STRAIT OF HORMUZ MONITOR

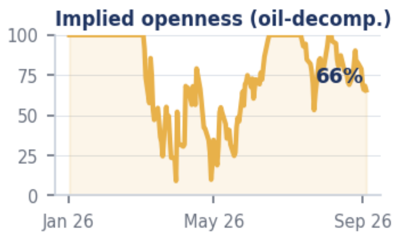
# How open · how fast

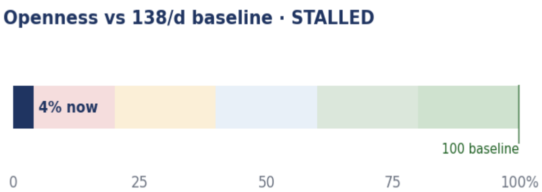
*The headline question: how open is Hormuz, and how fast is it reopening? We lead with what we can OBSERVE; dark-share hides the rest.*

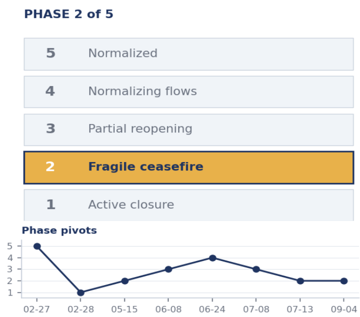
**Hormuz ~4% open (observable) · Phase 2/5 — Fragile — RE-ESCALATING · STALLED** +0.0 pts/wk

**Backing out SPR releases, OPEC+ slack and demand destruction ($2/bbl combined, per Global Oil S/D v13), today's Brent implies Hormuz is 66% open.** Observed visible openness is 4%, total flow estimate 70%; the residual Hormuz risk premium in Brent is $14/bbl. Forward Brent has the premium decaying to $-7/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: 5 transits/day vs 138 baseline (~4%), with most traffic running dark/unobserved (50-80% on an all-traffic basis). Estimated total ~70% of 20 mb/d throughput (est., low-confidence).*




