and flag it honestly as a stale cumulative, not a same-day observation (no Lloyd's List / Vortexa / Kpler daily refresh surfaced). PortWatch's last hard count (2 Aug) logged 2 transits vs a ~73/day baseline; trackers cite ~2-8/24h vs >100/day pre-conflict, ~3% of volume. Closure 'Day 163' (Feb/Apr clock); renewed-blockade Day 28 (from 14 Jul), kept separate. The mines are the gate: unsigned deal, no clearing confirmed started, Kharg dark-not-struck since 31 Jul.
- **HOW OPEN — implied ~38% SPOT / ~99% FORWARD; the PRICE re-bids as the deal RE-HARDENS** — The oil-decomposition model reads implied openness ~38% at Brent ~$88 (down from ~50% at ~$84 on 10 Aug, ~62% at ~$80 on 6 Aug) — the reopening trade UNWINDING further as the deal moves backward (Trump's compensation demand + a hardliner at the SNSC). The PHYSICAL openness is far lower, ~8% (~2-8 vessels/day). The 12m FORWARD (CO12 ~$74, ~99%) still prices near-full normalization — the curve says supply, not demand, and that the shock is temporary. The read: a SIGNED deal + the mines cleared is the confirmation — and it just got harder, not closer.
- **PHASE — HOLD Phase 2: the deal RE-HARDENED, but no PHYSICAL Phase-1 trigger has fired** — HOLD — Phase 2 (fragile, deal moving backward). The discipline is symmetric: we did not upgrade to Phase 3 on the near-deal optimism, and we do not tip Phase 1 (active closure) on a diplomatic collapse. What would tip it — a confirmed strike on Kharg/an export terminal, a VERIFIED mine or a tanker SUNK, the through-corridor cut to near-zero, or a Brent close decisively >$90-100 that HOLDS — has NOT fired: no new physical event since the 8 Aug ADNOC strike, Kharg dark-but-not-struck, Brent $88 below the line (prior peaks tagged $90 on 29 Jul on a Trump threat and mean-reverted). A re-hardening deal is a WARNING, not a trigger: an SNSC rejection or a formal deal-death + a Kharg hit / mine tips Phase 1; a walk-back of the compensation spat bleeds the premium fast. HOLD Phase 2.
- **VELOCITY — the swing is DEAL-DEAD-OR-STALLED: does the compensation spat walk back, or does Rezaei's SNSC formally kill the corridor?** — The vector REVERSED on 10 Aug. Trump rejected Iran's reparations request and demanded Iran pay the US instead; Tehran named Mohsen Rezaei — an IRGC war-generation commander — Secretary of the SNSC, the body that must ratify the Oman channel. What was 'in the final stage' on 6 Aug is now re-hardening: Iran (Araghchi) insists on no reopening without the US lifting the blockade AND paying reparations, and no direct US talks; the US is categorically opposed to any transit fee payable to Iran (Iran pushing 5-7% of cargo value, Oman 3%; eight shipping-lobby groups formally protesting the fee). Modal is still an eventual off-ramp (Iran's >60% inflation wants it), but the near-term probability just fell, and each hardening RE-BIDS the premium (Brent +4.7%). HOLD Phase 2 until it is signed and the Strait physically re-opens.

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

- **THE DEAL MOVES BACKWARD (10 Aug): Trump REJECTS Iran's reparations demand and counter-demands Iran pay the US** — The primary driver of the oil surge. On 10 Aug Trump publicly rejected Iran's reparations request and counter-demanded that Iran pay the US 'for all of the people that they have killed and gravely wounded with their roadside bombs.' Tehran's position (Araghchi) is the mirror image: no reopening of Hormuz without the US lifting the blockade AND paying war reparations — leaning on the June 14-point MoU (the $300bn 'rehabilitation fund') that Trump is now repudiating. The exchange hardened both sides and, per the wires, 'clouded the outlook for a deal,' lifting Brent above $87. Last week's optimism that a signing was 'near' evaporated in 24 hours — the corridor is not merely unsigned but re-hardening. HOLD Phase 2 until a signed text + the Strait physically re-opens.
- **IRAN INSTALLS A HARDLINER AT THE SIGN-OFF POINT — Mohsen Rezaei named SNSC Secretary (10 Aug)** — The strong secondary driver. On 10 Aug Iran's leadership named Mohsen Rezaei — IRGC commander 1981-97, a war-generation hardliner — Secretary of the Supreme National Security Council and personal representative on it, replacing Zolqadr. The SNSC is the exact body that must sign off the Oman corridor. Installing a hardliner at the ratification point reads to the market as a LOWER probability that

