STRAIT OF HORMUZ MONITOR

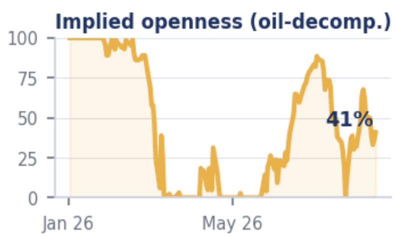
How open · how fast

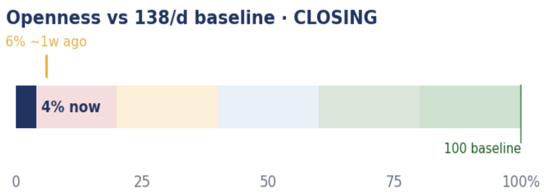
The headline question: how open is Hormuz, and how fast is it reopening? We lead with what we can OBSERVE; dark-share hides the rest.

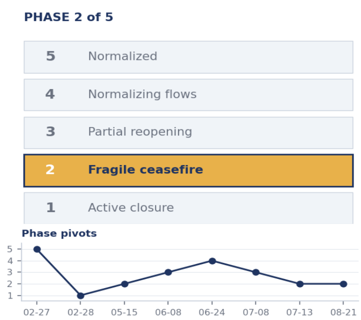
Hormuz ~4% open (observable) · **Phase 2/5 — Fragile — ESCALATING** · **CLOSING** -2.0 pts/wk

Backing out SPR releases, OPEC+ slack and demand destruction ($12/bbl combined, per Global Oil S/D v12), today's Brent implies Hormuz is 41% open. Observed visible openness is 4%, total flow estimate 34%; the residual Hormuz risk premium in Brent is $20/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: 5 transits/day vs 138 baseline (~4%), with most traffic running dark/unobserved (50-80% on an all-traffic basis). Estimated total ~34% of 20 mb/d throughput (est., low-confidence).







SYNTHESIS — three-sentence headline

HOLD — Phase 2 to 1 TRANSITION (ESCALATING). The escalation HOLDS and hardens, now IN THE CORRIDOR: the first transit FATALITY of the campaign and the first SEIZURE since June both landed. Over 48h the transit layer worsened on three counts — (1) the bulker MINOAN DIGNITY was hit by a projectile in the engine room and its chief engineer KILLED (17to18 Aug; single-/Iranian-media-sourced, flag as such); (2) the chemical tanker AMARA was seized near Qeshm Island (17 Aug); (3) dark transits are now the MAJORITY of crossings for the first time (AIS-spoofing ~32%, structural ~57%), with throughput a THIRD straight week lower — 73 transits (10-16 Aug) vs 78 then 91. AGAINST that, KHARG REACTIVATED on 19 Aug after ~23 days idle — a RE-OPENING, NOT a strike (Iran resuming its own crude exports, ~20.7m bbl waiting): two-track, the transit layer worse, the export terminal re-opened. Brent topped $93 and is HOLDING (~$93.01, +~4% on the week, 5th up session), not fading. We HOLD the ESCALATION but STOP SHORT of full active-closure (a $100-130 supply-shock) because none of the escalate-to-full-closure triggers has PHYSICALLY fired: no Kharg/terminal STRIKE (it reactivated), no tanker SINKING (a fatality, not a sinking), Brent through $93 but NOT holding toward $100, and no MoU revival. The market ($93, not $100-130) prices a hardened throttle. Openness ~23% (wire $93.01; store stale pending the refresh). HOLD — Phase 2 to 1 TRANSITION (ESCALATING). The escalation holds and hardens this window, now IN THE CORRIDOR. The transit layer worsened on three counts: the campaign's FIRST TRANSIT FATALITY (the bulker MINOAN DIGNITY, chief engineer KILLED by an engine-room projectile, 17to18 Aug), the FIRST SEIZURE since June (the chemical tanker AMARA, near Qeshm Island, 17 Aug), and dark transits now the MAJORITY of crossings for the first time (AIS-spoofing ~32%, structural ~57%, all-traffic ~62%; crude ~80%), with throughput a THIRD straight week lower — 73 transits (10-16 Aug) vs 78 then 91. NB: the fatality and seizure rest partly on single-/Iranian-media sourcing. AGAINST that, KHARG REACTIVATED on 19 Aug after ~23 days idle (~20.7m bbl waiting) — a RE-OPENING, NOT a strike: two-track, the transit layer worse but the export terminal re-opened. Brent topped $93 and is HOLDING (~$93.01, +~4% on the week, 5th up session), VLCC MEG-China >$520k/day. We HOLD the ESCALATION but STOP SHORT of stamping full active-closure (a $100-130 supply-shock) because NONE of the escalate-to-full-closure triggers has PHYSICALLY fired: no Kharg/terminal