## SYNTHESIS — three-sentence headline

HOLD — Phase 2 (Fragile — RE-ESCALATING, consolidating). The vector stays RE-ESCALATING off the 31 Aug double tanker strike (the 7th hull hit since the 14 Jul blockade) and the US retaliation on 1 Sep — strikes on IRGC positions INSIDE Iran, a kinetic exchange but NOT a chokepoint-closing event. BUT nothing on 2-3 Sep tipped a clean Phase-1 trigger: no NEW hull strike, no mine detonation, no seizure, no Kharg/terminal strike (Kharg stays THREATENED — Trump's AI 'smithereens' video — NOT struck), no tanker SUNK in-channel, no US strike on Oman. And the RE-ESCALATION IS KINETIC, NOT A FLOW COLLAPSE. THE KEY CORRECTION (4 Sep): the corridor LOOKS closed on the visible count (~5-6 tankers/day, ~3-6% of the ~85-138 baseline) but is ACTUALLY ~60-70% OPEN by volume — dark-adjusted throughput is ~13-16 mb/d, not the visible ~5. Three lines converge: Kpler/Goldman now model ~15-16 mb/d Gulf flow once STS + dark barrels are counted; Vortexa reads ~57% of transits AIS-dark; and the CLINCHER is INVENTORY ARITHMETIC — global stocks are drawing only ~4 mb/d (EIA STEO), which is mathematically IMPOSSIBLE if Hormuz had truly collapsed to ~5 mb/d (that would force a ~10-15 mb/d draw). A ~4 mb/d draw, net of the Saudi East-West (~5) + UAE Habshan-Fujairah (~1.5) pipeline bypass, is only consistent with the great majority of Hormuz barrels STILL REACHING MARKET. The PRICING agrees: Brent ~$96 carries only a ~$14 acute Hormuz premium over the deficit-justified ~$84 base -> ~66% implied openness — right on top of the physical. So the read is RE-ESCALATING RISK over a LARGELY-INTACT FLOW: the 31 Aug double strike (the 7th hull hit) + the 1 Sep US retaliation keep the KINETIC tail hot, but there is NO physical flow shut-in and no clean Phase-1 trigger fired on 2-3 Sep (Kharg THREATENED — Trump's AI video — not struck; no in-channel sinking; Brent EASED to ~$94.6, not settling >$96-100). Diplomacy: Qatari mediation ACTIVE but unresolved, the Iran-Oman mine-clearance framework NOT implemented (Iran wants the blockade lifted first). We HOLD Phase 2 — and the ~66% flow read makes Phase 1 (active closure) even LESS supported: the 'closure' is a VISIBLE / insurance / risk phenomenon the pricing and the inventory draw REFUTE. Iran-specific loadings ARE choked (~0.15-0.2 mb/d vs a ~1.7 pre-war) — but AGGREGATE Gulf flow (Saudi/UAE/Kuwait/Iraq/Qatar dark+STS) holds in the teens. TIP TO FULL PHASE 1: a Kharg/terminal STRIKE, a tanker SUNK in-channel, a US strike on Oman, or a Brent daily SETTLE above ~$100 on an actual flow cut. TIP BACK TO PHASE 3: the kinetic risk ebbs and a Qatari/Omani ceasefire lands. HOLD — Phase 2 (Fragile — RE-ESCALATING, consolidating), and READ THE CORRIDOR THROUGH THE PRICE. The vector stays RE-ESCALATING off the 31 Aug double tanker strike (the 7th hull hit since 14 Jul) and the US retaliation on 1 Sep (strikes on IRGC positions inside Iran — kinetic, not a chokepoint event). But nothing on 2-3 Sep tipped a clean Phase-1 trigger: no NEW hull strike, mine hit, seizure, Kharg/terminal strike (Kharg stays RHETORIC — Trump's AI video — not struck), tanker sunk in-channel, or US strike on Oman. And the ARBITER is FLATTENING: Brent eased to ~$94.5-94.9 (-0.55%), bleeding slightly off the ~$95.6 highs rather than settling toward $96-100 — the premium is CONSOLIDATING at a high plateau, not building a leg. THE KEY CORRECTION: throughput is NOT at floor — the visible ~5-6/day (~3-6%) undercounts dark flow; the ACTUAL dark-adjusted flow is ~13-16 mb/d (~60-75% OPEN, per Kpler/Goldman + the inventory-draw arithmetic: a ~4 mb/d global draw is incompatible with 5 mb/d Hormuz), and the pricing agrees (Brent ~$94.6 -> only a ~$14 acute premium -> ~66% implied open). So the 'closure' is VISIBLE, not physical — RE-ESCALATING kinetic RISK over a largely-intact flow. Diplomacy: Qatari mediation ACTIVE but unresolved, the Oman mine-clearance framework NOT implemented (Iran wants the blockade lifted first). The market still prices a premium (~$92-95), not a closure (gold RALLIED on the dovish-Waller rate move, not a Hormuz haven bid; VIX ~14.5; Brent EASED). So we HOLD Phase 2: the Phase-1 tail is HOT but no clean trigger PHYSICALLY fired — a high-risk plateau, not a fresh leg up. TIP TO FULL PHASE 1: a Kharg/terminal strike, a tanker SUNK in-channel, a US strike on Oman, a China hit answered in the Strait, or Brent SETTLING above ~$96-100. TIP BACK TO PHASE 3: the corridor going OPERATIONAL on a Qatari/Omani ceasefire — mine-clearance starting, transits climbing, dark falling. The swing: does a clean trigger fire (full Phase 1) or does the shooting burn out (Phase 3 re-nears). The 4 Sep read (reflecting 2-3 Sep): the KINETIC vector holds re-escalating, but the FLOW is largely intact — the 'closure' is a VISIBLE phenomenon, not a physical shut-in. The escalation set is the 31 Aug double strike (the 7th hull hit) and the 1 Sep US retaliation on IRGC positions inside Iran (kinetic, not a chokepoint event); 2-3 Sep brought NO new hull strike, mine hit, seizure, Kharg strike or in-channel sinking. Meanwhile the ACTUAL flow is ~13-16 mb/d (~60-75% of baseline, dark-adjusted — Kpler/Goldman + the inventory-draw arithmetic), NOT the visible ~5. And the barrel AGREES: Brent ~$94.6 eased off the ~$95.6 highs and carries only a ~$14 acute Hormuz premium over the deficit-justified ~$84 base -> ~66% implied open, right on the physical. A high-KINETIC-RISK corridor with the flow mostly running — the tail hot, but no flow collapse and no clean trigger fired.

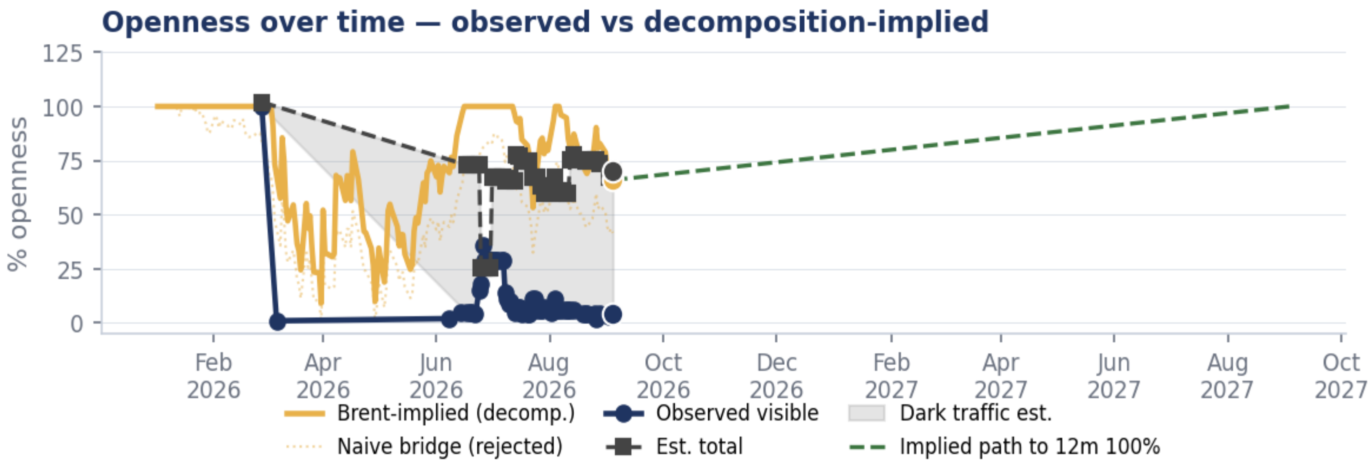
**As of** 2026-09-04 · **Sources:** visible transits (Windward / hormuzmonitor) · dark-share (Vortexa) · throughput (EIA Q1 avg) · Brent (ICE) · diplomatic (analyst principal-scored). Baselines: 138 ships/day · 20 mb/d.

