LEDR & LEDR

GEOPOLITICS AND MARKETS | 15 JULY 2026

Hormuz remains passable, but far from normal. The risk premium is returning.

The renewed U.S. blockade of Iranian ports and new attacks on commercial vessels have reversed June's improvement. Flows from the Persian Gulf have fallen below half of pre-war levels, Brent is above USD 85 and shipping companies are again avoiding the non-Iranian route. Our base case is not a complete closure, but a prolonged period of constrained and expensive transit.

USD 85.42
BRENT
15 JUL | 11:50 CEST

<50%
GULF EXPORTS
versus pre-war level

56
CONFIRMED INCIDENTS
as of 14 Jul

17
SEAFARER FATALITIES
confirmed by IMO

THIS REPORT IN FIVE POINTS

Hormuz is moving back into a high-risk regime

Physical transit continues, but commercial confidence, insurability and flow reliability are deteriorating again.

1 The strait is not fully closed, but normal operations do not exist

Commercial vessels are still transiting, mostly through the Iranian route. Activity on the non-Iranian route has dropped sharply and carriers remain highly risk-averse.

2 June's recovery in flows is reversing again

Persian Gulf exports rose to 16.1 million barrels per day in June, but fell to roughly 11 million barrels per day over the latest week, below half of the pre-war level.

3 Oil is pricing a partial disruption, not a complete shutdown

Brent near USD 85 includes a higher risk premium, but not a full-closure scenario. The price-risk distribution is therefore asymmetrically skewed to the upside.

4 LNG and fertilizers are more vulnerable than oil

Oil can be partly rerouted through pipelines. Qatari and Emirati LNG has no full-scale alternative route, while a significant share of global fertilizer trade also passes through Hormuz.

5 Duration and a potential second chokepoint are decisive

A short escalation means higher volatility. Simultaneous disruption in Hormuz and Bab el-Mandeb would turn a regional conflict into a systemic energy shock.

LEDR & LEDR INTERPRETATION

Our baseline is constrained transit under military protection, not a complete and permanent closure. This regime is inflationary, negative for margins and creates an unstable environment for risk assets. A full closure has a lower probability, but an exceptionally high impact.

Sources: IMO; IEA; EIA; WTO/AXSMarine; CENTCOM; U.S. Treasury; Reuters, data through 15 July 2026.

STATUS AS OF 15 JULY 2026

Transit continues, but the security and commercial regime has deteriorated

The indicators capture different points in time; the dashboard separates physical flows, security conditions and market pricing.

USD 85.42 BRENT 15 JUL | 11:50 CEST	~11 mb/d GULF EXPORTS latest week; below 50%	11 VESSELS ON 14 JUL 9 via the Iranian route	0 NON-IRANIAN TANKERS visible entries/exits on 14 Jul
56 INCIDENTS confirmed by IMO through 14 Jul	17 FATALITIES confirmed by IMO	~6,000 SEAFARERS still stranded in the Gulf	800+ ESCORTED TRANSITS since early May

COMPOSITE SIGNAL

SECURITY	PHYSICAL FLOWS	OIL	LNG / FERTILIZERS	RISK ASSETS
high risk	weak	risk premium	critical	cautiously negative

REGIME ASSESSMENT

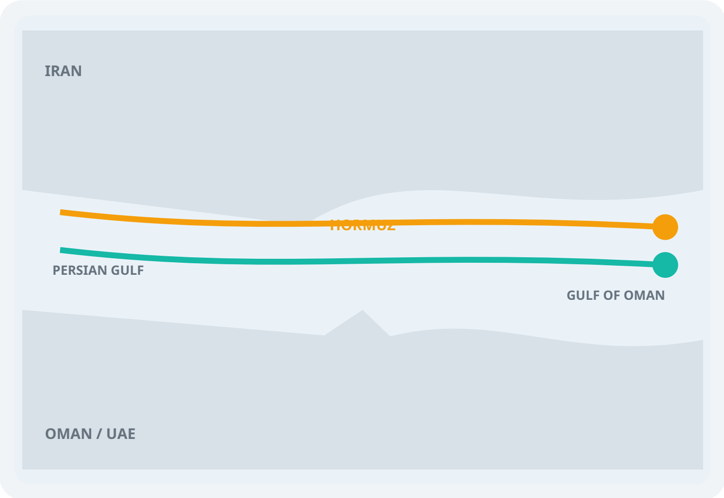
The key issue is not the number of vessels on a single day, but the restoration of regular transit through the non-Iranian route, lower insurance costs and exports returning above at least 70% of the pre-war level. Until then, this remains a wartime transit regime, not normalization.