STRIKE (it reactivated), no tanker SINKING (a fatality, not a sinking), Brent through $93 but NOT holding toward $100, and no MoU revival to force a de-escalation read either. The MARKET is the tell — $93, not $100-130, prices a hardened throttle (the 12m forward still discounts normalization). Openness ~23% SPOT (wire $93.01; the store is STALE pending the Bloomberg refresh). TIP TO FULL PHASE 1: a Kharg/terminal strike, a tanker SUNK in-channel, a US strike on Oman, or Brent SETTLING above ~$96-100. The swing: does Brent HOLD >$93, and does the US answer the fatality/seizure — or its own Oman threat — kinetically. The burden of proof sits firmly on the de-escalation case. The 21 Aug read: the escalation is confirmed and hardening, and it has moved into the corridor itself. Over 48h the transit layer worsened materially — the FIRST TRANSIT FATALITY of the campaign (the bulker MINOAN DIGNITY, chief engineer KILLED by a projectile to the engine room, 17to18 Aug), the FIRST SEIZURE since June (the chemical tanker AMARA, near Qeshm Island, 17 Aug), and dark transits now the MAJORITY of crossings for the first time. Brent topped $93 Thursday and is HOLDING (~$93.01, +~4% on the week, a 5th up session), decisively >$90 (+29% vs pre-crisis), not fading. The driver is still a DEAL COLLAPSE — the 60-day US-Iran MoU expired 17 Aug and has NOT been revived — with the Oman strike threat still standing. NOT a reopening of the corridor: it is turning deadlier. The one countervailing move is on the export side (Kharg reactivated — see below), not the transit corridor. NB: the fatality and seizure rest partly on single-/Iranian-media sourcing; flag as such.

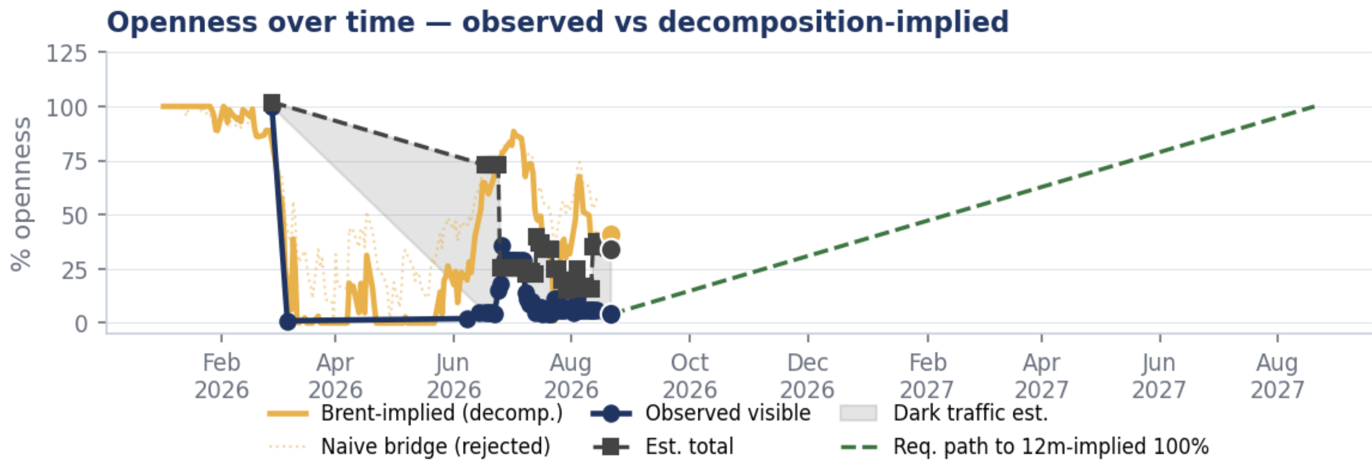
As of 2026-08-21 · **Sources:** visible transits (Windward / hormuzmonitor) · dark-share (Vortexa) · throughput (EIA Q1 avg) · Brent (ICE) · diplomatic (analyst principal-scored). Baselines: 138 ships/day · 20 mb/d.