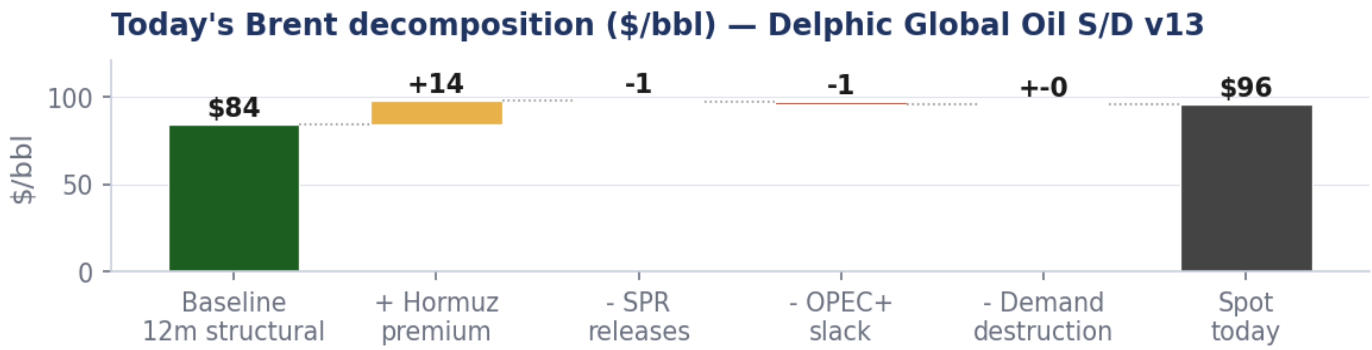
SYNTHESIS

# 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 ($2/bbl combined, per Global Oil S/D v13), today's Brent implies Hormuz is 66% open.** Observed visible openness is 4%, total flow estimate 70%; the residual Hormuz risk premium in Brent is $14/bbl. Forward Brent has the premium decaying to $-7/bbl by 12m (100% implied openness).



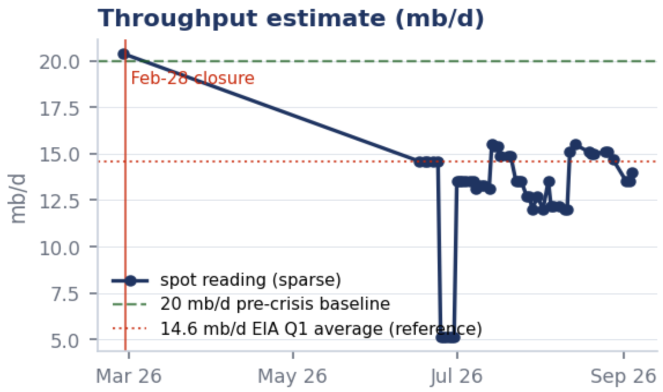

## HOW BRENT TRANSLATES TO OPENNESS — Delphic decomposition

- **DECOMPOSITION** — Brent_spot = baseline + Hormuz_premium - non-Hormuz_offset. Baseline = $84/bbl (Delphic 12m structural fair-value, full normalization). Peak Hormuz premium = $40/bbl (Strike scenario vs baseline). Solving for premium and mapping linearly 0..peak gives implied openness 0..100%.
- **NON-HORMUZ OFFSETS TODAY** — $2/bbl backed out of today's Brent (per Global Oil S/D v13): $1 from active US/IEA SPR releases (172 mb US commitment, ~164 mb of 400+ mb deployed by May 8); $1 from deployed OPEC+ slack (UAE coiled-spring flush, Saudi paper quota); $0 from permanent demand destruction (~0.5-0.8 mb/d, teapot exits + electrification).
- **SPOT vs FORWARD** — SPOT $96: implied premium $14/bbl, openness 66%. 12m-FORWARD $76: offsets shrink to $1/bbl (SPR refill demand reverses release pressure above $85; demand recovers +1.0 mb/d by 12m); premium $-7/bbl, openness 100%.
- **WHY NOT THE NAIVE BRIDGE** — A linear bridge from observed crisis-peak ($118) to pre-crisis avg ($64) would imply 42% 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 (66%) is the honest answer.

