

GLOBAL MARKET INTELLIGENCE: THE HORMUZ STANDOFF

MERRIWEATHER,
EXECUTIVE SITREP & TACTICAL
POSITIONING PLAYBOOK

STRICTLY CONFIDENTIAL //
INSTITUTIONAL BRIEFING

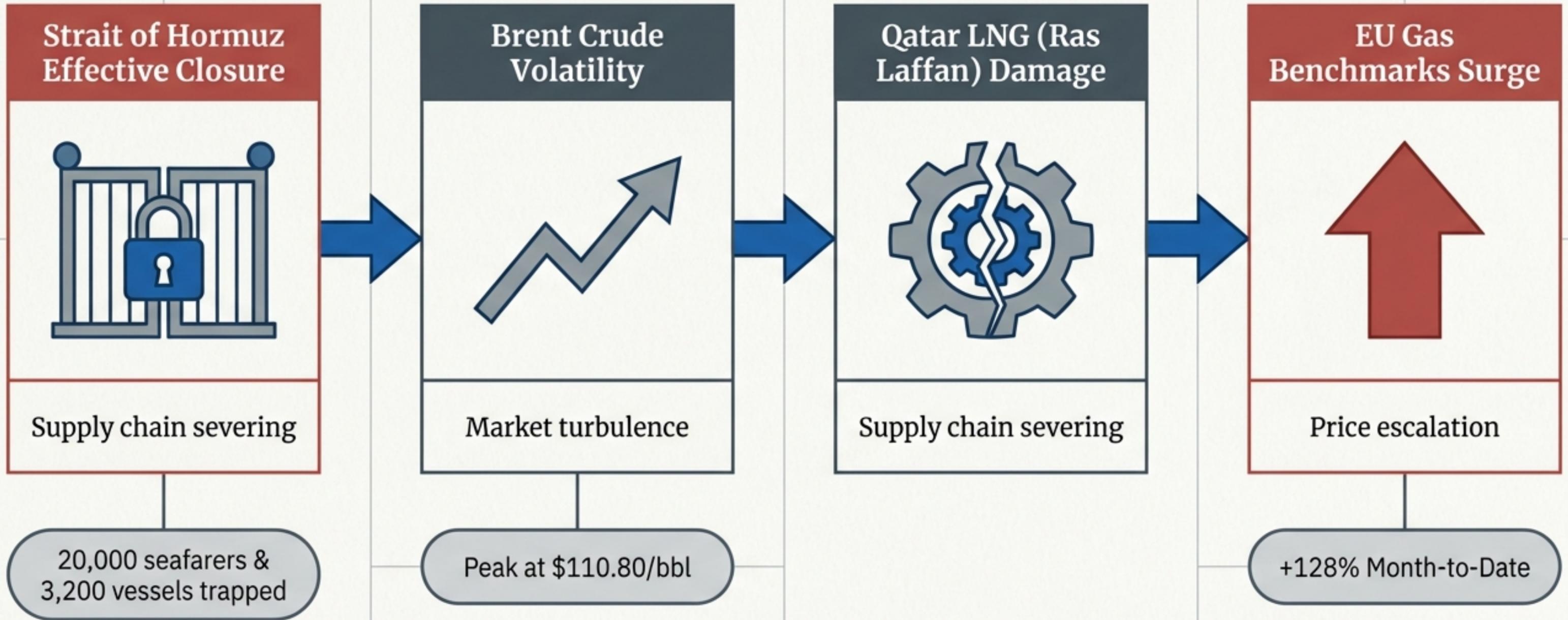
DATE: 20 MARCH 2026

STATUS: BLACK SWAN ACTIVE

BRENT: \$110/BBL



The Hormuz Chokepoint Cascade



Current Market Posture: Tactical relief rally underway as traders bet on a US-led evacuation mission or rapid diplomatic resolution via the UN IMO

The Stagflationary Pincer

The Energy Shock

Extreme physical dislocation.

[\$16.50 Brent-WTI Spread]

Global Equities

Economic Drag

Sticky core inflation reversing disinflation.

[US Unemployment creeping to 4.4%]

Policy Trap

Hawkish central bank paralysis.

[Fed Chair Powell maintains hawkish stance]

The Hormuz shock has triggered a textbook stagflationary environment. Equities are being crushed by the dual pressure of slowing growth and rising input costs, leaving central banks entirely deadlocked.