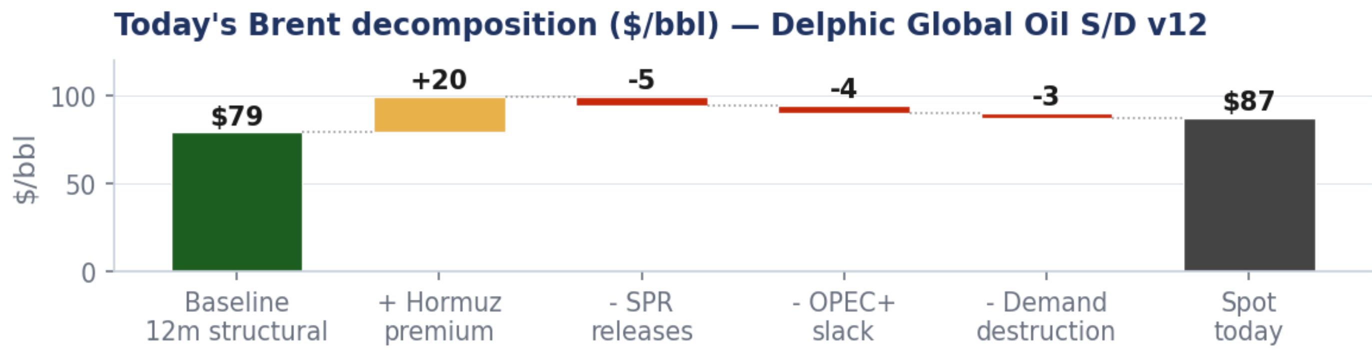
SYNTHESIS

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 41% open. Observed visible openness is 4%, total flow estimate 34%; the residual Hormuz risk premium in Brent is $20/bbl. Forward Brent has the premium decaying to $-2/bbl by 12m (100% implied openness).





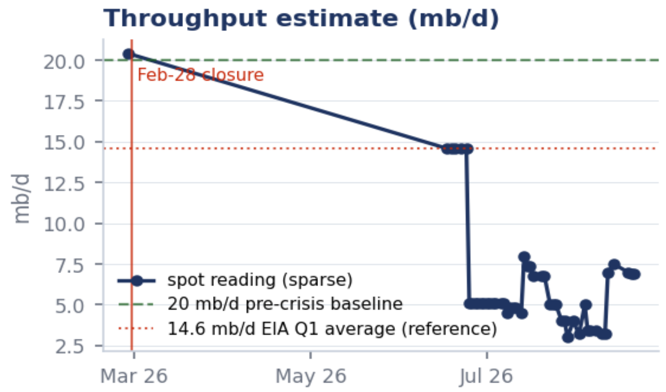
HOW BRENT TRANSLATES TO OPENNESS — Delphic decomposition

- **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 $87: implied premium $20/bbl, openness 41%. 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 58% 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 (41%) is the honest answer.