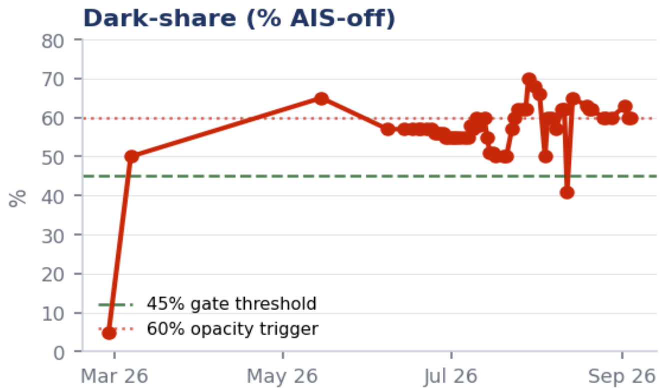
TRAJECTORY

# Where we are vs where we have come from

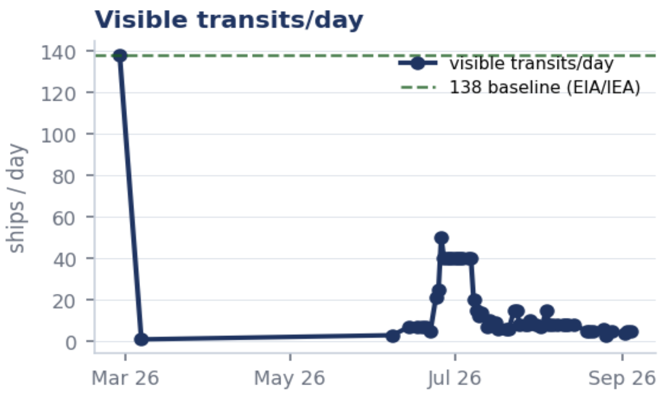
*Dark-share and visible transits are the reliable trajectory signals. Throughput is shown as a reference (EIA Q1 average), not a daily spot.*



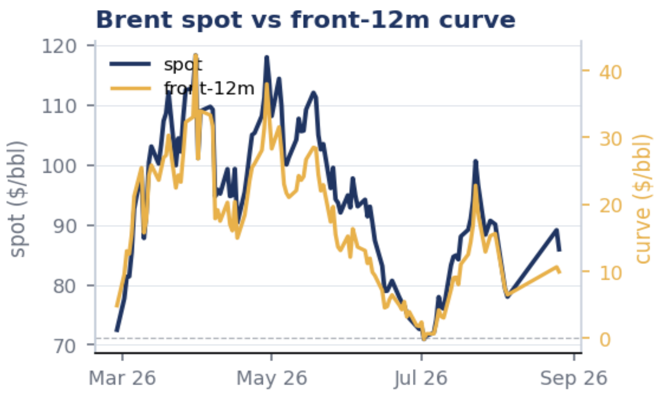

Throughput estimate vs 20 mb/d baseline · 14.6 EIA-Q1 reference line is an average, not a spot. The line is sparse because daily spot is genuinely uncertain while dark-share is high.




% 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 (Fragile — RE-ESCALATING, consolidating). The vector stays RE-ESCALATING off the 31 Aug double tanker strike (the 7th hull hit since the 14 Jul blockade) and the US retaliation on 1 Sep — strikes on IRGC positions INSIDE Iran, a kinetic exchange but NOT a chokepoint-closing event. BUT nothing on 2-3 Sep tipped a clean Phase-1 trigger: no NEW hull strike, no mine detonation, no seizure, no Kharg/terminal strike (Kharg stays THREATENED — Trump's AI 'smithereens' video — NOT struck), no tanker SUNK in-channel, no US strike on Oman. And the RE-ESCALATION IS KINETIC, NOT A FLOW COLLAPSE. THE KEY CORRECTION (4 Sep): the corridor LOOKS closed on the visible count (~5-6 tankers/day, ~3-6% of the ~85-138 baseline) but is ACTUALLY ~60-70% OPEN by volume — dark-adjusted throughput is ~13-16 mb/d, not the visible ~5. Three lines converge: Kpler/Goldman now model ~15-16 mb/d Gulf flow once STS + dark barrels are counted; Vortexa reads ~57% of transits AIS-dark; and the CLINCHER is INVENTORY ARITHMETIC — global stocks are drawing only ~4 mb/d (EIA STEO), which is mathematically IMPOSSIBLE if Hormuz had truly collapsed to ~5 mb/d (that would force a ~10-15 mb/d draw). A ~4 mb/d draw, net of the Saudi East-West (~5) + UAE Habshan-Fujairah (~1.5) pipeline bypass, is only consistent with the great majority of Hormuz barrels STILL REACHING MARKET. The PRICING agrees: Brent ~$96 carries only a ~$14 acute Hormuz premium over the deficit-justified ~$84 base -> ~66% implied openness — right on top of the physical. So the read is RE-ESCALATING RISK over a LARGELY-INTACT FLOW: the 31 Aug double strike (the 7th hull hit) + the 1 Sep US retaliation keep the KINETIC tail hot, but there is NO physical flow shut-in and no clean Phase-1 trigger fired on 2-3 Sep (Kharg THREATENED — Trump's AI video — not struck; no in-channel sinking; Brent EASED to ~$94.6, not settling >$96-100). Diplomacy: Qatari mediation ACTIVE but unresolved, the Iran-Oman mine-clearance framework NOT implemented (Iran wants the blockade lifted first). We HOLD Phase 2 — and the ~66% flow read makes Phase 1 (active closure) even LESS supported: the 'closure' is a VISIBLE / insurance / risk phenomenon the pricing and the inventory draw REFUTE. Iran-specific loadings ARE choked (~0.15-0.2 mb/d vs a ~1.7 pre-war) — but AGGREGATE Gulf flow (Saudi/UAE/Kuwait/Iraq/Qatar dark+STS) holds in the teens. TIP TO FULL PHASE 1: a Kharg/terminal STRIKE, a tanker SUNK in-channel, a US strike on Oman, or a Brent daily SETTLE above ~$100 on an actual flow cut. TIP BACK TO PHASE 3: the kinetic risk ebbs and a Qatari/Omani ceasefire lands.

