

# GEOPOLITICAL RISK IN THE MIDDLE EAST: RESHAPING GLOBAL TRADE AND SUPPLY CHAINS

Greta Cristini

Geopolitical analyst and reporter

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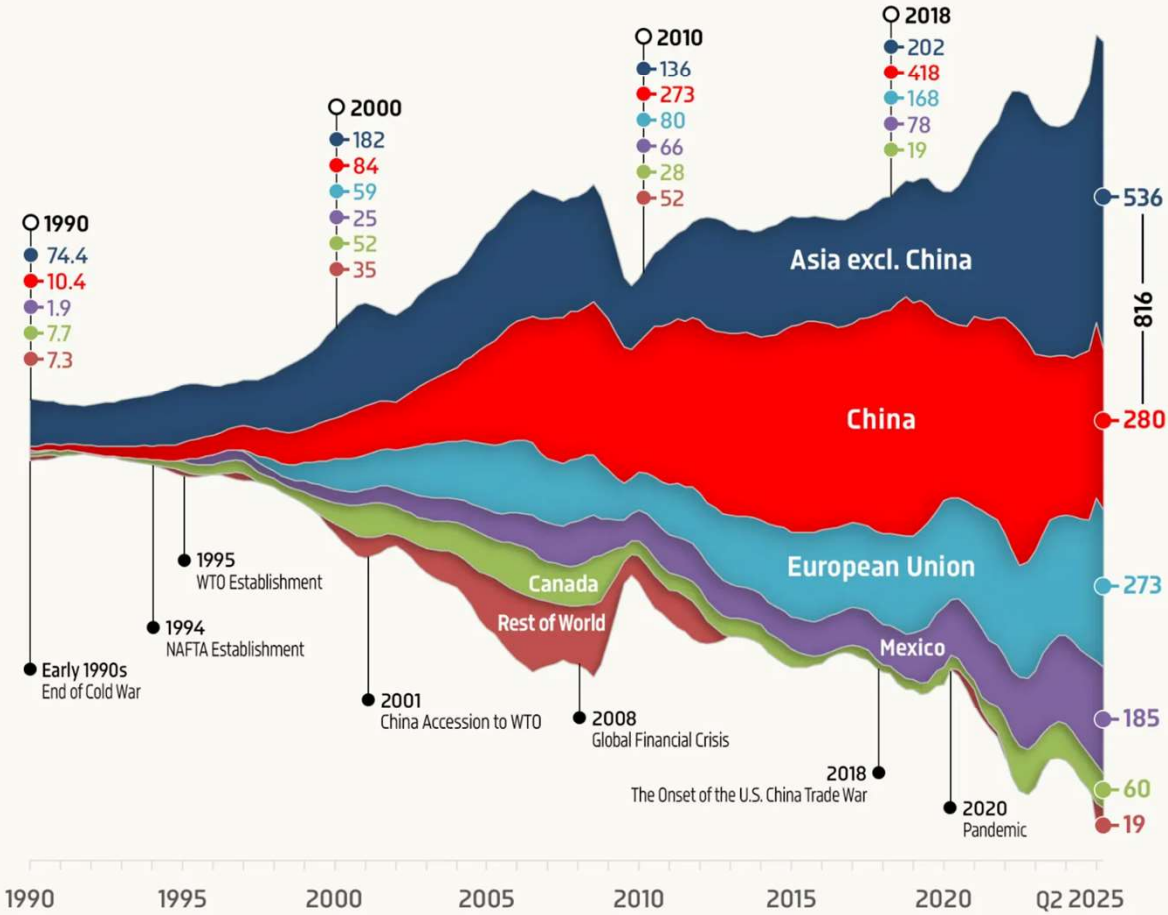
*June 11th '26 – Milan*



