

The week in
seven charts



The oil chokehold at Hormuz

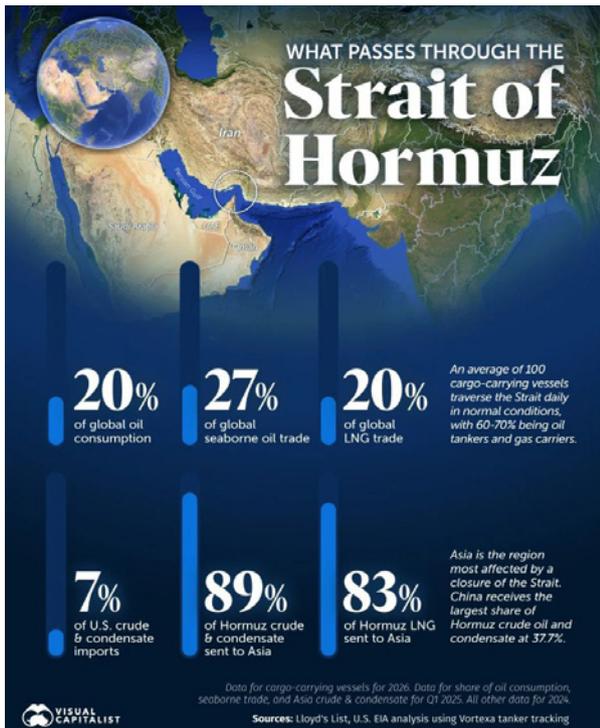
The hot commodity of the week: oil. Each week, the Syz investment team takes you through the last seven days in seven charts.

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Chart #1

The Strait of Hormuz shut down

The global energy market faces a major threat: the Strait of Hormuz, a vital chokepoint, handles 20% of the world's oil and LNG. About 100 vessels pass daily, with 89% of crude and 83% of LNG headed to Asia, making the region highly vulnerable. The US relies on the strait for only 7% of its crude. A closure could trigger one of the largest energy disruptions in modern history, sharply impacting global prices, supply chains, and especially Asian economies, with ripple effects felt worldwide. Nearly one-fifth of the planet's energy supply depends on this narrow corridor.

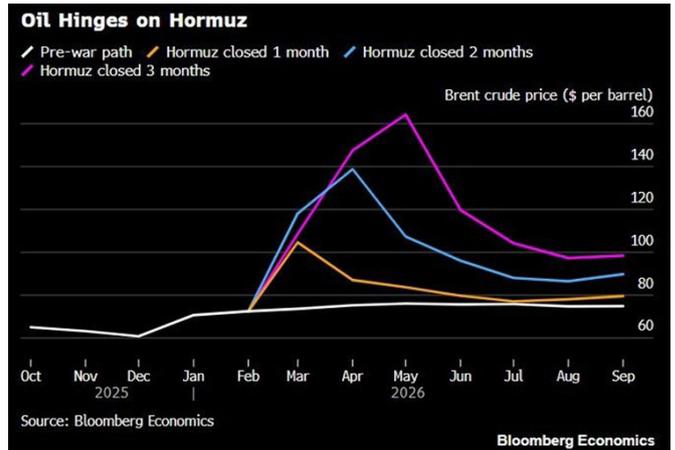


Source: Voronoi, Visual Capitalist

Chart #2

Potential oil price surges if the strait of Hormuz closes

According to Bloomberg Economics, oil prices could rise sharply as a function of how long the Strait of Hormuz remains closed. Projections point to approximately \$105 per barrel after one month, \$140 after two months, and around \$165 after three months. These figures reflect the outsized and irreplaceable role this corridor plays in the global oil supply chain.

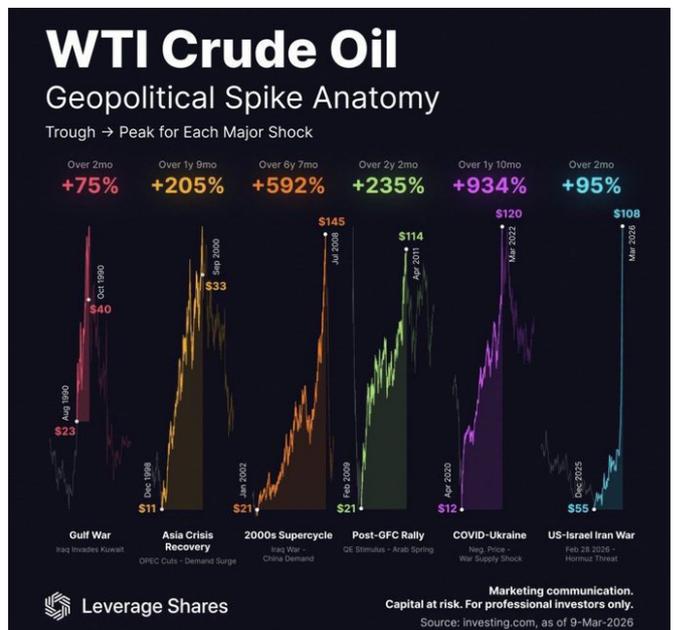


Source: Bloomberg

Chart #3

Oil spikes up to 934% during past geopolitical shocks

Energy markets move in cycles, often triggered by geopolitical crises, which consistently cause sharp oil price spikes. Historical patterns show major surges: Gulf War 1990 (+75%), Asian Crisis recovery 1998 -2000 (+205%), 2000s commodity super cycle (+592%), post-financial crisis rebound (+235%), and COVID/Ukraine shocks (+934%). Today, the US/Israel -Iran conflict in 2026 has already pushed oil up 95%. Prices react swiftly because a few regions control most exports, and tensions near key chokepoints like the Strait of Hormuz force immediate repricing. Geopolitical shocks in these critical areas directly ripple through global energy.

