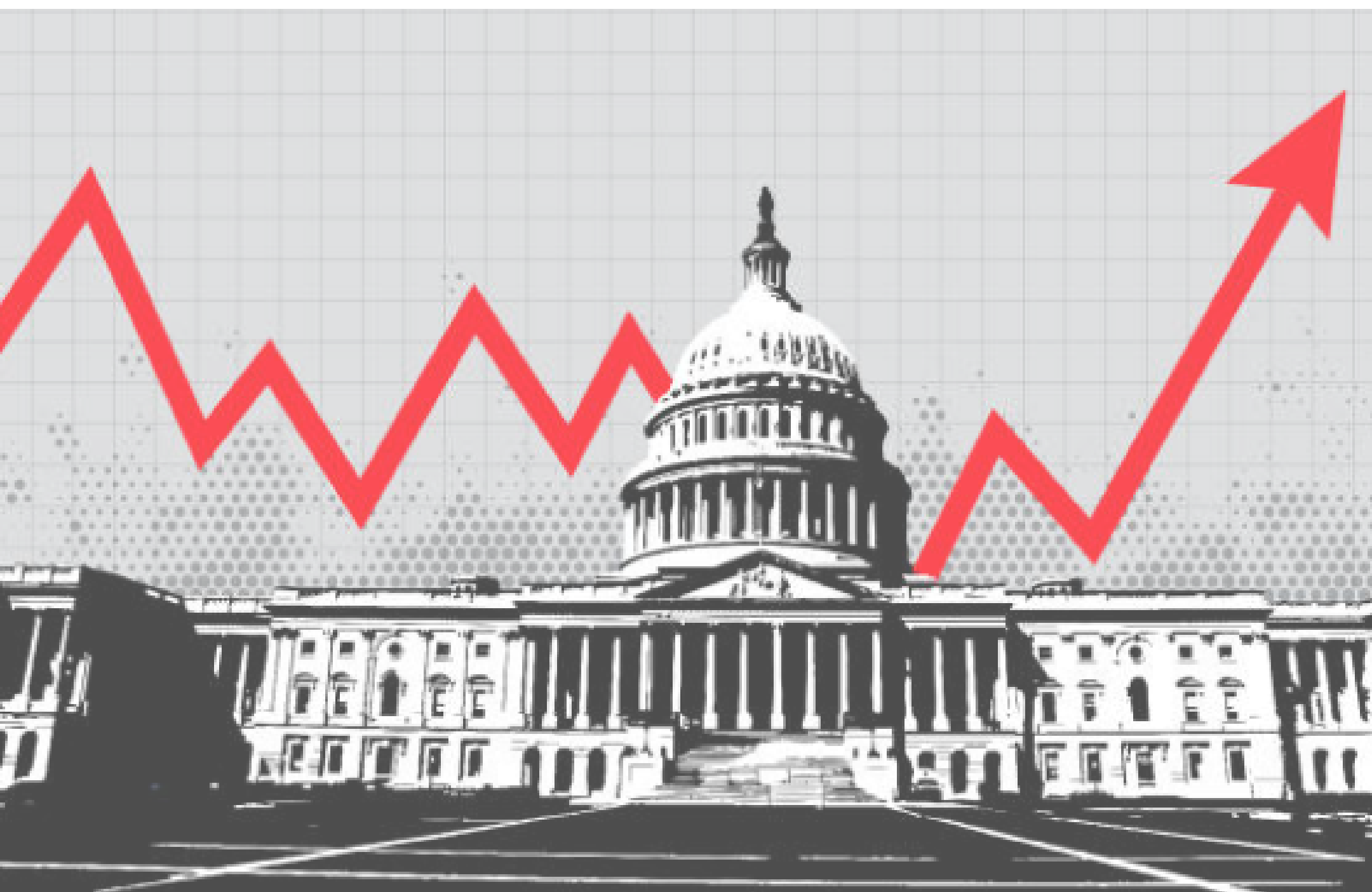


**ENERGY &
COMMODITIES**

**EQUITY &
CURRENCY**

**SHIPPING &
TRADE**

WEEKLY INSIGHTS: GEOPOLITICS AND EQUITY



FOREX BRIEF · TRADE WATCH · GEO UPDATE · MARKETS ALERT

Authored By

Editor

 **Parv Jain**  **Kavyansh Bansal**  **Yash Wadhwa**

 **Viren Kakkar**

GEOPOLITICS: Iran-US strikes kill Khamenei as Natanz hit, reaches its most dangerous threshold yet

OIL ALERT: Brent crosses \$100 for first time since 2022, peaks at \$120, fastest surge of any modern conflict

Geopolitics

Nuclear escalation

Energy & Commodities

Supply chain collapse

BRENT CRUDE

~\$112/barrel

Up 50% since Feb 28

Hormuz Transits

Near total halt

De facto closed

Gold

\$5085/oz

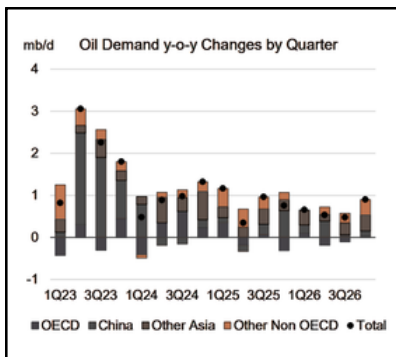
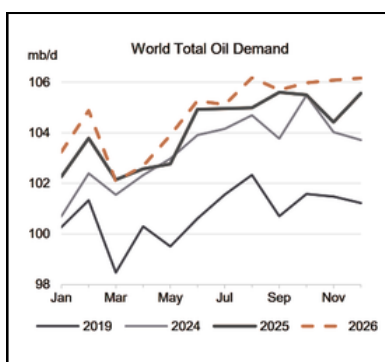
6% selloff

IEA Reserves

400M bbls released

Largest in IEA history

Brent Crude: The Fastest Surge in Modern Conflict History



SOURCE: MARKET, O. (2026, MARCH 12), OIL MARKET REPORT - MARCH 2026 - ANALYSIS - IEA. IEA. [HTTPS://WWW.IEA.ORG/REPORTS/OIL-MARKET-REPORT-MARCH-2026](https://www.iea.org/reports/oil-market-report-march-2026)

From \$63 in January to \$120 at peak, Brent's climb since the strikes began has no modern precedent. Not Ukraine. Not the Gulf War. Not Iraq. Every annotation on this chart **marks a decision, not a market movement.**

The \$100 crossing on March 8 was not a milestone. **It was a warning.** What the chart does not show is everything else moving with it, fertilizer, food, jet fuel, gas. Oil is the headline. **The supply chain is the real story.**

Goldman Sachs puts \$147.50 on the table if Hormuz stays shut for 60 days.

LEAD STORY · GEOPOLITICAL TENSIONS

Iran, Natanz, and the Point of No Return

On February 27, Oman confirmed a breakthrough, Iran had agreed to never stockpile enriched uranium, full IAEA verification, and to irreversibly downgrade its enriched uranium. The US assessed diplomacy was insufficient. The next day, 900 strikes in 12 hours **killed Khamenei**, dismantled military leadership, and hit Natanz, the world's most significant enrichment facility.

The conflict has since spilled into Qatar, UAE, and Iraq, with both sides showing no interest in a diplomatic solution three weeks in. What makes this different from every prior Middle East confrontation is the **nuclear dimension**. Nuclear escalation reaches its most dangerous threshold yet

Why it matters: The geopolitical landscape of the Middle East will **look fundamentally** different once this ends. Iran struck countries that were previously neutral, redrawing regional alliances permanently.

The question is no longer if this escalates. It is what kind of Middle East exists when it finally stops.