# U.S. Trade Deficit by Region: Asia Leads, China's Share Falls

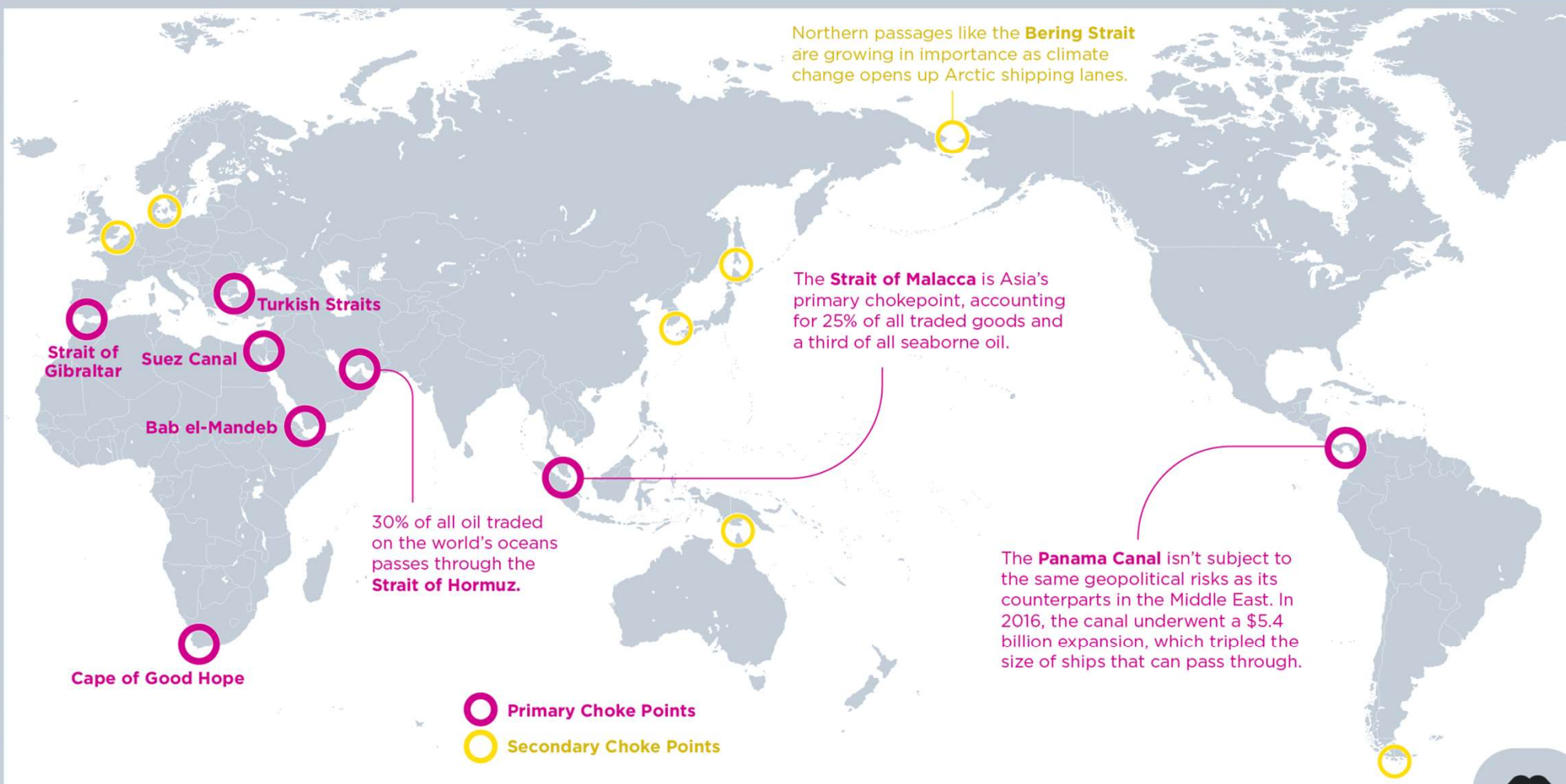
Trade Deficit  
Q2 2025 (LTM)  
**\$1,353 Billion**

Trade Deficit (Billion US\$, 12-Month Rolling Sum)



Source: U.S. Census

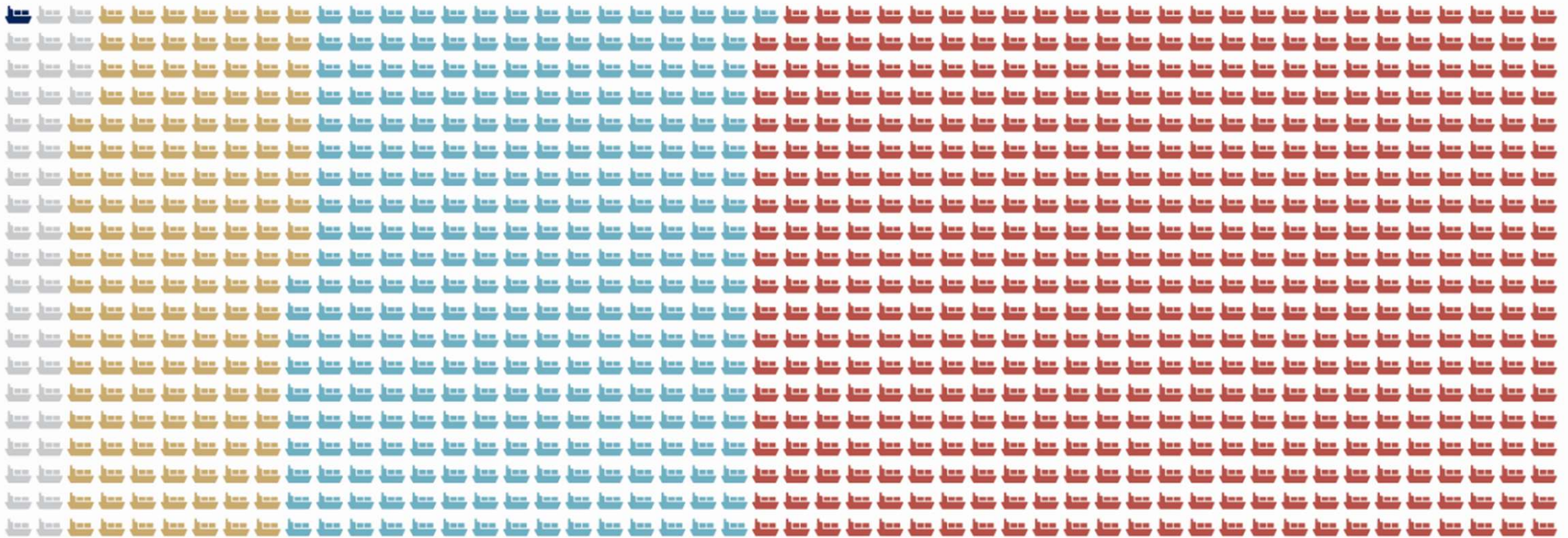
## THE WORLD'S KEY MARITIME CHOKES POINTS