Sources: Reuters (15 Jul); IMO incident tracker (14 Jul); CENTCOM (11 Jul); Goldman Sachs estimate via Reuters.

WHY HORMUZ IS SYSTEMIC

A single narrow strait connects Persian Gulf producers with the global market

Oil has limited bypass capacity; for LNG, an alternative route is effectively unavailable.



25%

OF GLOBAL SEABORNE OIL TRADE

share in 2025

~20%

OF GLOBAL LNG TRADE

more than 112 bcm in 2025

3.5-5.5 mb/d

AVAILABLE BYPASS CAPACITY

Saudi Arabia + UAE

80%

OIL FLOWS WENT TO ASIA

Asia is the principal destination for oil and petroleum products passing through the strait.

90%

LNG FLOWS WENT TO ASIA

Hormuz accounted for about 27% of Asian LNG imports, but only roughly 7% of European inflows.

0

FULL-SCALE LNG BYPASSES

Qatari and Emirati LNG cannot be redirected through pipelines to alternative terminals in the short term.

KEY ASYMMETRY

Pipelines and inventories can cushion an oil shock. LNG is harder to replace and transmits more quickly into gas, power and industrial-input prices.

Sources: IEA, The Middle East and Global Energy Markets; IEA Strait of Hormuz factsheet, 2025 data.

2026 TIMELINE

The June agreement restored flows, but failed to create lasting confidence

Repeated breaches of the truce show that formal reopening and commercial normalization are two different outcomes.

28 FEB

Conflict and de facto closure

Flows fall sharply as Gulf production and exports are curtailed.

17-18 JUN

U.S.-Iran MOU and reopening

A cautious restart of shipping begins and stranded tankers are released.

JUNE

Exports rise to 16.1 mb/d

A meaningful improvement, but still below the pre-war 24 mb/d level.

7 JUL

New attacks and OFAC licence revoked

Security conditions deteriorate again and pressure on Iranian exports increases.

11-13 JUL

Further U.S. strikes and renewed blockade

CENTCOM reports more than 300 targets struck over three nights.

14-15 JUL

New fatalities and renewed closure threat

IMO confirms two further fatal incidents; oil moves back above USD 85.

INTERPRETATION

The principal obstacle is not physical passability alone, but the short life of agreements and the absence of an insurable security guarantee. Markets therefore react more quickly to each incident than to political declarations.

Sources: IEA OMR July 2026; IMO; CENTCOM; OFAC; Reuters. Events updated through 15 July 2026.

PHYSICAL FLOWS AND PRICE

The oil market has shifted from recovery back to a risk-premium regime

The current price reflects constrained transit. Neither a full closure nor lasting normalization is fully priced.

98.8 mb/d

GLOBAL SUPPLY IN JUNE

+4.1 mb/d m/m, but -9.4 mb/d versus pre-war levels

USD 85.42

BRENT

15 JUL 11:50 CEST

<50%

EXPORTS VS PRE-WAR

approximately 11 mb/d over the latest week

IF NORMALIZATION RESUMES

EIA's July base case projects average Brent declining toward USD 70 in 4Q26, provided flows recover gradually.

IF FLOWS STAGNATE

Goldman Sachs, cited by Reuters, estimates that Brent could exceed USD 110 in 4Q26 if the export recovery stalls.

LEDR & LEDR ASSESSMENT

The current price reflects a partial disruption, not a systemic shutdown. Risks are skewed upward if exports remain below 50% for several weeks or Bab el-Mandeb is disrupted in parallel.

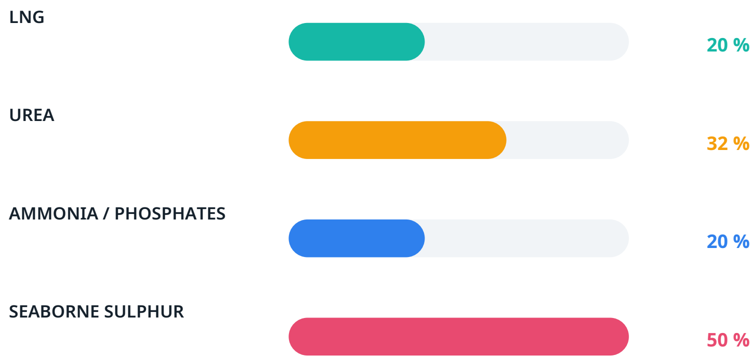
Sources: IEA Oil Market Report, 10 July 2026; EIA STEO, 7 July 2026; Reuters, 15 July 2026.