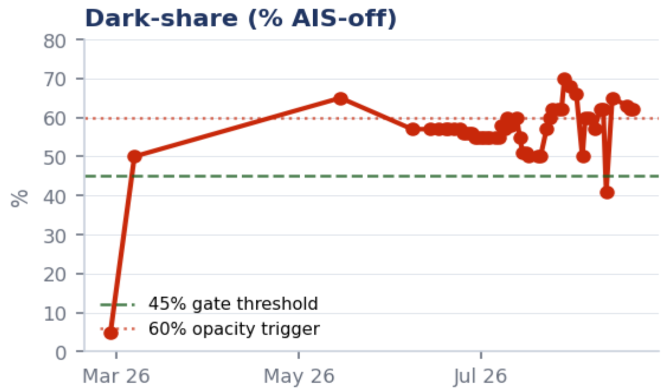
TRAJECTORY

Where we are vs where we have come from

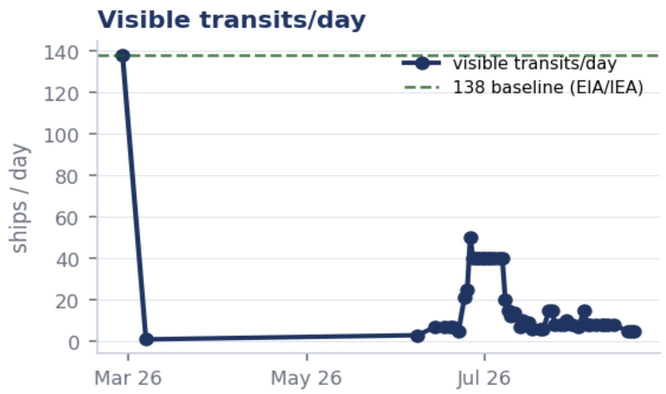
Dark-share and visible transits are the reliable trajectory signals. Throughput is shown as a reference (EIA Q1 average), not a daily spot.



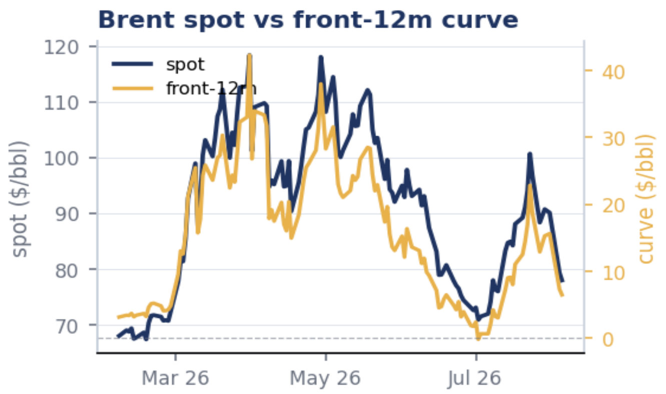
Throughput estimate vs 20 mb/d baseline · 14.6 EIA-Q1 reference line is an average, not a spot. The line is sparse because daily spot is genuinely uncertain while dark-share is high.



% 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 to 1 TRANSITION (ESCALATING). The escalation HOLDS and hardens, now IN THE CORRIDOR: the first transit FATALITY of the campaign and the first SEIZURE since June both landed. Over 48h the transit layer worsened on three counts — (1) the bulker MINOAN DIGNITY was hit by a projectile in the engine room and its chief engineer KILLED (17to18 Aug; single-/Iranian-media-sourced, flag as such); (2) the chemical tanker AMARA was seized near Qeshm Island (17 Aug); (3) dark transits are now the MAJORITY of crossings for the first time (AIS-spoofing ~32%, structural ~57%), with throughput a THIRD straight week lower — 73 transits (10-16 Aug) vs 78 then 91. AGAINST that, KHARG REACTIVATED on 19 Aug after ~23 days idle — a RE-OPENING, NOT a strike (Iran resuming its own crude exports, ~20.7m bbl waiting): two-track, the transit layer worse, the export terminal re-opened. Brent topped $93 and is HOLDING (~$93.01, +~4% on the week, 5th up session), not fading. We HOLD the ESCALATION but STOP SHORT of full active-closure (a $100-130 supply-shock) because none of the escalate-to-full-closure triggers has PHYSICALLY fired: no Kharg/terminal STRIKE (it reactivated), no tanker SINKING (a fatality, not a sinking), Brent through $93 but NOT holding toward $100, and no MoU revival. The market ($93, not $100-130) prices a hardened throttle. Openness ~23% (wire $93.01; store stale pending the refresh).