Tehran accepts US ‘free navigation’ terms — a regime-posture signal (hardliner ascendancy at the security apex), not instability. Compounds the compensation spat: the two together are why the reopening trade unwound and the premium re-bid one day before CPI.

- **THE FEE DISPUTE — Iran pushing 5-7% of cargo value, Oman 3%; the US categorically opposed; eight shipping lobbies protesting** — The unresolved commercial core. The Iran-Oman framework (transitional phase to central corridor) has Iran pushing a 5-7% cargo-value transit fee and Oman ~3% — a tolled corridor. The US remains categorically opposed to ANY service fee payable to Iran (its line is a permanent, FREE reopening), and eight shipping lobby groups are formally protesting the fee structure. This is the same managed-vs-free split that has kept the deal unsigned for a week-plus — and, on the leaked terms, even a signature delivers a managed, tolled, US-excluded corridor, not the clean reopening the price briefly chased on 5 Aug.
- **KHARG — the one clean closure trigger, still UNFIRED (terminal DARK since 31 Jul, not struck)** — Kharg Island — the single node for ~90-96% of Iran’s crude exports — has been DARK since 31 Jul (no loadings) but has NOT been struck; CENTCOM’s mid-July precision strike hit naval-mine storage and missile bunkers, not the export terminal. A dark terminal is the siege throttling Iran’s own exports; a STRUCK terminal is the corridor-level supply shock. You do not leave Kharg standing if the aim is to shut the Strait. Its survival remains the strongest single piece of evidence that this is a throttled siege, not a closure — the day Kharg is hit or a mine detonates is the day the Phase-1 call flips.
- **THE 8 AUG ADNOC STRIKE STILL IN THE TAPE — the last physical event; war-risk premiums extreme** — The Sat 8 Aug IRGC missile strike on the ADNOC-linked vessel (no casualties) remains the last confirmed physical event and an active risk input — the UAE called it ‘piracy,’ the GCC a ‘dangerous escalation.’ War-risk premiums stay extreme (order of ~$185k to low-millions per Hormuz transit, ~10x pre-crisis; reinsurers withdrawing capacity at short notice), and tightening diesel/distillate markets amplified the crude move. But ‘a tanker hit’ of that kind, with the corridor still passing a trickle and Kharg unstruck, is an intensifying siege — Phase 2 — not a confirmed closure. A SECOND ADNOC-type strike, a Kharg hit or a mine is what converts a risk-premium spike into a durable Phase-1 move.
- **DIPLOMACY — no direct US-Iran talks; the corridor negotiated solely via Oman, and re-hardening** — There are still NO direct US-Iran talks — Iran negotiates solely with Oman — and the channel is re-hardening rather than firming. Live sticking points, all unresolved and now harder: the transit fee (US opposed), whether reopening extends to foreign/US naval ships, how much cargo/destination info Iran can demand, and whether the US lifts the blockade + restores oil-export waivers. The end-state the channel still points to — a managed-corridor / fees regime reached from Iranian weakness — is intact on a 6-18 month horizon, but the near-term vector is HARDENING, not signature. Watch for a formal deal-death or SNSC rejection (a Brent-$90 tell) or a compensation walk-back (premium bleeds fast).