THE SECOND SHOCK CHANNEL

LNG, fertilizers and sulphur products carry the disruption far beyond oil

These commodities are less substitutable and create a higher risk of second-round price effects.

SHARE OF GLOBAL TRADE PASSING THROUGH HORMUZ



>300 mcm/d

POTENTIAL LNG SHORTFALL

twice the 2021 Nord Stream flow

27%

OF ASIAN LNG IMPORTS

passed through Hormuz in 2025

7%

OF EUROPEAN LNG INFLOWS

direct share is lower; price transmission is global

DIRECT IMPACT

An LNG shortfall raises gas and power prices. Fertilizer constraints increase agricultural input costs. Sulphur disruption affects chemicals, refining and critical-mineral processing.

SECOND-ROUND IMPACT

The price shock passes into food, industrial margins and fiscal compensation. Asia has the largest direct exposure, but Europe remains a price taker in the global LNG market.

Sources: IEA, Strait of Hormuz; IEA, The Middle East and Global Energy Markets, 2025 data.

FROM THE STRAIT TO INFLATION

The energy shock creates a stagflationary trade-off for central banks

Higher input prices push inflation upward, while weaker real incomes and margins weigh on growth.

Security
attacks, blockade, insurance

>

Shipping
fewer vessels, higher rates

>

Commodities
oil, LNG, fertilizers

>

Prices
CPI, PPI, energy

>

Economy
margins, income, demand

>

Policy
rates, fiscal, reserves

GLOBAL MACRO

- **Headline inflation:** rises faster than core if the shock is brief.
- **Core inflation:** rises with a lag through shipping, chemicals and food.
- **Growth:** weakens through real incomes, trade and margins.
- **Central banks:** have less scope to ease quickly without a recession signal.

EUROPE AND CZECHIA

- **Direct exposure:** is lower than in Asia, but prices are global.
- **Czech koruna and euro:** risk-off can amplify imported inflation through weaker exchange rates.
- **Companies:** shipping, chemicals and energy-intensive industry face higher costs.
- **CNB / ECB:** must balance a price shock against weaker demand.

CAUSAL CHAIN

Less secure Hormuz -> higher insurance costs and lower physical flows -> more expensive oil, LNG and fertilizers -> higher headline inflation and lower real incomes -> pressure on margins and growth -> central banks delay easing until recession risk dominates.

Sources: Ledr & Ledr analytical framework; IEA data on energy and commodity channels.

MARKET IMPLICATIONS

The first response is risk-off; rates and the dollar determine the medium-term outcome

The same energy shock can be negative for Bitcoin in the near term and later support liquidity if it triggers a policy response.

MARKET / CHANNEL	NEAR TERM	MEDIUM TERM
Oil and energy	Higher prices and volatility; producers are relatively more resilient.	Depends on flow duration, policy intervention and demand destruction.
Shipping and airlines	Higher fuel, insurance and longer routes pressure margins.	Price pass-through and capacity reductions; weaker demand may offset part of the pressure.
Bonds	The inflation component pushes yields higher, while risk-off supports safe bonds.	The final direction depends on whether inflation or weaker growth dominates.
USD and gold	USD benefits from liquidity and safe-haven demand; gold from geopolitics.	Gold depends on real yields; the dollar on global risk aversion.
Equities	Negative for consumers, transport and industry; positive for parts of energy.	Margins and monetary policy matter more than the headline alone.
Bitcoin	Risk-off, a stronger dollar and higher real yields are negative in the near term.	Turns supportive only with lower real yields and easier dollar liquidity.

LEDR & LEDR INTERPRETATION

Bitcoin is not an automatic safe haven. During a supply shock, deleveraging, a stronger dollar and higher real yields usually dominate first. A positive medium-term channel emerges only if economic weakness leads to easier rates and liquidity.

Sources: Ledr & Ledr analytical framework. Market reactions depend on the duration and source of the shock.

