

Iran Threatens to Close Key Oil Waterway After US Vessel Seizure

The United States seized an Iranian vessel, prompting Iran to announce it may close the

- Strait of Hormuz — a narrow waterway that about one-fifth of the world's oil passes through every day.

This is being watched closely by energy markets worldwide, as any disruption to shipping through this route could raise fuel costs for consumers across Europe, Asia, and beyond.

Oil prices have moved higher in response, with global benchmark Brent crude sitting at around \$94.58 per barrel as traders factor in the possibility of supply disruptions.

Diplomatic efforts are underway to ease the situation, and investors are monitoring developments closely before drawing firm conclusions.

Stock Markets Cautious as Middle East Tensions Weigh on Sentiment

- US stock futures are slightly lower this morning, with the S&P 500 at 7,109 points (down 0.11%) and the tech-heavy Nasdaq 100 at 26,590 points (down 0.27%) as investors take a cautious approach.
- The Dow Jones Industrial Average is showing modest resilience at 49,442 points (up 0.04%), with blue-chip companies generally seen as less immediately exposed to the Middle East situation.
- European markets are holding steady — Germany's DAX is slightly positive at 24,417 points (up 0.13%), while the UK's FTSE 100 is softer at 10,609 points (down 0.56%).
- Overall, markets are not in panic mode — the moves are modest and reflect careful caution rather than fear-driven selling.

Central Banks Navigate a New Inflation Challenge

FED CHAIR NOMINEE

Kevin Warsh

Trump's pick for Federal Reserve Chair faces a confirmation hearing today, with senators pressing him on inflation policy and central bank independence.

ECB ON ALERT

Lagarde Warning

ECB President Christine Lagarde warned that the Strait of Hormuz disruption adds fresh inflation pressure to Europe, with energy costs the key concern.

BANK OF ENGLAND

Mortgage Watch

UK bank bosses met with the Chancellor this week to discuss protecting borrowers — over one million households could face higher mortgage payments.

EUR/USD RATE

1.1780

The euro is holding steady against the dollar near 1.18, consolidating as traders await clearer direction from central bank guidance.

Commodities and Crypto: Safe Havens in Demand

- GOLD**
Holding strong at \$4,805 per troy ounce — investors are buying gold as a safe store of value during uncertain times, keeping it near record levels.
- OIL (BRENT)**
At \$94.58 per barrel, crude oil is elevated as the Hormuz situation keeps supply concerns front of mind for energy traders.
- BITCOIN**
Up 1.82% to \$75,833 — cryptocurrency is showing unusual strength today, potentially driven by new money flows and optimism around technology growth in Asia.
- ETHEREUM**
Up 1.57% to \$2,315 — following Bitcoin's lead with solid gains, suggesting broad positive sentiment within the digital asset space.

Where Markets Stand Right Now

MARKET	SENTIMENT	KEY DRIVER	DIR
Gold / Precious Metals	BULLISH	Safe-haven demand driven by US-Iran tensions and Strait of Hormuz closure threat	▲
US Equities	BEARISH	Geopolitical risk, higher oil prices, and uncertainty around tech earnings weighing on sentiment	▼
European Equities	NEUTRAL	Global caution offset by regional resilience; some exposure to energy price volatility	↕
Oil / Energy	VOLATILE	Strait of Hormuz threat creating supply disruption fears — Brent at \$94.58, WTI at \$86.23	↕
US Dollar (Forex)	BULLISH	Safe-haven flows into USD strengthening the currency against euro, pound, and yen	▲
Crypto (BTC/ETH)	BULLISH	New money inflows and Asia tech optimism driving Bitcoin and Ethereum higher despite equity weakness	▲

Today's market picture is shaped by one theme — Middle East tensions — with safe havens outperforming while equities stay cautious and energy prices remain elevated.