ENERGY AND COMMODITIES

LEAD STORY · ENERGY & COMMODITIES

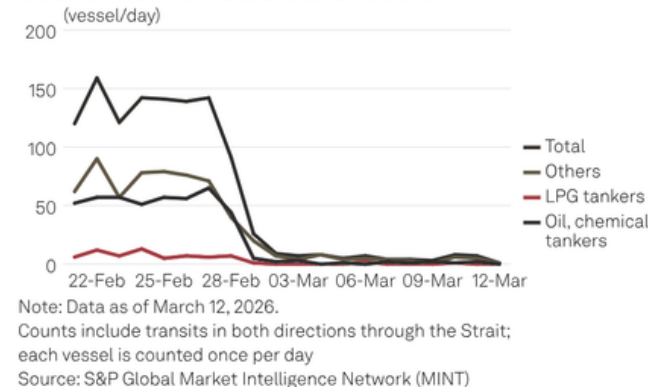
\$120 a Barrel. And the Worst May Not Be Over.

On March 2, Iran declared the **Strait of Hormuz** closed, carrying out attacks on transiting vessels. Major oil companies and insurers withdrew, creating a **de facto closure** with insurance premiums at **six-year highs**. Brent crossed \$100 on March 8, peaking at \$120 in the **fastest price surge** of any conflict in recent history.

Oil production from Kuwait, Iraq, Saudi Arabia, and UAE collectively dropped by at least **10 million barrels per day**. The IEA called it the greatest global energy and food security challenge in history. The damage extends beyond oil. QatarEnergy declared force majeure on all LNG exports. European gas benchmarks nearly doubled. The ECB postponed rate cuts and **raised its 2026 inflation forecast**. Fertilizer supply has collapsed and food prices are rising globally.

Why it matters: A full closure of Gulf oil exports removes 20% of global supply, with the Dallas Fed estimating a **2.9 percentage point hit** to global GDP growth in Q2 2026. This stopped being just an energy story the moment food prices started moving.

Strait of Hormuz vessel transit count



When a single strait can spike oil, freeze central bank policy, and empty supermarket shelves simultaneously, the world's infrastructure dependencies are dangerously exposed.

MARKETS ALERT: S&P 500 breaks 200-DMA for first time since May 2025 — six months of gains erased

FOREX: Dollar Index surges 2%+ as rate-cut hopes evaporate — 10-Yr yield hits 4.26%

EQUITY MARKETS

Stock Market & Indices

CURRENCY & FOREX

Exchange Rates & Macro

S&P 500

-1.51 %

6,506 pts · Mar 20 close

DOW JONES

-0.96 %

-444 · 4th losing week

NASDAQ

-2.01 %

Lowest since Sep'25

US 10 Year yield

4.26 %

↑ from 3.96% end-Feb

INDEX SNAPSHOT

RUSSELL 2000

-2.1 %

Correction territory

WTI CRUDE

>\$100

First time in 4 years

DX

+2.1 %

MTD safe-haven surge

LEAD STORY · EQUITY

From Cautious Bounce to Bear Signal: How Markets Read the Iran Shock Wrong ?

The S&P 500 surged 1% on March 16 on calming signals — then erased six months of gains by March 21 as yields, geopolitics, and Fed paralysis converged.

Goldman Sachs called the supply shock "narrowly concentrated in energy," giving markets permission to rally on March 16. The S&P climbed **1% to 6,699**, Nasdaq jumped 1.2%, and Nvidia led tech higher ahead of GTC 2026. With the Fed decision two days away and oil stabilising briefly, the mood shifted.

The **Fed held on March 18**, but Powell's admission that wartime forecasting was "nearly impossible" removed any clarity markets were hoping for. **The 10-year yield** — already up 30bps from end-February - told the real story: bond markets were pricing in persistent inflation and fewer cuts long before equities caught up.