**READ — Openness * phase * velocity**

- **IS IT OPEN? RE-ESCALATING RISK over a LARGELY-INTACT FLOW — visibly ~closed (~5-6/day) but actually ~60-70% open (~14 mb/d dark-adjusted)** — The 4 Sep read (reflecting 2-3 Sep): the KINETIC vector holds re-escalating, but the FLOW is largely intact — the 'closure' is a VISIBLE phenomenon, not a physical shut-in. The escalation set is the 31 Aug double strike (the 7th hull hit) and the 1 Sep US retaliation on IRGC positions inside Iran (kinetic, not a chokepoint event); 2-3 Sep brought NO new hull strike, mine hit, seizure, Kharg strike or in-channel sinking. Meanwhile the ACTUAL flow is ~13-16 mb/d (~60-75% of baseline, dark-adjusted — Kpler/Goldman + the inventory-draw arithmetic), NOT the visible ~5. And the barrel AGREES: Brent ~$94.6 eased off the ~$95.6 highs and carries only a ~$14 acute Hormuz premium over the deficit-justified ~$84 base -> ~66% implied open, right on the physical. A high-KINETIC-RISK corridor with the flow mostly running — the tail hot, but no flow collapse and no clean trigger fired.
- **TRANSITS + THROUGHPUT — the VISIBLE/ACTUAL DIVERGENCE: visible ~5-6/day (~3-6%) but dark-adjusted ACTUAL ~13-16 mb/d (~60-75% OPEN)** — The headline correction. The VISIBLE count is a floor — ~5-6 tankers/day (Kpler/IMF PortWatch) vs a ~85-138/day baseline, ~3-6% — and it MASSIVELY undercounts reality because ~57% of transits run AIS-dark (Vortexa; peaked ~65% in May). The ACTUAL dark-adjusted throughput is ~13-16 mb/d (~60-75% of the ~20-21 mb/d baseline): Kpler/Goldman now model ~15-16 mb/d Gulf flow once STS + dark barrels are counted. THE CLINCHER is inventory arithmetic — global stocks are drawing only ~4 mb/d (EIA STEO), which is mathematically impossible on a genuine 5 mb/d Hormuz (that implies a ~10-15 mb/d draw); net of the Saudi East-West (~5) + UAE Habshan-Fujairah (~1.5) pipeline bypass, a ~4 mb/d draw only reconciles with actual flow in the low-to-mid teens. We set the throughput scalar to ~14 mb/d (the dark-adjusted actual), keeping visible ~5 as the OBSERVABLE floor. The debate's honest range: ~2-4 mb/d (Al Jazeera visible-only, 3 Sep) -> ~17 mb/d (US-official, likely inflated: Wright ~17, Bessent 10-18); the reconciled centre is the low-to-mid teens. Iran-SPECIFIC loadings are choked (~0.15-0.2 mb/d vs a ~1.7 pre-war), but AGGREGATE Gulf flow holds up.
- **HOW OPEN — the PRICING agrees with the physical: Brent ~$94.6 implies only a ~$14 acute Hormuz premium -> ~66% open, right on the ~65-75% dark-adjusted flow** — The barrel confirms the flow read. Backing out the current balance: the genuine ~1.8 mb/d Q3 DEFICIT supports a balance-justified base ~$84 (EIA STEO Q3 $85, Goldman $85) EVEN WITH Hormuz open, so of Brent ~$94.6 only ~$14 is an acute Hormuz premium -> implied openness ~66% (was ~18% on the stale $79 base; the recalibration is the point). That sits right on the ~65-75% dark-adjusted physical — pricing and physics AGREE the strait is mostly flowing. The forward curve is BACKWARDATED (EIA Q4 $78, 2027 $69) — the market prices normalization, not a shut-in. Cross-asset corroborates: on 3 Sep gold RALLIED ~+2.4% and equities ran on the dovish-Waller repricing (a RATE story, real yields down), VIX ~14.5, and Brent EASED into the rally — NONE of the haven bid / vol spike / $100-130 spot a genuine closure would show. So the ~$94.6 barrel is a DEFICIT + modest-risk-premium price, not a shut-in price. The corridor is ~two-thirds open on volume; the RISK, not the flow, is what is elevated.
- **PHASE — HOLD Phase 2 (RE-ESCALATING, consolidating): the Phase-1 tail is HOT but no clean trigger PHYSICALLY fired** — We hold the analyst badge at Phase 2 (Fragile — RE-ESCALATING). The mechanical model would stamp Phase 1 on the deep-negative durability composite (the recent strikes, the fatality on the record, the visible-count throughput at floor). But the discipline

holds symmetrically: the clean full-closure triggers have NOT PHYSICALLY fired — no Kharg/terminal STRIKE (Kharg is rhetoric, not a hit), no tanker SUNK in-channel, no US strike on Oman, and Brent has FLATTENED below the $96-100 settle that would confirm the market pricing a shut-in. The market is the tell and it prices a premium, not a closure (on 3 Sep gold RALLIED on the dovish rate move not a Hormuz haven bid, VIX ~14.5, Brent EASED). So the badge HOLDS Phase 2 with the vector RE-ESCALATING but consolidating; the Phase-1 WATCH stays the live one, armed on a clean trigger.