Source: GIS [visualcapitalist.com](http://visualcapitalist.com)



# The U.S. accounts for 0.1% of global shipbuilding



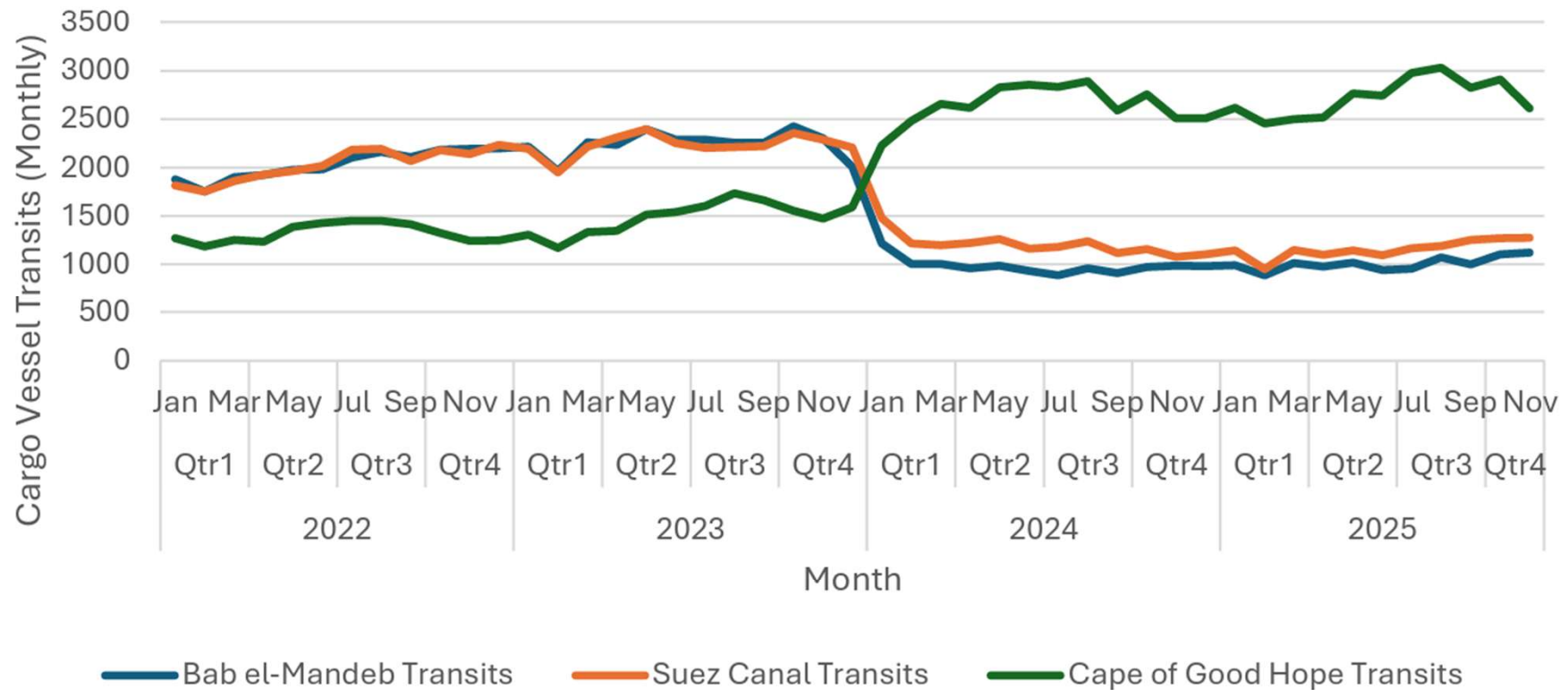
Others  
4.4%

Japan  
13.1%

South Korea 29.1%