By March 20, Iraq declared force majeure on all foreign oil operations and the Pentagon confirmed more Marine deployments. **The S&P fell 1.51% to 6,506** - its fourth consecutive weekly loss, the longest streak in three years. **On March 21**, strikes on Natanz pushed it below the 200-DMA for the first time since May 2025. For Indian investors: rising US yields accelerate FII outflows from Indian equities. Watch the **RBI's response to Rupee** pressure carefully.

S&P MARCH TRAJECTORY



SOURCE: DATA SOURCE
HTTPS://FINANCE.YAHOO.COM/QUOTE/%5EGSPC/HISTORY/

”The supply shock appears narrowly concentrated in the energy sector — a key distinction from the 2021–22 inflation surge.”

Goldman Sachs · Mar 16, 2026 via Wall Street Journal

CURRENCY & FOREX

Exchange Rate

LEAD STORY · CURRENCY & FOREX

The Yield Signal That Equity Markets Were Slow to Read

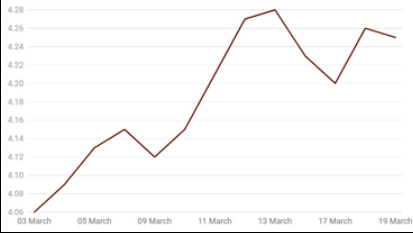
The 10-year Treasury yield climbed 30bps in three weeks. The dollar surged on safe-haven demand. Both moves had direct consequences for emerging markets, including India.

Bond markets led. The 10-year yield's rise from **3.96% to 4.26%** reflected investors selling Treasuries on inflation fears - higher oil meant fewer Fed cuts. The Dollar Index climbed over 2% as safe-haven demand and repriced cut expectations converged, directly undermining the **Trump administration's export** competitiveness goals. A stronger dollar makes US goods more expensive abroad, complicating the White House's push to revive domestic manufacturing through trade.

The Philippine Peso fell to a record **60.1 per USD on March 19** after Israeli strikes on South Pars and Iranian retaliation on Gulf energy sites. Diesel prices surged **38.6%**. India angle: With ~85% of crude imported, sustained \$100+ oil widens India's current account deficit. Combined with FII outflows driven by US yield differentials, the Rupee faces structural pressure — echoing 2013's Taper Tantrum dynamics.

Yields, which rise when bond prices fall, influence borrowing costs across the economy including mortgage rates. **The Trump administration** had explicitly prioritised lower Treasury yields to address affordability and reduce interest payments on the national debt - yet the war has pushed yields sharply higher, working directly against that goal at the worst possible moment.

US 10 Year Yield - March



SOURCE: DATA SOURCE
HTTPS://FRED.STLOUISFED.ORG/SERIES/DGS10

INR / USD - March



SOURCE: DATA SOURCE
HTTPS://FINANCE.YAHOO.COM/QUOTE/INR%3DX/HISTORY

”Whether these moves continue depends on the price of oil and the duration of the conflict.”

CNN Business · March 12, 2026

EQUITY BRIEF

■ FLOW DATA

On March 16, the S&P bounced 1% to 6,699 — its best session in five weeks. Goldman Sachs argued the supply shock was "narrowly concentrated in energy," calming markets ahead of the Fed decision.

■ SECTOR WATCH

Nvidia led the March 16 rally on GTC 2026 conference optimism. By March 20, both Nvidia and Tesla shed 3% each as rising yields hit growth valuations hardest.

FOREX RATES

INR / USD

93.4

Rupee under pressure; near record low

USD / PHP

60.1

Record low · Mar 19

FOREX BRIEF

CENTRAL BANKS ACTION

The Fed held rates at 3.5–3.75% on March 18. Powell called wartime forecasting "nearly impossible," signalling no imminent cuts regardless of growth data.

SHIPPING: Geopolitical tensions drive freight costs higher, disrupting global shipping stability.