## WHERE WE'VE COME FROM — Trajectory

- **2026-07-23/24** — The SECOND CHOKEPOINT + the $100 print: Houthis strike two Saudi tankers, Saudi pauses Red Sea oil; Brent touches ~$100.35 then eases to ~$97.3. Hormuz’s own flow held ~5 mb/d — a two-chokepoint premium, not a Hormuz shut-in. HOLD Phase 2.
- **2026-07-28/29** — A FRACTURE, then periphery escalation: the IRGC fires ballistic missiles at US forces (INTERCEPTED) and the US+Saudi strike back; first US+Saudi strikes inside eastern Iraq (~20 killed). A 5th night with no strike on Iran soil, Kharg untouched. HOLD Phase 2 — periphery, no Hormuz trigger.
- **2026-08-01/02** — The THAW REVERSES then a FRAMEWORK flips the vector: a fresh US strike wave + Iran’s retaliation onto Kuwait re-arm the conflict; then late Sunday Trump says the US AND Israel will CANCEL the planned attack ‘subject to a rapid DEAL’ centred on the ‘Immediate, Complete OPENING of Hormuz.’ A framework, not a signed deal. HOLD Phase 2; vector swings to a Phase-3 path.
- **2026-08-03/05 — the reopening PRICED** — The framework repriced HARD: Brent crashed ~5% two sessions to $78 (5 Aug), the 10Y eased to 4.60%, the S&P set a store record and the AI/semis complex ripped. The PRICE raced ahead of a FLOW that never reopened — the Strait stayed shut (~2 transits/day). HOLD Phase 2 (deal unsigned).
- **2026-08-06 — the deal STALLS; the price RE-BIDS toward the flow** — The Wed/Thu signature SLIPS (Rubio ‘not finality’; a narrow Iran-Oman channel, not the US package). Brent RE-BIDS +2.3% to $79.80 and gold +2.3% as the reopening trade partly unwinds; the US AI-tail reverses (AMD -7%). Strait STILL shut (day 158, ~2 transits/day). HOLD Phase 2 — the signature is the swing.
- **2026-08-08 — a TANKER STRUCK during ‘final-stage’ talks** — The IRGC strikes an ADNOC-linked tanker with a missile in the Strait (Sat 8 Aug, no casualties) — the UAE calls it ‘piracy,’ the GCC a ‘dangerous escalation.’ A strike DURING talks: talks close while the war continues. Oil net-down on the week (deal progress) but FIRMS Monday on the strike (Brent ~$84); gold near its highs ~$4,340. HOLD Phase 2 — a tanker HIT, no sinking/Kharg/mine.
- **2026-08-10 — the deal MOVES BACKWARD; the war premium RE-BIDS** — The vector REVERSES from ‘final-stage’ to re-hardening: Trump rejects Iran’s reparations demand and counters that Iran pay the US ‘for roadside bombs,’ and Tehran installs hardliner Mohsen Rezaei at the SNSC — the sign-off body. Deal-is-near optimism evaporates in 24 hours; Brent surges +4.7% to $88.06 (WTI +5.0% to $82.53), a fourth straight up-session, one day before July CPI. Gold firm ~$4,377. No new physical event — a DIPLOMATIC repricing. HOLD Phase 2 — Brent $88 below the ~$90-100 line.

## WHERE IT'S HEADED — Direction * accelerants * reversers

- **DIRECTION — the vector RE-HARDENED; the coming days are deal-death vs a compensation walk-back, into CPI** — The 10 Aug reversal turned a ‘final-stage’ channel back into a hardening negotiation (Trump’s compensation demand + a hardliner at the SNSC). The PHYSICAL corridor is unchanged (~3% of normal, still passing a trickle, Kharg dark-not-struck), so HOLD Phase 2 — but the near-term vector is now a Phase-1 RISK, not a Phase-3 path. The frame remains WHOSE CLOCK RUNS OUT FIRST: Iran’s >60% inflation + the bypass build-out still drain its leverage, and the 12m curve (CO12 ~$74, ~99%) prices near-full normalization — which a deal simply pulls forward. The coming days’ swing: the compensation spat WALKS BACK (premium bleeds, oil down) or the corridor is DECLARED DEAD / an SNSC rejection under Rezaei (Brent at the $90 line, Phase-1 risk), all layered against Wednesday’s CPI.
- **TIP TO PHASE 1 (active closure)** — A confirmed strike on an oil-export TERMINAL (Kharg), OR a MINE DETONATION / a tanker SUNK, OR the through-corridor cut to near-zero (CENTCOM reversing its ‘still transiting’ read), OR a Brent close decisively through ~$90-100 that HOLDS. Any converts a throttled Iranian-export siege — or a diplomatic risk-premium spike — into a corridor supply-loss

shock. Per the shifting-power tail, a DECLINING Iran with a hardliner now at the security apex is the one most tempted to a use-it-or-lose-it slip — the tail is highest where the deal is hardening.