- **VELOCITY — the swing is DOES A CLEAN TRIGGER FIRE (Kharg strike / an in-channel sinking / Brent settling >$96-100) vs the shooting burning out into the Oman framework** — Three vectors, tilted escalatory but flattening. THE KINETIC: the 31 Aug strike + the 1 Sep US retaliation keep a fresh corridor incident base-case-adjacent — the tail is hot — but 2-3 Sep was quiet on new hull events. THE PRICE: having flattened at ~$94.5, does Brent SETTLE above $96-100 (confirming a shut-in, tipping full Phase 1) or keep bleeding as the premium consolidates? THE DIPLOMACY: Qatari mediation is active but unresolved and the Oman framework is unimplemented (Iran wants the blockade lifted first) — execution, not a framework, is the gate. Modal: a hardened corridor at ~$90-95 (Brent), ~65% open on volume, with the KINETIC tail hot — HELD Phase 2, RE-ESCALATING but not confirmed, one clean trigger from a badge change.

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

- **NO NEW HULL STRIKE ON 2-3 Sep — the 31 Aug double strike (the 7th hull hit) stays the last physical event; the US retaliated 1 Sep on IRGC positions** — The escalation set did not extend this window. The last hull event stays 31 Aug: two supertankers (a Bahri-operated and a Korean-operated tanker) struck by projectiles minutes apart in the US-guarded southern corridor — reported as the 7th hull hit since the 14 Jul blockade. The US answered on 1 Sep with strikes on IRGC positions INSIDE Iran — a kinetic exchange, but not a chokepoint-closing event. On 2-3 Sep: no NEW hull strike, mine detonation, seizure or in-channel sinking reported. The physical picture is severe but STATIC over the window — which is why the arbiter (the barrel) is flattening rather than extending.
- **BRENT FLATTENED at ~$94.5-94.9 (-0.55%) — off the ~$95.6 highs; the Phase-1 price tell has NOT settled above $96-100** — The barrel is the arbiter and it is consolidating. Brent eased ~$94.5-94.9 (-0.55% on the day; store close corroborates the low-to-mid $90s; web trackers span ~$91-95), off the ~$95.6 intraday highs — the war premium (~$22 over a ~$72 base) INTACT but bleeding slightly, capped partly by incremental OPEC+ barrels. The pre-committed Phase-1 tell is a Brent daily SETTLE above ~$96-100, and the tape has flattened BELOW it. A crosswind persists — the week's macro driver was the Fed (a global long-end sell-off, paused 2 Sep on the doubled Treasury buyback), so part of the cross-asset move is rates, not Hormuz. The barrel flags a high plateau; the market has not priced closure.
- **KHARG stays RHETORIC, NOT struck — no change on 2-3 Sep; the clean full-closure trigger remains UNFIRED** — The one clean corridor-level supply-shock trigger stayed unfired. Kharg Island (~90% of Iran's crude exports) remains THREATENED — Trump's 31 Aug AI 'smithereens' video, characterised by the Vice-President as 'sending a message' — but a US official confirmed Kharg was NOT targeted, and there was no change on 2-3 Sep. Kharg is OPERATING (loadings disrupted). A STRUCK Kharg would be the corridor-level shock that confirms full Phase 1; a threatened-but-standing Kharg is rhetoric. So the clean full-closure trigger — a STRUCK terminal or a tanker SUNK in-channel — remains UNFIRED, which is why the badge holds Phase 2 even as the vector stays re-escalating.
- **DIPLOMACY — Qatari mediation ACTIVE but unresolved; the Oman mine-clearance framework on the table but NOT implemented (Iran wants the blockade lifted first)** — The de-escalation machinery survives but is subordinated to the standoff. Qatar's PM Al Thani ran a Tehran shuttle (met Araghchi 27 Aug) and Qatar says efforts are under way to end the war and reopen the Strait — but nothing is signed. The 25 Aug Iran-Oman framework (a temporary joint corridor + JOINT MINE-CLEARANCE) is still on the table but NOT implemented, and Iran's precondition is unchanged: lift the US naval blockade and sanctions FIRST. The prior 60-day US-Iran MoU lapsed 17 Aug ('the market stopped waiting'). Net: no de-escalation delivered on 2-3 Sep; talks continue against a live kinetic backdrop. Execution — not a framework — is the Phase-3 gate.
- **THE LEDGER (carried) — a fatality (Minoan Dignity, 18 Aug), a seizure (Qeshm, 17 Aug), US mine-launcher strikes; war-risk premiums elevated, shadow fleet dominant** — The physical ledger from the escalation weeks stands: the first FATALITY of the cycle (bulk carrier Minoan Dignity, engine room, chief engineer KILLED, 18 Aug), the first SEIZURE since June (Qeshm, 17 Aug), and reported US strikes on Iranian mine-launchers. War-risk cover is elevated (VLCC premium reported ~40x pre-crisis), the shadow fleet dominates movements, and Cape-of-Good-Hope rerouting is entrenched. These define the RE-ESCALATING vector; the flattening barrel and the quiet 2-3 Sep are why it is consolidating rather than extending. NB: shadow-fleet share and war-risk premium are range estimates — flag as such.
- **DIPLOMACY NET — 'no war, no deal' at a high-risk plateau: a dead MoU, a live kinetic backdrop, a subordinated framework, a bleeding barrel — RE-ESCALATING but not confirmed** — The net read is a high-risk plateau. The MoU is dead (17 Aug), the kinetic backdrop is live (the 31 Aug strike + the 1 Sep US retaliation), Qatari/Omani mediation is active but unresolved, and the barrel has flattened at ~$94.5. For a sustained window the ledger and the price pointed the SAME (escalatory) way; this window they consolidate. HOLD Phase 2, vector RE-ESCALATING; the Phase-1 WATCH is live on a clean trigger (a Kharg strike, an in-channel sinking, Brent settling >$96-100).