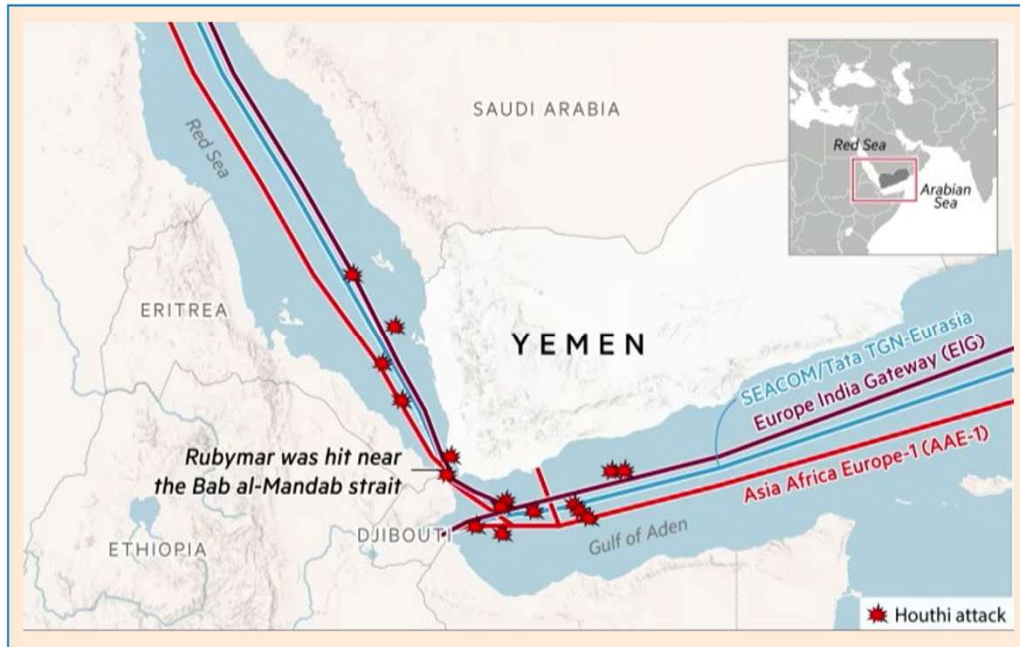
China 53.3%

## Monthly Cargo Vessel Transits via Suez Canal, Bab el-Mandeb, and Cape of Good Hope (2022-2025)

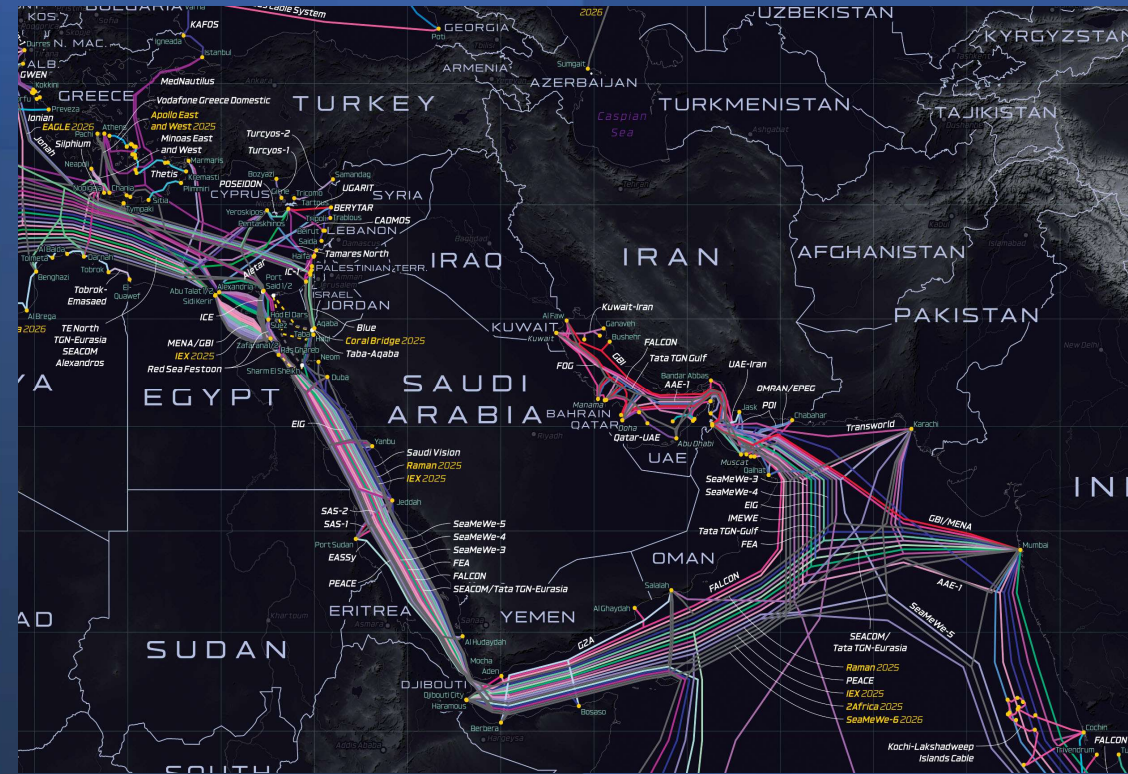


Source: IMF Portwatch Data (BETA) (All Cargo Vessels)