Regional Geopolitical Vulnerability Matrix

Index	S&P 500 (US)	DAX (Europe)	Nikkei 225 (Japan)	ADX (Abu Dhabi)
Energy Dependency	Moderate (Domestic buffer)	Critical (Qatar LNG reliant)	High (Net importer, USD/JPY pressure)	Net Exporter (Energy Super-cycle)
Central Bank Posture	Hawkish (Fed)	Hawkish (ECB imported inflation)	Deadlocked (BOJ policy trap)	Supportive (Fiscal surplus)
Key Sector Impacts	IT/Defensive vs Industrials	Healthcare > Auto Cycle	Large-Cap Banks outperforming	ADNOC & FAB outperforming
Overall Sentiment	Neutral-Bearish	Strong Bearish	Neutral-Bullish	Antifragility Play

Western Equities: Market Health Telemetry

S&P 500 (US500)

Neutral-Bearish



Price: 6,680

6,680



Support: 6,550
("Black Wednesday" low)

Resistance: 6,850
(Heavy Institutional Selling)

Core Vulnerability:

Threatened by a "Death Cross" on short timeframes as long as oil holds above \$100.

Catalyst Watch:

Trump administration potential further waivers of the Jones Act to mitigate domestic fuel spikes.

DAX (Germany)

Strong Bearish



Price: 23,500

23,500



Support: 23,200
(Hormuz Crisis liquidity floor)

Resistance: 24,100
(Bearish Flag daily chart)

Core Vulnerability:

Facing the most severe energy-driven structural crisis since 2022; industrial energy rationing looms.

Catalyst Watch:

Test of European sovereign wealth fund intervention to provide a liquidity floor.

Eastern & Middle-Eastern Equities: Market Health Telemetry

Nikkei 225 (Japan)

Neutral-Bullish



Price: 54,100 (Shadow Futures)



Support: 52,800
(Critical Demand Zone)

54,100

Resistance: Gap Fill
required at 54,500

Core Vulnerability: The USD/JPY nearing the 160.00 intervention threshold; BOJ unable to raise rates without crashing the domestic economy.

Catalyst Watch: China Industrial Production data (lead indicator for Japanese machinery).

ADX (Abu Dhabi)

Antifragility Play



Price: 9,571



Support: 9,450

9,571

Resistance: 9,800
(Bullish Pennant formation)

Core Vulnerability: "Tail Risk" of physical proximity to the conflict prompting defensive stances from local funds.

Catalyst Watch: Continued naval blockage drives energy sector (ADNOC) dominance and local fiscal surpluses.

Cross-Asset Capital Flow Map

Capital Draining (The Industrial Drag)

Silver (XAG): \$71.85 (-0.80%)
Industrial Drag; underperforming Gold beta.

WTI Crude: \$98.12 (-1.50%)
Discount Widening against Brent.

Capital Absorbing (The Flight to Safety)