TRADE: Trade routes shift into strategic assets, reshaping global economic power dynamics.

SHIPPING

Global Trade Pulse

TRADE

Supply Chain Dynamics

BRENT CRUDE OIL PRICE

\$84.6

+2.3% WoW

BALTIC DRY INDEX

1,780

+5.1% WoW

CONTAINER FREIGHT RATE

1,250

+8.4% WoW

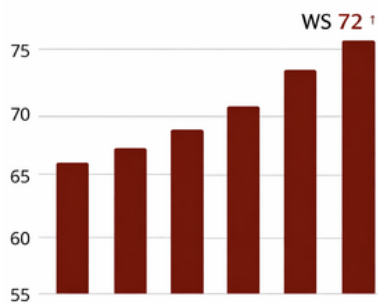
TANKER FREIGHT RATES

WS 72

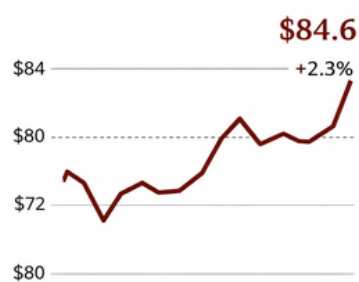
+12% WoW

INDEX SNAPSHOT

VLCC Tanker Freight Rates



Brent Crude Oil Price



Oil prices show a steady upward movement from ~\$81 to ~\$84.6, reflecting rising geopolitical risk premiums around critical chokepoints like the Strait of Hormuz. The gradual climb suggests markets are pricing in sustained supply uncertainty rather than a one-off spike.

Tanker rates have surged sharply from WS 60 to WS 72, indicating increased costs of transporting crude oil. This spike is driven by higher insurance premiums, rerouting risks, and tighter vessel availability amid security concerns.

IMPLEMENTATION

Rising oil prices + surging freight rates signal that disruptions are no longer localized—they are feeding directly into global trade costs and inflation expectations.

LEAD STORY · SHIPPING

Strait of Hormuz Turns Strategic Flashpoint As Trade Routes Get Militarised

Trade routes are evolving into geopolitical battlegrounds—this is no longer a temporary disruption, but a re-pricing of global trade risk.

Amid **rising tensions** in West Asia, naval deployments have intensified around the Strait of Hormuz, a chokepoint handling nearly 20% of global oil trade. Talks around establishing a **“safe corridor” for commercial vessels** have gained traction, led by US and allied naval forces.

Insurance premiums for tankers **have surged**, while rerouting risks remain elevated. Shipping firms are increasingly **factoring geopolitical risk** into operational decisions.

This marks a structural shift -trade routes are no longer neutral arteries but contested strategic zones. In the short term, higher freight and insurance costs will push up **global shipping expenses** and oil prices.

Over the long term, persistent militarisation could force diversification of routes, increase dependence on alternative corridors, and fragment global trade efficiency. **Energy-importing nations like India and China** remain most exposed.



TRADE FLOWS & LOGISTICS

LEAD STORY · TRADE

Naval Alliances Rise As Nations Race To Secure Global Shipping Lanes

The protection of trade is becoming collective - but also conditional - hinting at a future where global commerce follows geopolitical alliances, not just economics.

Major economies including the US, EU, and regional partners have stepped up coordinated naval patrols across key maritime corridors such as the **Red Sea and Indo-Pacific**.

Multinational task forces are being formed to protect commercial shipping from disruptions, particularly in **conflict-prone zones**.

Countries like **India and Japan** are expanding their maritime security roles, signaling a broader coalition-based approach to trade protection.

Shipping security is rapidly becoming a pillar of geopolitical alliances, much like energy or defense.

In the short term, this **reduces** immediate disruption risks and stabilizes trade flows. However, in the long run, it could lead to **bloc-based trade systems** where routes are influenced by political alignment rather than efficiency.

This raises the risk of fragmentation in **global trade networks**.