**Figure 12** > The recent Houthi attacks have likely disrupted communication cables in the Red Sea

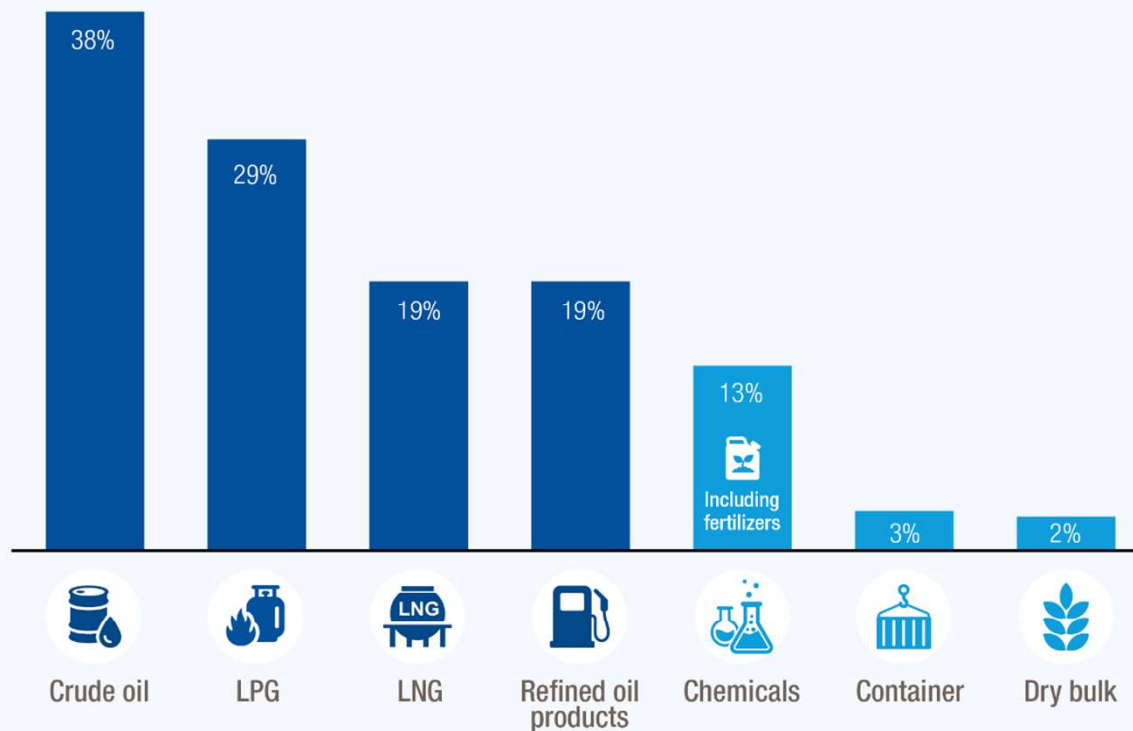


Source: Financial Times, <https://www.ft.com/content/bf17fc55-8624-435b-b7dd-bc662a887ba0>.



## The Strait of Hormuz is a vital passage for world trade

Share of global trade passing through the Strait, based on average flows during the week before the military escalation that began on 28 February.



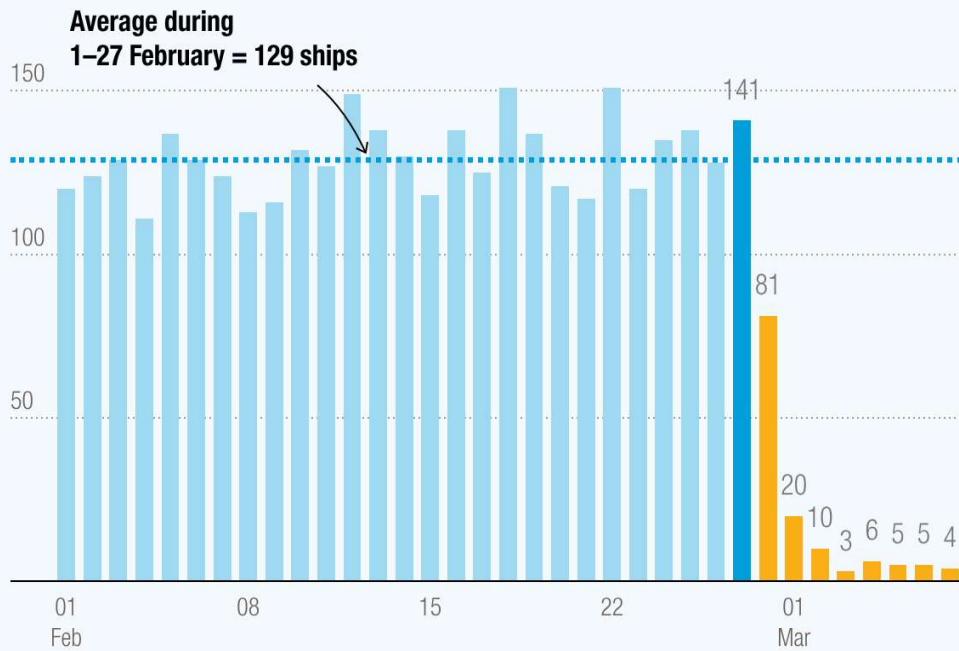
Source: UN Trade and Development (UNCTAD), based on data provided by Clarksons Research 2026.

Notes: In 2024, total oil transported through the Strait was around 20 million barrels per day (bpd), or the equivalent of 25 per cent of global seaborne oil trade. Crude oil and condensate account for 14 million bpd and petroleum products for 6 million bpd. LPG: Liquefied Petroleum Gas, LNG: Liquefied Natural Gas, dry bulk includes grains.