- **PATH BACK TO PHASE 3** — A visible settlement-from-weakness signal: a walk-back of the compensation spat, Tehran softening on the routes/tolls dispute, or a signed ceasefire text via the (still-live) Muscat channel, with the blockade eased and the fleet clearing. This is the medium-term base case — but on a 6-18 month horizon as the leverage transfer completes, and it just slipped FURTHER out on the 10 Aug reversal.

## SCENARIOS — Base * Bear * Bull

- **BASE — the spat WALKS BACK; the channel re-firms (de-escalation, slow)** — The compensation exchange cools and the Muscat channel re-firms over weeks: the war premium bleeds back out (Brent back toward $80-82 spot, converging on the 12m ~$74), rates ease in sympathy, risk steadies. The Strait reopening still awaits a signed text + mine-clearing. HOLD Phase 2 on the physical until the corridor actually re-opens — the off-ramp intact but slipped further out on the 10 Aug reversal.
- **BEAR — the deal is DECLARED DEAD / an SNSC rejection + a physical hit (re-escalation to Phase 1)** — Rezaei's SNSC formally rejects the corridor or the framework is declared dead, and a Kharg/terminal strike, a mine detonation or a tanker sunk halts flow to Phase 1; Brent +$10-25 to $95-115, a genuine supply shock — the worse for landing on a hot July CPI. The shifting-power tail (a declining Iran with a hardliner at the apex, a use-it-or-lose-it slip) keeps this live; the 10 Aug hardening RAISED its near-term odds.
- **BULL — a signed deal + the Strait RE-OPENS (fast normalization)** — The spat proves tactical, the channel converts: a signed text, the attack formally stood down, the 'Immediate, Complete OPENING' of Hormuz delivered, mines cleared — Phase 3to4. The premium bleeds out entirely, Brent toward and below the forward (~$74), the fleet clears, transits rebuild. Iran's >60% inflation argues it wants the off-ramp; the 12m curve already prices the normalization — a deal simply pulls it forward. Lower-odds after the 10 Aug reversal, but the curve still leans this way over 12m.

**Bottom line.** HOLD — Phase 2; the DEAL MOVES BACKWARD and the WAR PREMIUM RE-BIDS HARD into CPI — but it is a DIPLOMATIC repricing, not a physical break. On 10 Aug Trump REJECTED Iran's reparations demand and counter-demanded Iran pay the US 'for the people they killed and wounded with roadside bombs,' and Tehran installed HARDLINER Mohsen Rezaei (IRGC commander 1981-97) as Secretary of the Supreme National Security Council — the exact body that must sign the Oman corridor. Last week's 'deal-is-near' optimism evaporated in 24 hours. Brent SURGED +4.7% to $88.06 (WTI +5.0% to $82.53) — a fourth straight up-session, the highest in nearly two weeks — one day before July CPI; GOLD sits firm ~$4,377 (a multi-week high — NOT a record; the ATH ~$5,590 was Jan). The PHYSICAL Strait is ALL-BUT-CLOSED (~2-8 vessels/day; ~3% of normal; dark ~62% on the AXSMarine 14 Jul-6 Aug cumulative, flagged as a stale carry, crude 79% dark; Closure Day 163; renewed-blockade Day 28), Kharg dark since 31 Jul, no mine-clearing. HOLD Phase 2 — NO Phase-1 trigger fired: no new terminal/Kharg strike, no mine, and Brent $88 is BELOW the decisive >$90-100 line (prior peaks tagged $90 on 29 Jul and mean-reverted). The swing: deal-DEAD-or-merely-stalled (an SNSC rejection / a compensation walk-back) + July CPI (Wed 12 Aug) — a +4.7% crude spike one day before the print is the macro cross-current. Forward (CO12 ~$74) still prices normalization; the near-term odds of it just fell.

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

| NAME | STATUS | RULE | SOURCE |
|---|---|---|---|
| **RE-STRESS** | ARMED | brent_1m > +8% | brent.parquet (ICE) |
| **OPACITY** | FIRED | 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.