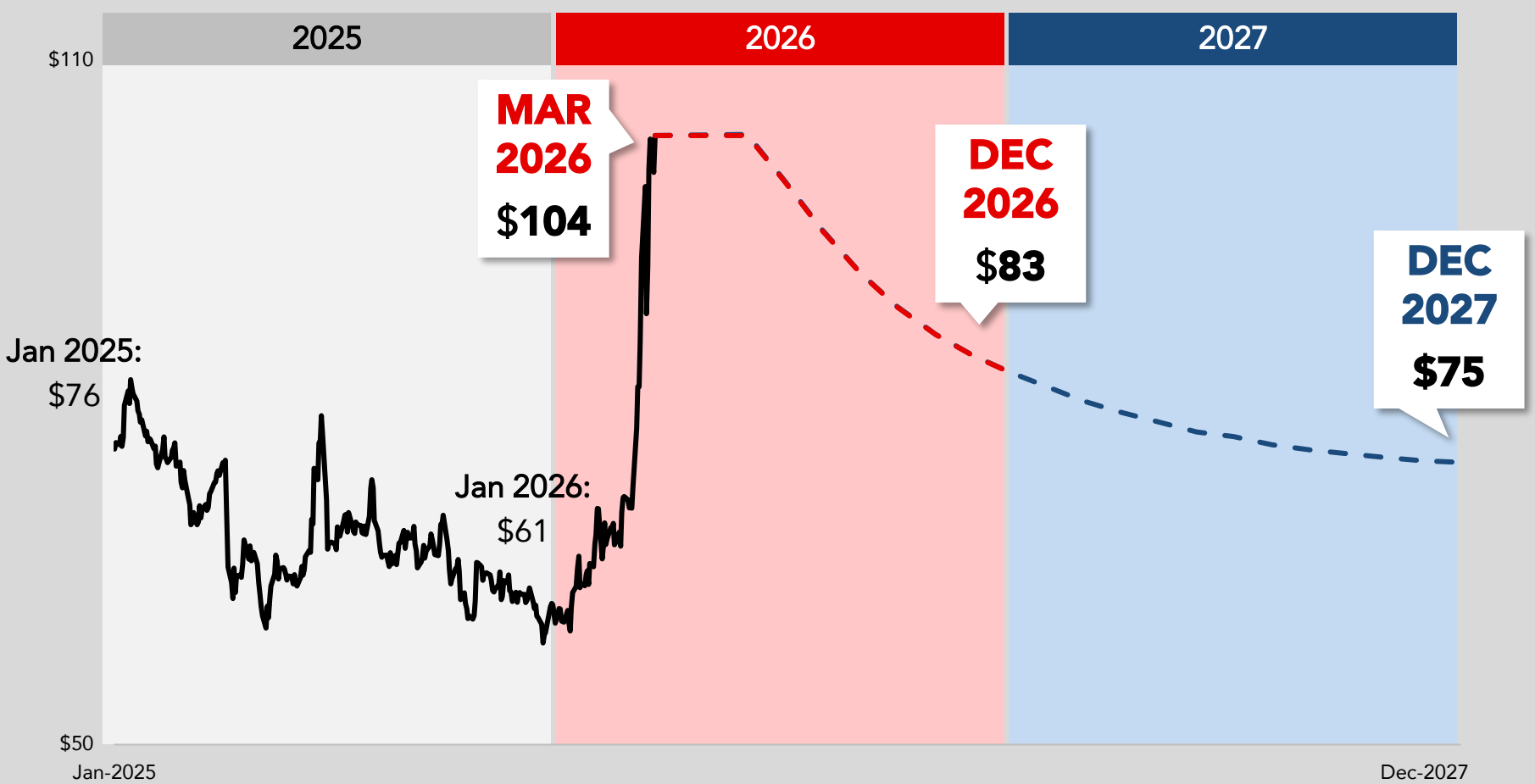


# Chart of the Day



From a starting point of \$61 per barrel on Jan 1, consensus forecasts had been expecting oil below \$60 by YE 2026. Following Strait of Hormuz closure, oil quickly rose above \$100 per barrel. However, as evidenced by the Brent forward curve, markets expect Hormuz disruption to be sharp but relatively short-lived, not a multi-year structural loss of production. Very steep backwardation of the curve into late 2026 implies a high near-term scarcity premium that decays over time rather than a permanently higher equilibrium price. Market positioning also shows aggressive buying of near-term upside calls, but also flows into structures that profit from a retracement after the spike, consistent with transitory views of the crisis. Against this backdrop, spot and front-end spreads are extremely sensitive to incremental news on duration, while 2-3 year forwards remain relatively anchored for now.

## Brent oil futures curve



Source: (1) Bloomberg. Data as of March 17, 2026.

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**“Macro stability isn’t everything, but without it, you have nothing.”**