## Ship transits through the Strait of Hormuz have come to a near halt

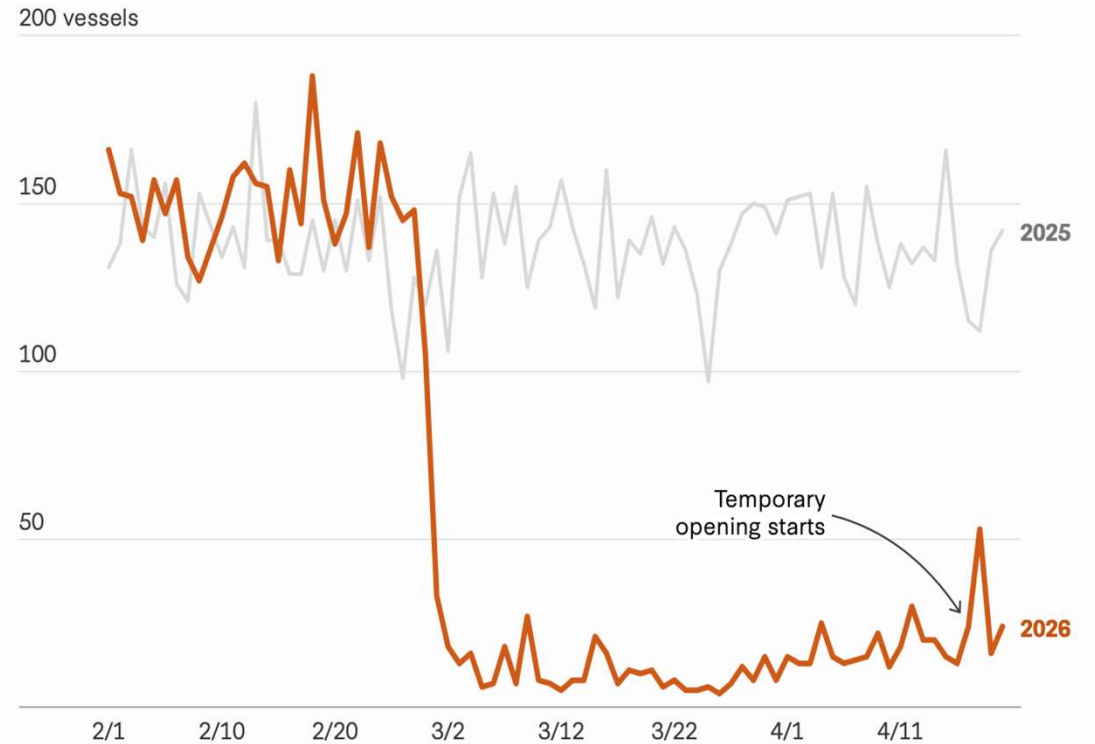
Total number of daily ship transits through Strait of Hormuz, 1 February 2026 – 7 March 2026



Source: UN Trade and Development (UNCTAD), based on data provided by Clarksons Research Shipping Intelligence Network.

## 2. Ship Traffic Remains at a Fraction of Prewar Levels

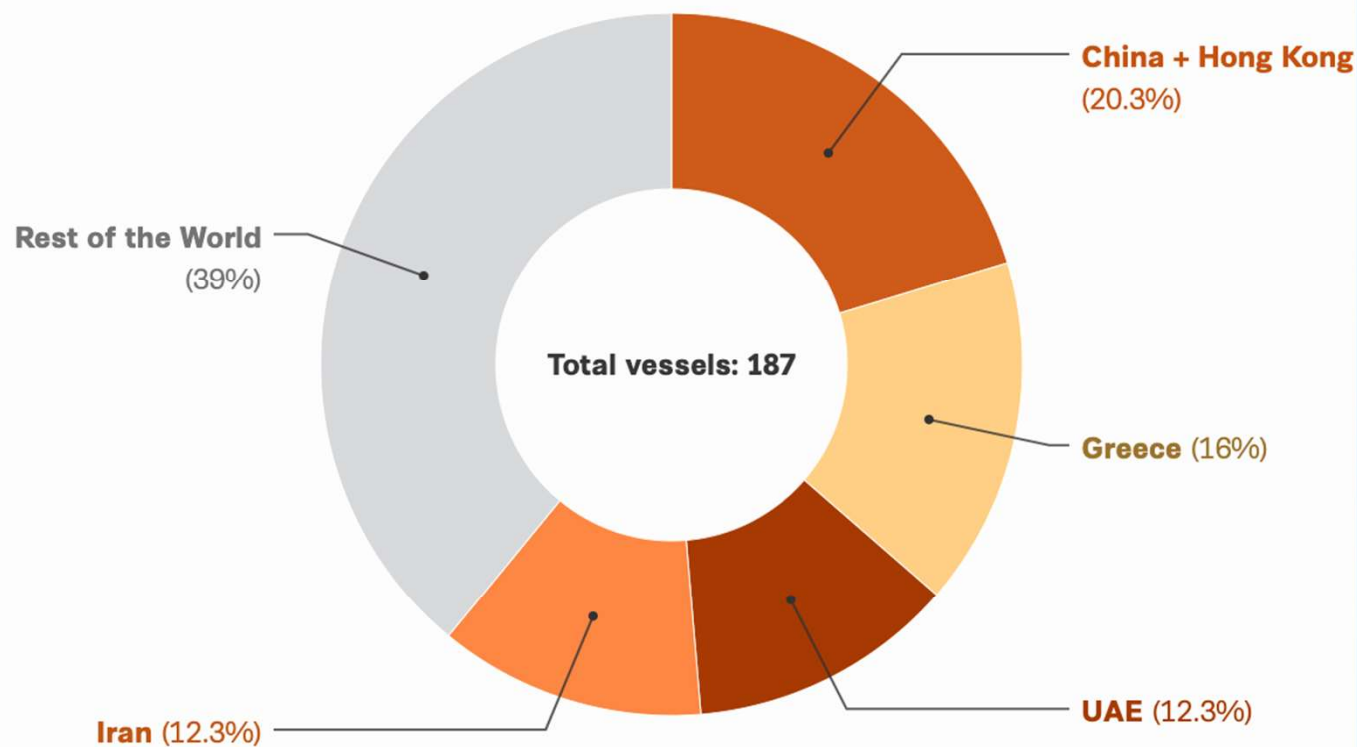
Total ship traffic through the Strait of Hormuz