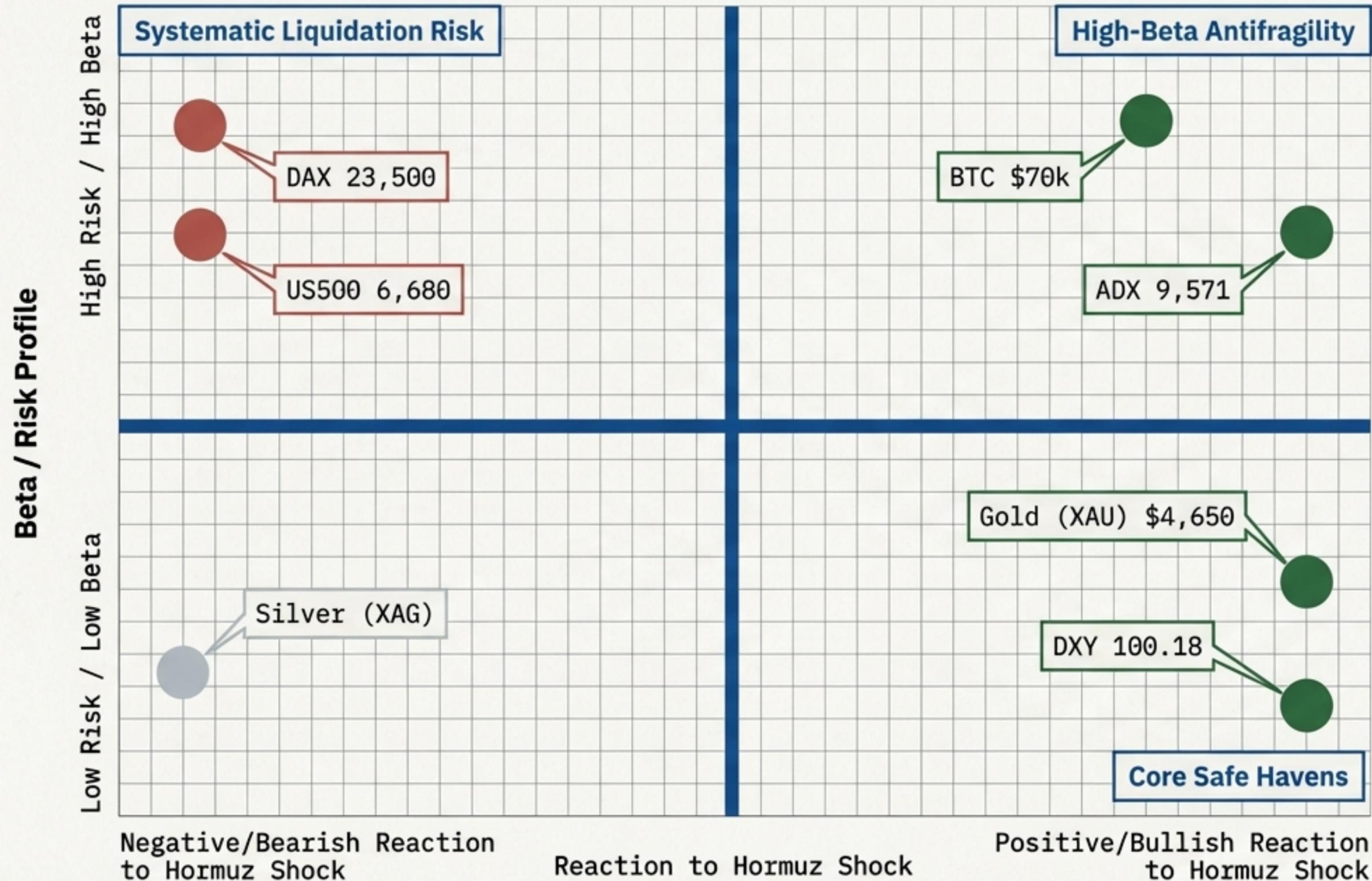
Gold (XAU): \$4,650.00 (+1.50%)
Safe-Haven Pivot. Recovering from PPI shock.

DXY Index (USD): 100.18 (+0.22%)
Safe-Haven Bid. Bullish above 100 on hawkish Fed.

Bitcoin (BTC): \$70,394 (+1.10%)
Risk-On Pivot. Acting as the ultimate high-beta hedge.

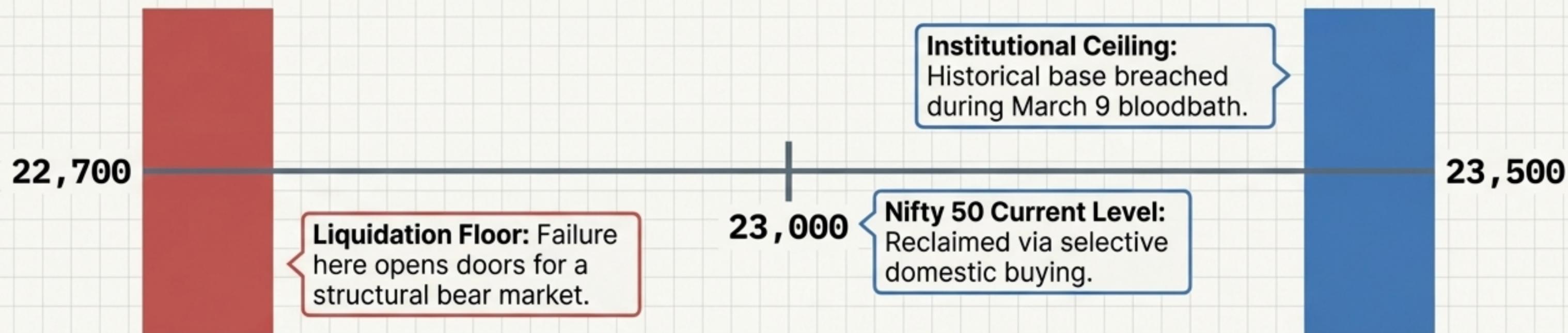
Note: Steel (3,122 CNY) and Iron Ore (\$105.14) remain functionally constrained by logistics bottlenecks rather than pure capital flows.