READ — Openness * phase * velocity

- **IS IT OPEN? The escalation moves INTO THE CORRIDOR — first fatality, first seizure, dark now the majority; the throttle hardens** — The 21 Aug read: the escalation is confirmed and hardening, and it has moved into the corridor itself. Over 48h the transit layer worsened materially — the FIRST TRANSIT FATALITY of the campaign (the bulker MINOAN DIGNITY, chief engineer KILLED by a projectile to the engine room, 17to18 Aug), the FIRST SEIZURE since June (the chemical tanker AMARA, near Qeshm Island, 17 Aug), and dark transits now the MAJORITY of crossings for the first time. Brent topped $93 Thursday and is HOLDING (~$93.01, +~4% on the week, a 5th up session), decisively >$90 (+29% vs pre-crisis), not fading. The driver is still a DEAL COLLAPSE — the 60-day US-Iran MoU expired 17 Aug and has NOT been revived — with the Oman strike threat still standing. NOT a reopening of the corridor: it is turning deadlier. The one countervailing move is on the export side (Kharg reactivated — see below), not the transit corridor. NB: the fatality and seizure rest partly on single-/Iranian-media sourcing; flag as such.
- **TRANSITS + THROUGHPUT (dedicated 21 Aug re-search) — dark now the MAJORITY, throughput a 3RD week down (73 vs 78 vs 91)** — Visible flow is at FLOOR and still grinding lower — throughput fell a THIRD straight week: 73 transits for 10-16 Aug, down from 78 then 91 the two prior weeks. straits.live shows ~1 commercial-AIS crossing/day vs the ~73/day norm ('Day 173 since closure declared'), while Windward's all-vessel imagery sees ~15/day — a methodology gap, not a data conflict. Throughput re-reads ~7.0 mb/d Hormuz-wide dark-adjusted (LOW confidence). Dark re-search (MANDATORY daily): dark transits are now the MAJORITY of crossings for the FIRST TIME — AIS-spoofing spiked to ~32% and structural AIS-off dark runs ~57% (all-traffic dark-share ~62%), so the shadow fleet now outnumbers lit hulls (crude dark ~80%). Kharg REACTIVATED 19 Aug after ~23 days idle — Iran resuming its own crude exports, ~20.7m bbl waiting to load. Renewed-blockade Day ~38.
- **HOW OPEN — implied ~23% SPOT / ~99% FORWARD; price and physical CONVERGE on a hardened throttle** — The oil-decomposition model reads implied openness ~23% at Brent ~$93.01 — NOTE: the store is STALE pending the Bloomberg refresh, so this uses the wire mark $93.01. The PHYSICAL openness is comparably low (~7.0 mb/d Hormuz-wide, visible traffic ~1%, dark now the majority). Price (~23%) and physical CONVERGE — both point to a hardened throttle, not a reopening the flow never delivered. The 12m FORWARD (CO12 ~$74, ~99%) still prices near-full normalization — the curve reads even a dead-deal spike as temporary, which remains the one restraint on calling full closure.
- **PHASE — HOLD (Phase 2 to 1 transition): the escalation stands; still stop short of full active-closure** — The discipline holds where we set it on 19 Aug, and this window's news pushes the same way without tipping the call. The transit layer worsened — a first fatality, a first seizure, dark now the majority, a Brent hold through $93 — so the badge stays at a Phase 2 to 1 TRANSITION (ESCALATING). We STILL do NOT stamp full active-closure, because NONE of the escalate-to-full-closure triggers has PHYSICALLY fired: no Kharg/terminal STRIKE — Kharg in fact REACTIVATED on 19 Aug (Iran resuming its own exports), no tanker SUNK in-channel (a fatality, not a sinking), Brent through $93 but NOT holding toward $100, and no MoU revival to force a de-escalation read either. The market ($93, not $100-130) prices a hardened throttle, not a total shut-in. TIP TO FULL PHASE 1: a Kharg/terminal strike, a tanker SUNK in-channel, or Brent SETTLING above ~$96-100.
- **VELOCITY — the swing is DOES BRENT HOLD >$93 + the US response to the fatality/seizure and to Oman** — Three vectors set the tape. THE DEAL: the MoU lapsed 17 Aug and has not been revived; the terms are mutually exclusive — Iran demands the US end the war, withdraw, lift sanctions, release frozen assets AND pay compensation; Trump demands IRAN pay 'for decades' — and the Oman strike threat still stands over the would-be mediator. Iran-Oman talks 'continue' but are stalled; Khamenei sign-off is the gate, the SNSC on the hardline Rezaei axis. THE INCIDENTS: the first transit fatality (MINOAN DIGNITY) and first seizure since June (AMARA) — a US kinetic reply, or a tanker sinking, would be the next genuine escalation leg. THE PRICE: does Brent HOLD >$93 (the Phase-1 tell sticks) or fade back toward the demand-anchored $87? Modal: a hardened, dead-deal throttle around $92-95, one incident from a run at $100. ESCALATING.

