

## SITUATION OVERVIEW

### Hormuz is Open for Commerce, but the Coercive Architecture Remains Intact

The regional picture is calmer tactically, but still shaped by coercive pressure rather than genuine de-escalation. The Strait of Hormuz has reopened to wider commercial passage, while blockade and sanctions pressure remain in force for Iran-linked trade. That distinction is now feeding a more international response. France and Britain have convened a 49-country effort around future maritime security in Hormuz, and Starmer says more than a dozen states are ready to contribute to a defensive mission aimed at protecting navigation once conditions permit. At the same time, diplomacy with Iran is becoming more structured, with bargaining now focused on uranium stocks, frozen funds and monitoring arrangements. The region is therefore moving into selective reopening under pressure: flows may improve, but recovery is increasingly dependent on organised external support.

## COUNTRY KEY DEVELOPMENTS

### Iran

- Tehran says Hormuz is open, but still resists core nuclear concessions.

### Israel

- The 10-day ceasefire is politically significant, but remains militarily fragile.

### United Arab Emirates

- UAE is pairing diplomacy with visible humanitarian support to Gaza.

### Saudi Arabia

- Saudi Arabia is using visa relief and traveller support to manage disruption.

### Kuwait

- Kuwait International Airport remains fully closed with no confirmed reopening date.

### Qatar

- Hamad International is adding flights as selective hub recovery continues.

### Oman

- Oman remains central to transit proposals and future navigation planning.

### Iraq

- Iraq still relies on workaround routes as maritime normalisation lags.

### Lebanon

- Ceasefire momentum is real, but implementation and force posture remain contested.

### Türkiye

- Ankara remains active in the wider mediation architecture around the next talks.

### Yemen

- Red Sea risks still shadow any meaningful maritime recovery.

### Egypt

- IMF says Egypt's growth is being pressured by global commodity shocks.

### Syria

- US withdrawal is complete, with Syrian authorities now in full control.

## RISK INDICATORS

**Security Risk:** Ceasefires may moderate immediate strike risk, but proxy, militia, terrorist and hybrid threats still sustain escalation pathways.

**SEVERE**

**Aviation Risk:** Selective recovery continues, but fuel costs, rerouting and uneven confidence still leave schedules exposed.

**HIGH**

**Maritime Risk:** Hormuz has reopened, but interdictions, Houthi threats, piracy and legal uncertainty still suppress shipping confidence.

**SEVERE**

**Energy Risk:** Oil has eased sharply, but logistics stress, sanctions pressure and constrained petrochemical flows still leave markets vulnerable.

**HIGH**

## OPERATIONAL IMPACT

### Aviation

- Qatar Airways is operating 110+ daily departures and expanding again in June.
- IATA says Europe could face summer cancellations from late May as Hormuz disruption squeezes jet fuel.
- Dubai is capping foreign airline frequencies at DXB and DWC from 20 April.

### Logistics & Supply Chain

- Iraq-Syria workarounds remain commercially useful but structurally inefficient.
- Lactalis says Hormuz disruption is delaying dairy cargoes and risking spoilage in transit.
- Pirelli is raising prices and cutting costs as Middle East instability hits margins.
- G7 finance chiefs warn the war is threatening trade, inflation and supply chains.

### Maritime

- France and Britain are rallying about 40 countries around a future Hormuz mission.
- Talks are focusing on more than 20,000 stranded seafarers and blocked vessels.
- European states favour post-conflict navigation support.
- A defensive mission may include escorts, mine-clearing and an operational centre in Oman.

### Energy Markets

- Iran has halted petrochemical exports, tightening regional industrial supply conditions.
- US gas markets look more insulated than oil-linked trade and petrochemicals.
- Brent is trading between diplomacy hopes and stressed logistics.
- Alternative barrels and LNG replacement cargoes are gaining strategic relevance.

## OUTLOOK (NEXT 72–96 HOURS)

The next 72–96 hours are likely to be shaped by selective reopening, more structured diplomacy and growing multinational involvement in maritime security rather than by durable de-escalation. Wider commercial passage through Hormuz should continue to support some recovery in shipping sentiment and oil pricing, but the blockade architecture aimed at Iran-linked trade remains intact. That means commercial improvement will still be partial, conditional and vulnerable to disruption. The emerging UK-France-led effort to organise a defensive Hormuz mission, with more than a dozen countries reportedly ready to contribute, also shows that recovery is becoming an internationally managed security issue rather than a purely market-driven adjustment. At the same time, the reported US-Iran framework discussions suggest bargaining is moving onto more concrete ground around uranium stocks, frozen assets and monitoring arrangements. Even so, the underlying disputes over enrichment, verification, sanctions relief and long-term maritime access remain unresolved. The most likely scenario is partial stabilisation under pressure, with flows improving faster than legal certainty, insurer confidence or political trust, and with deniable maritime, proxy or cyber shocks still capable of reversing sentiment quickly.

## ADVISORY NOTE

Companies should treat the current phase as selective reopening under coercive pressure, not restored normality. Wider commercial passage through Hormuz may improve near-term shipping sentiment, but sanctions exposure, documentation risk and legal ambiguity remain highly material, especially where cargoes, counterparties or payment chains touch Iran-linked trade. Maritime, energy, aviation and industrial buyers should therefore avoid assuming that resumed movement equals dependable access. Treasury, legal, procurement and logistics teams should continue reviewing insurer requirements, freight buffers, cargo provenance, cyber resilience and any Iranian-linked vessels, entities or settlement channels. Firms should also plan for second-order disruption beyond crude, including petrochemicals, LNG replacement cargoes, fuel-cost pass-through and potential payment friction linked to sanctions tightening. Leadership teams should distinguish clearly between commercial easing and political settlement: the former may advance quickly, while the latter remains incomplete and reversible. Internal escalation triggers should stay active for renewed maritime enforcement, a proxy or cyber incident, Lebanon ceasefire slippage, or a breakdown in the emerging US-Iran framework talks.