The Asset Behaviour Spectrum



Traditional 60/40 correlations have broken down. Capital is bifurcating strictly along energy-energy-dependency lines and pure safe-haven mechanics.

India Deep-Dive: The Support/Resistance Battleground

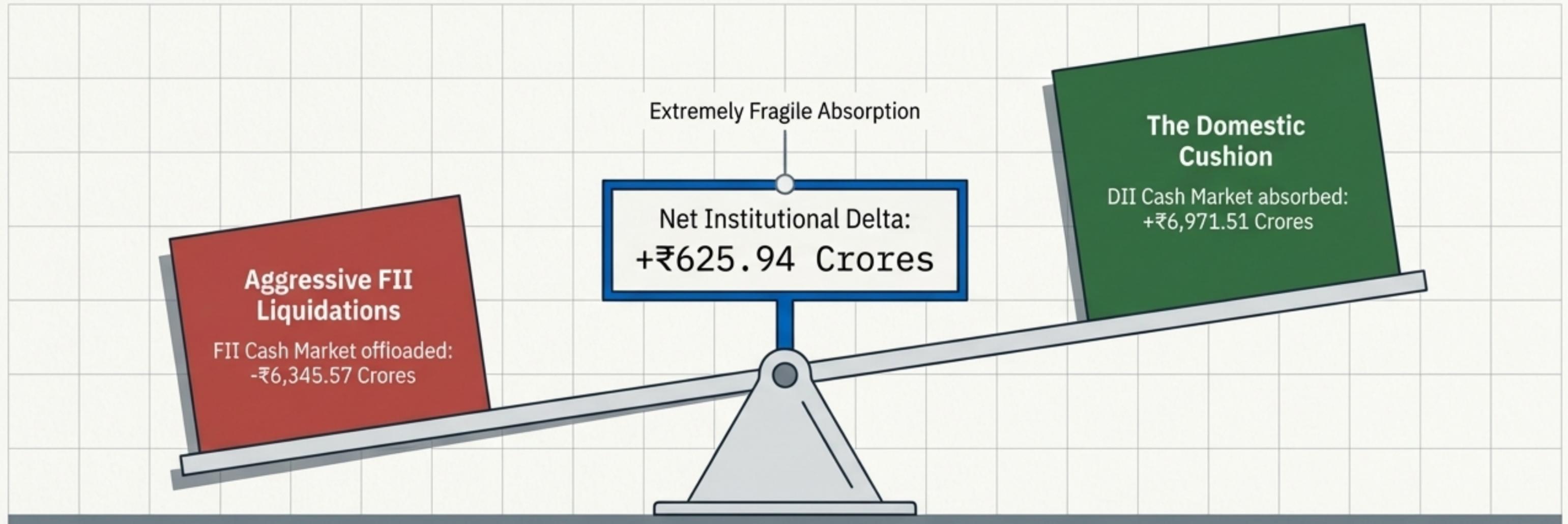


The 'Bearish Decoupling' Phenomenon

On March 16, while Asian peers saw relief bounces on China IP beats (6.1%), the Nifty crashed **-9.36%** from weekly highs.

The 'War Premium' and **\$116** Brent permanently altered the risk premium for the oil-sensitive index.

India Deep-Dive: Institutional Delta Scale



System Warning: Volatility Spike

India VIX currently reading 22.80 (+21.8%). The volatility index confirms an official entry into a **'Fear Regime.'** Top losers (Bank Nifty -1,181 pts, Midcaps) are dragging the broader index despite IT and Defensive gains.

Tactical Playbook Directives

1

The Defensive Pivot (Sector Rotation)

Action: Favour IT & PSU Energy specifically.

Rationale: These function as direct hedges against the oil/INR stagflationary pincer.
(Highlighted tickers: **Praj Industries, Power Grid**).

2

Technical Triggers (Nifty Alerts)

Action: Set hard alerts at Nifty 22,700.

Rationale: A technical failure at this demand zone on Monday guarantees a descent into a structural bear market.

3

Broad Portfolio Posture

Action: Maintain aggressively high-cash ratios.

Rationale: Until a UN/US maritime corridor is secured in the Strait of Hormuz, the market faces a binary outcome. Survival supersedes yield-chasing in this regime.