Source: Starboard Maritime Intelligence/AMTI. • Chart: Fabio Murgia/CSIS

### 3. Transits Through Hormuz Concentrated Among a Small Set of Countries

Successful vessel transits between March 4 and April 20 by operator domicile.



Note: Data includes only vessel transits moving eastward through the strait.

Source: Starboard Maritime Intelligence/AMTI and S&P Global Sea-web. • Chart: Fabio Murgia/CSIS

## Freight costs for shipping oil are soaring to historic highs.

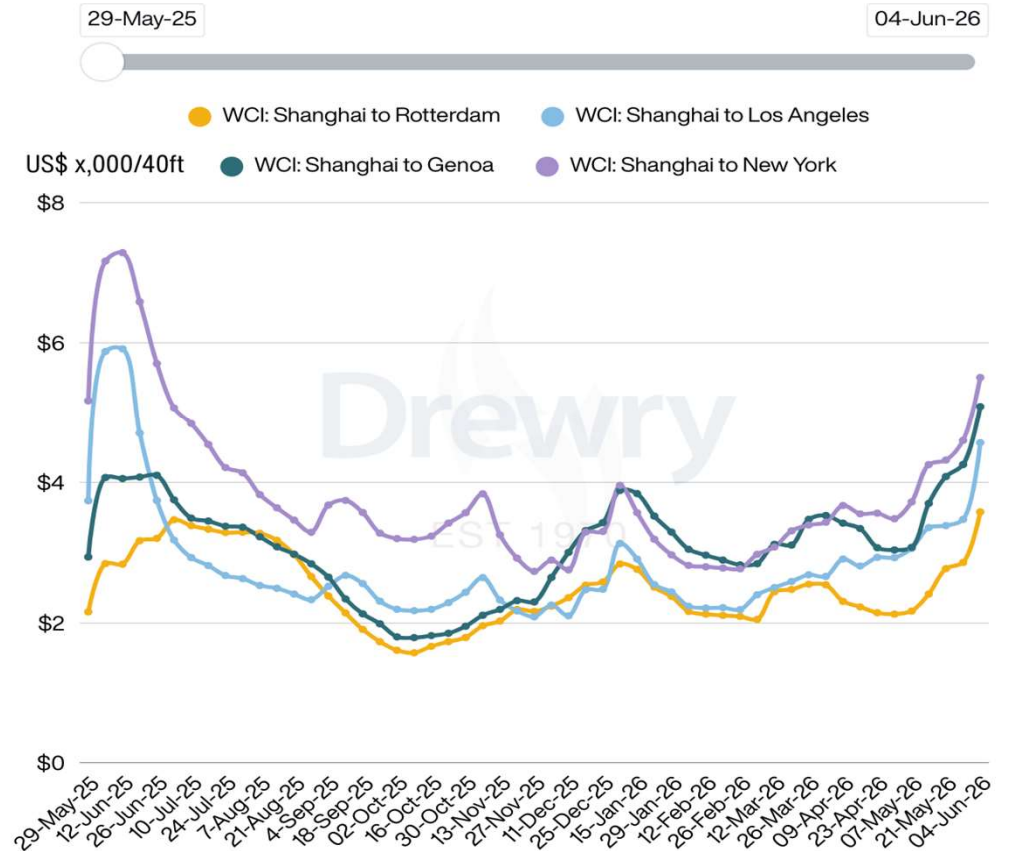
Daily Baltic Exchange Dirty Tanker Index (BDTI) and Clean Tanker Index (BCTI), August 1998–6 March 2026



Source: UN Trade and Development, based on Clarkson Research Services Limited 2026.