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

- **THE DEAL STAYS COLLAPSED (17 Aug) — the 60-day US-Iran MoU EXPIRED and has NOT been revived** — The concrete negative of the cycle, still unresolved. The 60-day US-Iran MoU (signed 17 Jun, Islamabad) EXPIRED Sunday 17 Aug with neither side extending it, and it has NOT been revived since. The terms are irreconcilable: Iran demands the US end the war, withdraw troops, lift sanctions, release frozen assets AND pay compensation; Trump demands Iran pay compensation 'for decades of conflict.' Two mutually-exclusive compensation demands = no landing zone. The deal track has moved further BACKWARD, not forward — the corridor is a dead-deal throttle.

- **THE OMAN STRIKE THREAT STILL STANDS — Iran-Oman talks 'continue' but are stalled** — The mediator channel remains frozen. Trump's threat to strike OMAN — the would-be Hormuz mediator — 'if Oman gets in the way' still stands, and Muscat's effort to manage Strait traffic with Iran has not produced a compromise: Iran-Oman talks 'continue' but are stalled. The one channel that could de-escalate is being threatened rather than used. This keeps the diplomatic vector HARD: a re-extension of the MoU or an Oman-corridor compromise — the only near-term de-escalation catalysts — remain out of reach, not closer.
- **BRENT HOLDS >$93 — ~$93.01, +~4% on the week (5th up session); the Brent Phase-1 tell has strengthened** — Brent topped $93 Thursday and is HOLDING (~$93.01, +~4% on the week, a 5th up session), +29% vs the pre-crisis ~$72, on the dead deal + the deadlier corridor. This is the exact condition — 'a Brent close decisively >$90 that HOLDS' — we pre-committed to as a Phase-1 trigger, now not just held but sustained. VLCC MEG-China freight is >$520k/day, a near-prohibitive tax on every hull. The restraint on calling full closure: $93 is not $100-130, Brent is not yet settling toward $100, and the 12m forward still discounts normalization. NOTE: the store is stale — $93.01 is the wire mark pending the refresh.
- **KHARG REACTIVATED (19 Aug) — a RE-OPENING, not a strike; the clean full-closure trigger stays UNFIRED** — Kharg Island — ~90-96% of Iran's crude exports — REACTIVATED on 19 Aug after ~23 days idle (since 31 Jul), with ~20.7m bbl waiting to load. This is a RE-OPENING, NOT a strike: Iran is resuming its OWN crude exports, a mild de-escalation of the export-siege even as the transit corridor turns deadlier. Crucially, the one clean full-closure trigger — a STRUCK Kharg — remains UNFIRED; indeed the terminal is now OPERATING. A STRUCK terminal would be the corridor-level supply shock that confirms full Phase 1; a reactivated one is the opposite signal. Its survival — now its operation — is the strongest single restraint on stamping active-closure. The day Kharg is struck (or a tanker is SUNK in-channel) is the day the call goes to full Phase 1.
- **WAR-RISK PREMIUMS ELEVATED — VLCC MEG-China >$520k/day; hull war-risk ~7.5-10%; Cape reroute entrenched** — The freight and insurance market is pricing acute risk: VLCC MEG-China freight is >$520k/day, and Hormuz additional war-risk cover runs ~7.5-10% of hull value (a $100m tanker pays $3-10m per voyage, vs ~0.25% pre-war), with rerouting via the Cape of Good Hope entrenched. NOTE: the war-risk-premium percentage quote dates to mid-July; a fresh 18-21 Aug reprice of the premium itself was not sourced — flag as slightly stale (the >$520k/day VLCC print is current). That friction is what strands vessels and cuts visible traffic to ~1% — consistent with a corridor escalating toward closure, not one re-opening.
- **DIPLOMACY — hardened, lapsed, and threatening the mediator; Khamenei sign-off the gate** — There are still no direct US-Iran talks that matter; the Iran-Oman corridor is stuck on the same knot (Tehran wants Strait control + transit fees; the US and Gulf states reject it) — talks 'continue' but are stalled, and the US Oman strike threat still stands rather than letting Muscat mediate. The SNSC under the hardline Rezaei axis has raised the price; Khamenei (Mojtaba) sign-off remains the gating variable, and it has not come. The end-state — a managed-corridor / fees regime from Iranian weakness — is intact only on a 6-18 month horizon; the near-term vector, after the MoU lapse and with the Oman threat standing, is HARDENING, not signature.