## WHERE WE'VE COME FROM — Trajectory

- **2026-08-25/26** — The vector TURNED to de-escalation: 'Operation Economic Outcast' came in SOFTER than feared, Brent FELL, and Iran and Oman announced a FRAMEWORK for a temporary joint corridor + JOINT MINE-CLEARANCE. HOLD Phase 2; de-escalation the LEADING vector.
- **2026-08-28** — The de-escalation BROADENS but stays UNCONFIRMED: the sanctions read as a 'warning shot', the framework gains a mechanism, Brent fades a FOURTH session to ~$88.9. HOLD Phase 2 — de-escalation LEADING, Phase-3 WATCH armed. Coincides with Chair Warsh's hawkish Jackson Hole debut.
- **2026-08-31 / 09-01** — THE DE-ESCALATION REVERSES. A FRESH double TANKER STRIKE (31 Aug) — the 7th hull hit since 14 Jul — dents reopening hopes; Brent RE-CLAIMS ~$94 (+~5%). The US retaliates 1 Sep on IRGC positions inside Iran. Throughput at floor. The price tell FLIPS back up — but the market prices a premium, not a closure (gold FELL, VIX ~16). HOLD Phase 2 — vector flips to RE-ESCALATING.

- **2026-09-02** — The macro tape RECOVERS (the global long-end sell-off pauses on the doubled Treasury buyback; S&P +0.46%), while the Hormuz premium holds ~$94-95. No new corridor trigger. HOLD Phase 2, RE-ESCALATING.
- **2026-09-03** — THE RE-ESCALATION FLATTENS. No NEW hull strike/mine/seizure/Kharg hit on 2-3 Sep; Brent bleeds slightly to ~$94.5 (-0.55%), off the ~$95.6 highs, NOT settling toward $96-100. Throughput at floor (~5 mb/d, visible ~5-6/day). Qatari mediation active but unresolved; the Oman framework unimplemented. HOLD Phase 2 (RE-ESCALATING, consolidating) — the Phase-1 tail HOT but no clean trigger fired; a high-risk plateau, not a fresh leg up.
- **The frame** — Symmetric discipline: we did not over-call de-escalation into the soft late-August sanctions, and we do not over-call closure now. The market is the tell — a contained premium (~$92-95), not a priced shut-in ($100-130). One clean trigger from a badge change in either direction.

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

- **DIRECTION — a re-escalating throttle CONSOLIDATING at a high plateau; the swing is whether a clean trigger fires or the shooting burns out** — The corridor holds RE-ESCALATING KINETIC RISK over a largely-intact flow (~13-16 mb/d dark-adjusted, ~65% open; visible ~5-6/day is the observable floor) that is consolidating: the KINETIC vector is hot but static over 2-3 Sep, the PRICE vector has flattened at ~$94.5, and the DIPLOMATIC vector (Qatari mediation + the Oman framework) is active but unimplemented. The frame stays WHOSE CLOCK RUNS OUT FIRST — Iran's stranded backlog + >60% inflation vs a US max-pressuring in word (Kharg threats) and deed (mine-launcher + IRGC strikes). The swing: does a CLEAN trigger fire (a Kharg strike, an in-channel sinking, Brent settling >$96-100) and tip full Phase 1, or does the shooting burn out and the Oman framework re-take the window.
- **TIP TO FULL PHASE 1 (active closure) — the WATCH live** — A confirmed STRIKE on Kharg / an export terminal, OR a tanker SUNK in-channel, OR a US strike on Oman, OR a genuine secondary-sanctions hit on China that Tehran answers in the Strait, OR a Brent daily close that SETTLES above ~$96-100. Any converts the consolidating throttle into a confirmed corridor supply-loss shock (Brent +$10-25 to $100-115) — landing on a market already fighting a two-decade-high 30y yield and a sticky US core: stagflationary. The live kinetic backdrop keeps this base-case-adjacent and the tail HOT — but 2-3 Sep it did not fire, and the barrel flattened.
- **PATH BACK TO PHASE 3 (de-escalation) — subordinated but alive on Qatari mediation** — The Oman corridor going OPERATIONAL — joint mine-clearance actually starting, transits climbing, dark falling — remains the named path, kept alive by active Qatari mediation and Iran's >60% inflation (which argues it wants the off-ramp). But it is subordinated: Iran wants the blockade lifted first, the framework is unimplemented, and the barrel is only bleeding, not collapsing. Execution — not a framework — is the gate; a durable ceasefire brokered by Qatar/Oman is the trigger.