3-6 MONTH HORIZON

The base case is constrained transit; risks remain skewed toward further escalation

Weights are subjective Ledr & Ledr analytical estimates as of 15 July 2026.

50%

BASE CASE

Constrained wartime transit

Exports fluctuate around 40-70% of pre-war levels. Brent remains mostly in a USD 80-100 range. Inflation rises, but a full-scale global energy crisis is avoided.

20%

UPSIDE

Rapid de-escalation

Two attack-free weeks, the non-Iranian route reopens and exports rise above 70%. Insurance and freight costs fall, Brent returns to USD 65-80 and LNG stress gradually recedes.

30%

DOWNSIDE

Systemic escalation

Repeated attacks on tankers or terminals, exports below 30% and Bab el-Mandeb risk. Brent exceeds USD 110, while LNG and fertilizers create a broader stagflationary shock.

TRANSITION BETWEEN SCENARIOS

TOWARD UPSIDE: 14 attack-free days + non-Iranian route restored + exports above 70% + lower insurance and freight rates.

TOWARD DOWNSIDE: further fatal attacks + strikes on export terminals + exports below 30% + disruption in Bab el-Mandeb.

METHODOLOGY

The weights are subjective estimates, not a statistical model or point forecast.

Sources: Ledr & Ledr scenario framework as of 15 July 2026; price ranges draw on EIA and Reuters/Goldman estimates.

WHAT TO WATCH NEXT

Operational data matter more than political headlines alone

The key indicators are non-Iranian-route transits, export volumes, crew safety and insurability.

Frequency	Indicator	Why it matters
DAILY	**Transits via the Omani and international route**	The return of tankers outside the Iranian route is the clearest signal of restored confidence.
DAILY	**New incidents and crew conditions**	Another fatal attack would extend the risk premium and delay normalization.
WEEKLY	**Persian Gulf exports**	Above 70% of pre-war levels confirms recovery; below 30% signals a systemic shock.
WEEKLY	**Brent curve, freight and insurance**	Backwardation and rising transport costs signal physical tightness.
ONGOING	**U.S.-Iran diplomacy and blockade regime**	Any agreement must include an operational guarantee and transit rules.
ONGOING	**Bab el-Mandeb and Houthi activity**	A second chokepoint would multiply the impact on energy and container shipping.
POLICY	**Strategic reserves and energy conservation**	Inventory releases cushion price spikes, but do not restore the strait's physical capacity.

PRIORITY

For markets, the combination of physical flows, insurance and incidents has the greatest information value. A political declaration without the return of commercial shipping is not normalization.

Sources: Ledr & Ledr monitoring framework; WTO/AXSMarine; IMO; IEA; CENTCOM; market data.

INVESTMENT VIEW

NEGATIVE FOR THE INFLATION OUTLOOK AND CAUTIOUSLY NEGATIVE FOR RISK ASSETS. THE BASE CASE IS CONSTRAINED TRANSIT, NOT A COMPLETE CLOSURE.

The Strait of Hormuz remains physically passable, but commercial normalization is receding again after the July escalation. Persian Gulf exports have fallen below half of pre-war levels, security incidents continue and Brent has moved back above USD 85. Our base case assumes constrained transit under military protection. Risks are skewed toward higher energy prices, particularly if LNG flows or a second chokepoint in Bab el-Mandeb are disrupted.

WHAT WOULD CHANGE OUR VIEW

POSITIVE	Two attack-free weeks, restoration of the non-Iranian route, exports above 70% of pre-war levels and lower insurance costs.
NEGATIVE	Strikes on tankers or terminals, exports below 30%, a prolonged LNG disruption or a second front in Bab el-Mandeb.

PRIMARY SOURCES

- IEA: Oil Market Report, July 2026
- IEA: Strait of Hormuz / Global Energy Markets
- EIA: Short-Term Energy Outlook, 7 July 2026
- IMO: confirmed incidents through 14 July
- CENTCOM: public releases, 11-13 July
- U.S. Treasury / OFAC, 7 and 15 July
- Reuters: oil and shipping updates, 15 July

LEDR & LEDR

Research & Advisory

- Geopolitics and markets
- Bitcoin & Macro Outlook
- Rapid Response reports
- White-label research
- Institutional briefings

Michael Lédr
michael@ledraledr.com | ledraledr.com | +420 774 311 234