WHERE WE'VE COME FROM — Trajectory

- **2026-08-05/08** — The reopening PRICED then the deal STALLED; the IRGC struck an ADNOC tanker (8 Aug). Brent re-bid. HOLD Phase 2 — the signature the swing.
- **2026-08-10/12** — The deal MOVES BACKWARD (Trump's compensation demand + hardliner Rezaei at the SNSC), then the escalation premium RE-LOADS on peripheral Bab-al-Mandeb attacks; Brent tests but does NOT hold $90. HOLD Phase 2.
- **2026-08-14** — The war premium BLEEDS on DEMAND (IEA+OPEC cuts + a +17.4mb US build), NOT de-escalation; the physical TIGHTENS (dark ~65%, Kharg idle). Brent falls to ~$87. HOLD Phase 2, a Phase-3 WATCH only — 'Brent peaked $89.8, never held >$90.'
- **2026-08-17** — THE DEAL COLLAPSES: the 60-day US-Iran MoU EXPIRES with no extension, and a tanker strikes a naval MINE leaving the Strait (engine damage + one casualty). Transits crater to single digits. The two events the WATCH was waiting on.
- **2026-08-18/19** — Brent HOLDS >$90 (4th straight up-session, ~$91.5-92) — the Brent Phase-1 tell fires. ESCALATE — Phase 2 to 1 transition; stop short of full closure (no Kharg strike / sinking; market not at $100-130).
- **2026-08-20** — The escalation DEEPENS: Brent extends THROUGH $93.01 (+1.52%) and the US turns on the MEDIATOR (Trump threatens Oman), ruling out an MoU extension. Throughput grinds lower (Lloyd's 78 vs 95). HOLD the Phase 2 to 1 TRANSITION; still short of full closure — no Kharg strike / sinking, market not at $100-130.
- **2026-08-21** — The escalation moves INTO THE CORRIDOR: the campaign's FIRST TRANSIT FATALITY (the bulker MINOAN DIGNITY, chief engineer killed by an engine-room projectile, 17to18 Aug) and the FIRST SEIZURE since June (the chemical tanker AMARA, near Qeshm) surface this window; dark transits are now the MAJORITY of crossings and throughput falls a THIRD straight week (73 vs 78 vs 91). AGAINST that, KHARG REACTIVATED 19 Aug (a re-opening, NOT a strike; Iran resuming its own exports). Brent holds ~$93. HOLD the Phase 2 to 1 TRANSITION — no Kharg strike / sinking, Brent not settling toward $100.

WHERE IT'S HEADED — Direction * accelerants * reversers

- **DIRECTION — escalating toward closure; the swing is Brent-holds-$93 + the US response to the fatality/seizure and Oman** — The vector in the corridor is toward closure: the deal is dead, the Oman threat stands, the first transit fatality and first seizure since June have landed, dark transits are now the majority, and Brent holds >$93. Phase 2 to 1 transition. AGAINST it, the export terminal re-opened (Kharg reactivated 19 Aug) and the 12m curve (CO12 ~$74) still prices normalization. The frame remains WHOSE CLOCK RUNS OUT FIRST — Iran's >60% inflation + the stranded-vessel backlog drain its leverage — but the near-term is a hardened, dead-deal throttle around $92-95, one incident from a run at $100. The swings: does Brent HOLD >$93 (the Phase-1 call sticks) or fade toward the demand-anchored $87; and does the US answer the fatality/seizure — or its own Oman threat — kinetically (the next escalation leg).
- **TIP TO FULL PHASE 1 (active closure)** — A confirmed strike on Kharg / an export terminal, OR a tanker SUNK in-channel, OR a US strike on Oman, OR the through-corridor cut to zero, OR a Brent close that SETTLES above ~$96-100. Any converts the current

dead-deal throttle into a confirmed corridor supply-loss shock (Brent +$10-25 to $100-115). Per the shifting-power tail, a declining Iran with a hardliner (Rezaei) at the security apex and a lapsed deal is the one most tempted to a use-it-or-lose-it slip — the tail is now the base-case-adjacent risk.