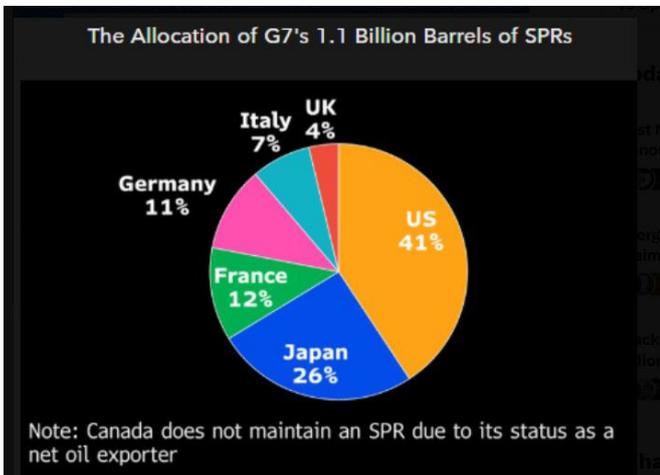


Source: Jack Prandelli on X, Leverage Shares

Chart #4

The IEA has proposed the largest release of oil reserves in its history

The International Energy Agency has proposed releasing nearly 400 million barrels from strategic oil reserves to counter the price surge caused by the US/Israel-Iran conflict. This would exceed the previous record intervention of 182 million barrels released in 2022 after Russia’s invasion of Ukraine. However, the math suggests it may not be enough. G7 countries hold about 1.1 billion barrels in reserves, including roughly 450 million in the United States. Before the conflict, around 20 million barrels per day flowed through the Strait of Hormuz; today flows are close to zero, creating a potential supply gap of 18-20 mb/d. Even if 400 million barrels were released over six months, it would add only about 2.2 mb/d to the market. That would offset only a small share of the disruption. Strategic reserves can slow price spikes, but they cannot replace lost supply on this scale.

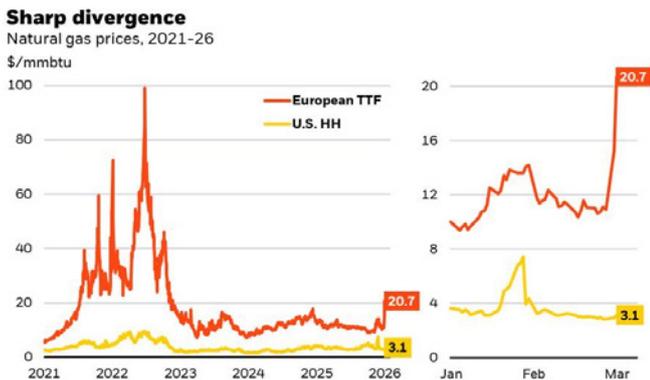


Source: WSJ, Bloomberg, Joumana Bercetche

Chart #5

US vs EU natural gas prices—a sharp divergence

Natural gas markets are far more regional in nature than oil markets, and this dynamic is on full display in current pricing. US natural gas prices are down on the year, while European prices have nearly doubled a stark illustration of Europe’s far greater dependence on imported supply.



The figures shown relate to past performance. Past performance is not a reliable indicator of current or future results. Source: BlackRock Investment Institute with data from Bloomberg, March 2026. Note: European gas prices (€/MWh) are converted to \$/mmbtu for comparison.

Source: Blackrock

Chart #6

Rising redemption pressure in US private credit

The pullback from US private credit is speeding up. Cliffwater limited redemptions to 7% after investors requested 14%. Morgan Stanley capped withdrawals at 5% from its North Haven Private Income Fund, and BlackRock imposed limits when requests hit 9.3%. At the same time, JPMorgan Chase is marking down software-linked loans and tightening lending standards, signalling worries about credit quality, asset values, and AI-driven market disruption. Publicly traded business development companies are also under pressure, with FS KKR Capital Corp. and Hercules Capital Inc. both declining. Overall, both private and public credit markets are showing signs of stress, highlighting investor caution and rising concerns over risk.



Source: FT

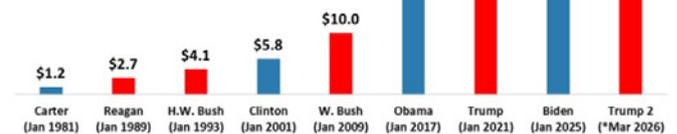
Chart #7

The rise of US national debt since 1981

Every US president since Jimmy Carter has promised to rein in government spending and reduce the federal deficit. Carter warned in 1978 that the government could not keep spending more than it collected. Ronald Reagan spoke in 1981 of decades of accumulated deficits mortgaging the nation’s future. George Bush Sr. called for bringing the deficit under control in 1989. Bill Clinton pledged to restore fiscal order in 1993. George Bush Jr. promised in 2001 to pay down a large portion of the national debt. Barack Obama argued in 2010 that the federal government should tighten its belt, just as American families were doing. Donald Trump vowed in 2016 to balance the budget and reduce debt. Joe Biden claimed in 2022 that his plan would cut the deficit. And President Trump, again in 2024, promised to balance the federal budget.

US national debt at end of each presidency, in \$ trillions

(data via treasury.gov: January 1981 - March 2026)
*as of 3/11/26



Source: Charlie Bilello

Welcome to Syzerland®

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