Note: The BDTI and BCTI show the cost of shipping oil on a basis of the average costs of major shipping routes. Clean tankers carry lower-sulfur petroleum, including refined petroleum products. Dirty tankers mostly carry crude oil.

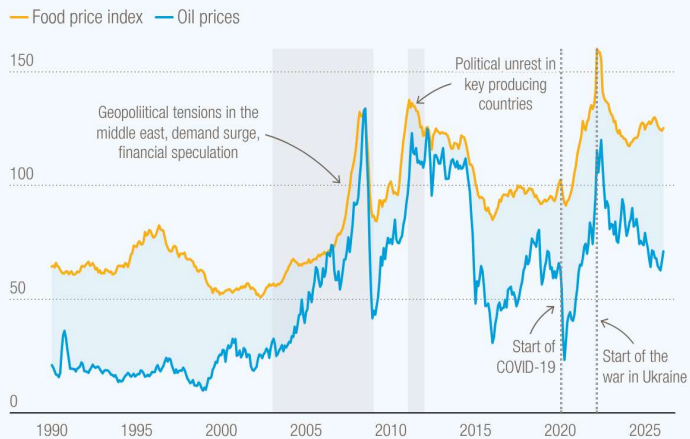
## WCI Trade Routes from Shanghai (US\$/40ft)



Source: Drewry World Container Index, [Drewry Supply Chain Advisors](#)

## When oil prices go up, food prices often go up

Monthly food price index and crude oil prices, January 1990 to February 2026



Source: UN Trade and Development (UNCTAD), based on the FAO Food Price Index and the World Bank (Pink Sheet).

Note: Oil prices correspond to the price of crude oil, Brent, US\$ per barrel.

## When gas prices go up, fertilizer prices often go up

Monthly natural gas price index and prices of selected nitrogenous fertilizers in dollars, January 1990 – February 2026



Source: UN Trade and Development (UNCTAD), based on World Bank (Pink Sheet)

Note: Fertilizer prices in dollars per metric tonne. Natural gas index corresponds to the average gas prices of Europe, US and Japan (LNG), with weights based on 5-year average consumption volumes.

## Access to fertilizers may worsen for some of the poorest countries.

Share of fertilizers imported by sea and originating from the Persian Gulf region in 2024

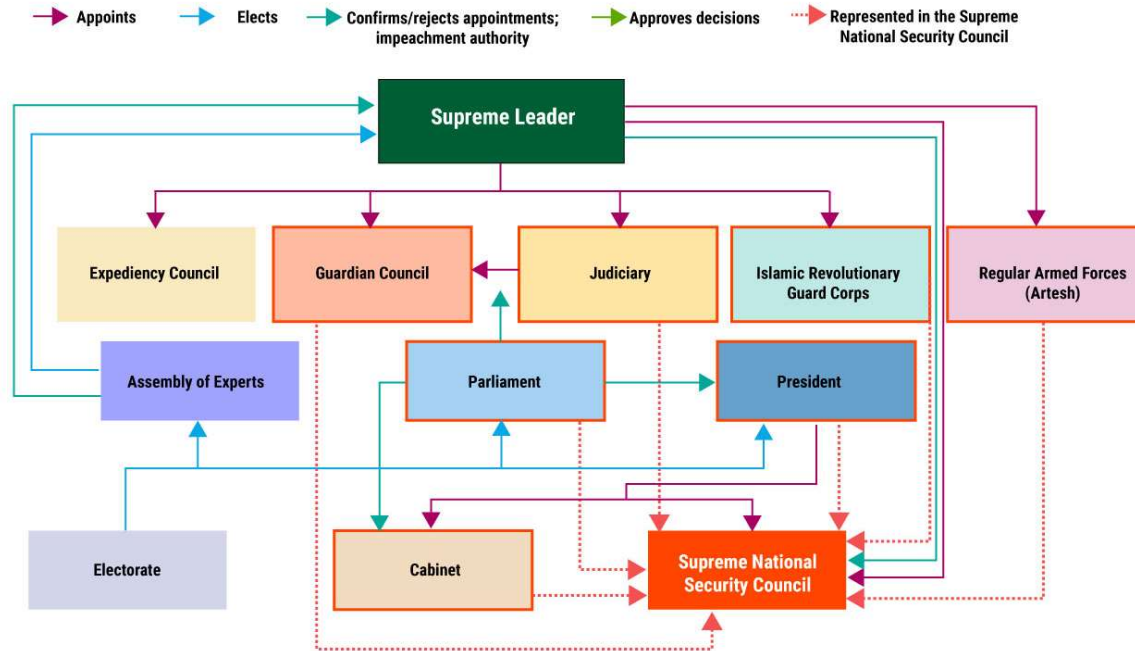


Source: UN Trade and Development, based on an unpublished detailed version of UNCTAD seaborne trade data. The published version of the data is available at <https://unctadstat.unctad.org/datacentre/>

Note: Fertilizer refers to HS code 31.

# Iranian Decision-Making Process

## Power-Sharing Between Clerics, Officers and Politicians



## Clerical Domination