- **PATH BACK TO PHASE 2 / 3 (de-escalation)** — A re-extension or revival of the MoU, or a concrete Oman-corridor fee compromise + a Khamenei/SNSC sign-off, with the blockade eased and the fleet clearing — the only near-term de-escalation catalysts, both still out of reach with the MoU un-revived and the Oman threat standing. The Kharg reactivation (19 Aug) is a partial export-side de-escalation already in hand. A Brent fade back toward the demand-anchored $87 (on the IEA/OPEC demand cuts reasserting) would de-escalate the PRICE tell even without a deal. Lower-odds after the 17-Aug collapse; the burden of proof sits firmly on the de-escalation case.

SCENARIOS — Base * Bear * Bull

- **BASE — a hardened, DEAD-DEAL throttle ($92-95); Phase 2 to 1, one incident from closure** — The MoU stays lapsed, the fatality/seizure go un-answered kinetically, and Brent holds ~$92-95 on the deal-risk premium; the Strait stays a throttle at ~1% visible traffic, dark now the majority, while Kharg (reactivated 19 Aug) lets some Iranian crude out. Phase 2 to 1 transition — escalated but not a confirmed full shut-in, held there by the absence of a terminal strike or a sinking and a forward curve still pricing normalization.
- **BEAR — a Kharg strike / a sinking / an Oman strike to FULL Phase 1 (active closure)** — A Kharg/terminal strike, a tanker sunk in-channel, or a US strike on Oman confirms the shut-in to full Phase 1; Brent +$10-25 to $100-115, a genuine supply shock landing on a market already fighting a multi-decade-high 30y yield and a sticky US core — a stagflationary combination. The lapsed deal + the hardliner axis + the standing Oman threat make this the base-case-adjacent risk, not a tail.
- **BULL — a MoU revival / a deal step to back to Phase 2-fragile (de-escalation)** — The MoU is revived or the Oman corridor gets a fee compromise + a Khamenei sign-off; the fatality/seizure are absorbed; the premium bleeds back toward the demand-anchored $87, transits rebuild, the vessel backlog clears. Kharg's reactivation is an early down-payment on this path. Iran's >60% inflation argues it wants the off-ramp and the 12m curve prices it — but the MoU is still un-revived and the Oman threat stands, so this is the lower-odds case until a concrete step lands.

Bottom line. HOLD — Phase 2 to 1 TRANSITION (ESCALATING). The escalation holds and hardens this window, now IN THE CORRIDOR. The transit layer worsened on three counts: the campaign's FIRST TRANSIT FATALITY (the bulker MINOAN DIGNITY, chief engineer KILLED by an engine-room projectile, 17to18 Aug), the FIRST SEIZURE since June (the chemical tanker AMARA, near Qeshm Island, 17 Aug), and dark transits now the MAJORITY of crossings for the first time (AIS-spoofing ~32%, structural ~57%, all-traffic ~62%; crude ~80%), with throughput a THIRD straight week lower — 73 transits (10-16 Aug) vs 78 then 91. NB: the fatality and seizure rest partly on single-/Iranian-media sourcing. AGAINST that, KHARG REACTIVATED on 19 Aug after ~23 days idle (~20.7m bbl waiting) — a RE-OPENING, NOT a strike: two-track, the transit layer worse but the export terminal re-opened. Brent topped $93 and is HOLDING (~$93.01, +~4% on the week, 5th up session), VLCC MEG-China >$520k/day. We HOLD the ESCALATION but STOP SHORT of stamping full active-closure (a $100-130 supply-shock) because NONE of the escalate-to-full-closure triggers has PHYSICALLY fired: no Kharg/terminal STRIKE (it reactivated), no tanker SINKING (a fatality, not a sinking), Brent through $93 but NOT holding toward $100, and no MoU revival to force a de-escalation read either. The MARKET is the tell — $93, not $100-130, prices a hardened throttle (the 12m forward still discounts normalization). Openness ~23% SPOT (wire $93.01; the store is STALE pending the Bloomberg refresh). TIP TO FULL PHASE 1: a Kharg/terminal strike, a tanker SUNK in-channel, a US strike on Oman, or Brent SETTLING above ~$96-100. The swing: does Brent HOLD >$93, and does the US answer the fatality/seizure — or its own Oman threat — kinetically. The burden of proof sits firmly on the de-escalation case.

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.