## SCENARIOS — Base * Bear * Bull

- **BASE — RE-ESCALATING kinetic RISK over a largely-intact flow (~65% open), the barrel ~$90-95, the tail hot; Phase 2 HELD** — The shooting simmers (periodic risk, no clean corridor trigger), the Strait stays ~65% open on volume (~13-16 mb/d dark-adjusted; visible ~5-6/day the observable floor) with Kharg operating, and Brent settles ~$90-95 — a deficit + modest risk premium, not confirming a shut-in. Phase 2 held, vector RE-ESCALATING: escalated in kinetics, but no confirmed corridor shut-in, with Qatari mediation the live de-escalation option. The modal path — one clean trigger from a badge change.
- **BEAR — a clean corridor trigger fires (a Kharg strike / an in-channel sinking / a China hit answered in the Strait) -> FULL Phase 1** — The live kinetic backdrop produces a larger corridor incident — a Kharg/terminal strike, a tanker sunk in-channel, or a secondary-sanctions strike on China that Iran answers by closing/mining the corridor -> full active-closure; Brent SETTLES above $96-100 and runs to $100-115, a supply shock on a market already fighting a two-decade-high 30y yield and a sticky US core — stagflationary. The 31 Aug strike + the 1 Sep US retaliation keep this the hottest the tail has been.
- **BULL — Qatari mediation lands a ceasefire and the Oman framework OPERATIONALISES -> back toward Phase 3** — The strikes ebb, Qatari/Omani mediation converts into a durable ceasefire, the Iran-Oman framework goes OPERATIONAL — joint mine-clearance starts, the corridor opens, dark falls, transits rebuild — and Brent bleeds toward the demand/normalization anchor (high-$70s/low-$80s the curve prices). Iran's >60% inflation argues for the off-ramp. But the framework is unimplemented and Iran wants the blockade lifted first, so execution — not a framework — is the gate; the odds are subordinated to the shooting.

**Bottom line.** HOLD — Phase 2 (Fragile — RE-ESCALATING, consolidating), and READ THE CORRIDOR THROUGH THE PRICE. The vector stays RE-ESCALATING off the 31 Aug double tanker strike (the 7th hull hit since 14 Jul) and the US retaliation on 1 Sep (strikes on IRGC positions inside Iran — kinetic, not a chokepoint event). But nothing on 2-3 Sep tipped a clean Phase-1 trigger: no NEW hull strike, mine hit, seizure, Kharg/terminal strike (Kharg stays RHETORIC — Trump's AI video — not struck), tanker sunk in-channel, or US strike on Oman. And the ARBITER is FLATTENING: Brent eased to ~$94.5-94.9 (-0.55%), bleeding slightly off the ~$95.6 highs rather than settling toward $96-100 — the premium is CONSOLIDATING at a high plateau, not building a leg. THE KEY CORRECTION: throughput is NOT at floor — the visible ~5-6/day (~3-6%) undercounts dark flow; the ACTUAL dark-adjusted flow is ~13-16 mb/d (~60-75% OPEN, per Kpler/Goldman + the inventory-draw arithmetic: a ~4 mb/d global draw is incompatible with 5 mb/d Hormuz), and the pricing agrees (Brent ~$94.6 -> only a ~$14 acute premium -> ~66% implied open). So the 'closure' is VISIBLE, not physical — RE-ESCALATING kinetic RISK over a largely-intact flow. Diplomacy: Qatari mediation ACTIVE but unresolved, the Oman mine-clearance framework NOT implemented (Iran wants the blockade lifted first). The market still prices a premium (~$92-95), not a closure (gold RALLIED on the dovish-Waller rate move, not a Hormuz haven bid; VIX ~14.5; Brent EASED). So we HOLD Phase 2: the Phase-1 tail is HOT but no clean trigger PHYSICALLY fired — a high-risk plateau, not a fresh leg up. TIP TO FULL PHASE 1: a Kharg/terminal strike, a tanker SUNK in-channel, a US strike on Oman, a China hit answered in the Strait, or Brent SETTLING above ~$96-100. TIP BACK TO PHASE 3: the corridor going OPERATIONAL on a Qatari/Omani ceasefire — mine-clearance starting, transits climbing, dark falling. The swing: does a clean trigger fire (full Phase 1) or does the shooting burn out (Phase 3 re-nears).

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

| NAME | STATUS | RULE | SOURCE |
|---|---|---|---|
| **RE-STRESS** | FIRED | 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** | ARMED | 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 v13)** — 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.