The Checkpoint Dividend[1]

In May 1453, Ottoman Sultan Mehmed II completed a 55-day siege of Constantinople and, in doing so, seized control of the most consequential chokepoint in the medieval world. The city sat at the precise junction where Europe meets Asia, the gateway through which virtually every spice, silk, and luxury good traveling from East to West had to pass. Spices were not a luxury in the modern sense. In a world without refrigeration, pepper, cinnamon, and cloves were how you kept food edible through winter. They were, functionally, as indispensable to medieval European life as oil is today. The Ottomans tolled the route, making it extortionately expensive. And that distinction would change the world.

[1] All graphics have been produced by AI. The one without captions by ChatGPT and the others by Claude. I heavily used AI to write this commentary. I used to use AI only to edit and suggest some ideas, but I found that I am able to go much deeper into a topic in less time. And while I may have given up some human quirkiness with respect to my writing style, I hope readers gain a more interesting, deeper macro analysis. I still source the Deep Thought manually.

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Geography has and will always matter. Even in our digital, hyper-connected world, the physical movement of energy, food, and goods still flows through a surprisingly small number of narrow passages that can be controlled for enormous leverage. History is littered with attempts to exploit that leverage. The results are remarkably consistent: short-term pain, occasional brilliance in the use of force, but longer-term the aggressor almost always loses — not to a superior army, but to human ingenuity.

- European powers increasingly sought maritime routes that bypassed Ottoman-controlled and Mediterranean intermediaries, funding the likes of Columbus and Vasco da Gama to find alternative routes and eventually rendering the chokepoint irrelevant.[2]
- When the Soviet Union blocked land access to West Berlin in 1948, the Western Allies didn't break the blockade by force. Instead, they built the Berlin Airlift, delivering over 200,000 flights worth of supplies and demonstrating that logistics innovation could defeat geography entirely.[3]

The pattern is remarkably consistent: stress human ingenuity enough, and it finds the capital and a way to solve the issue at hand.

Fast forward to the first truly global energy-macro shock: Within weeks of the 1973 Arab oil embargo where Arab members of OPEC cut off exports to the U.S. and Western Europe in retaliation for their support of Israel during the Yom Kippur War, gasoline prices in the U.S. jumped 40%, lines wrapped around city blocks at filling stations, and the Nixon administration imposed a national 55-mph speed limit as an emergency measure[4]. **All for a 5% removal of oil from the system.[5] Five percent**. The embargo lasted only five months. Then in 1979, the Iranian Revolution removed another major oil producer from global markets, sending prices spiking a second time and triggering a second wave of panic. And yet, as with Constantinople five centuries earlier, the aggressor ultimately lost to innovation. Japan, which imported virtually all of its oil, had quietly redirected its entire auto industry toward fuel efficiency, producing reliable, cheap-to-operate cars that Detroit dismissed right up until they couldn't. President Carter installed solar panels on the White House roof and created the Department of Energy. Federal funding for renewable energy research, negligible before 1973, became a national priority. Less visibly, federal investment in unconventional gas

[2] https://www.britannica.com/biography/Vasco-da-Gama?
[3] The Berlin Airlift (June 1948 – May 1949) delivered approximately 2.3 million tons of supplies over 277,000 flights between the US and Britian. U.S. Air Force Historical Research Agency.
[4]Milestones in the History of U.S. Foreign Relations - Office of the Historian
[5] Dallas Federal Reserve, "Geopolitically Driven Oil Supply Disruptions," 2026. The 1973 Arab oil embargo removed approximately 5–6% of global oil supply; the 1979 Iranian Revolution approximately 4%. The current Hormuz closure represents a shortfall approaching 20% — three to five times larger than any prior disruption.

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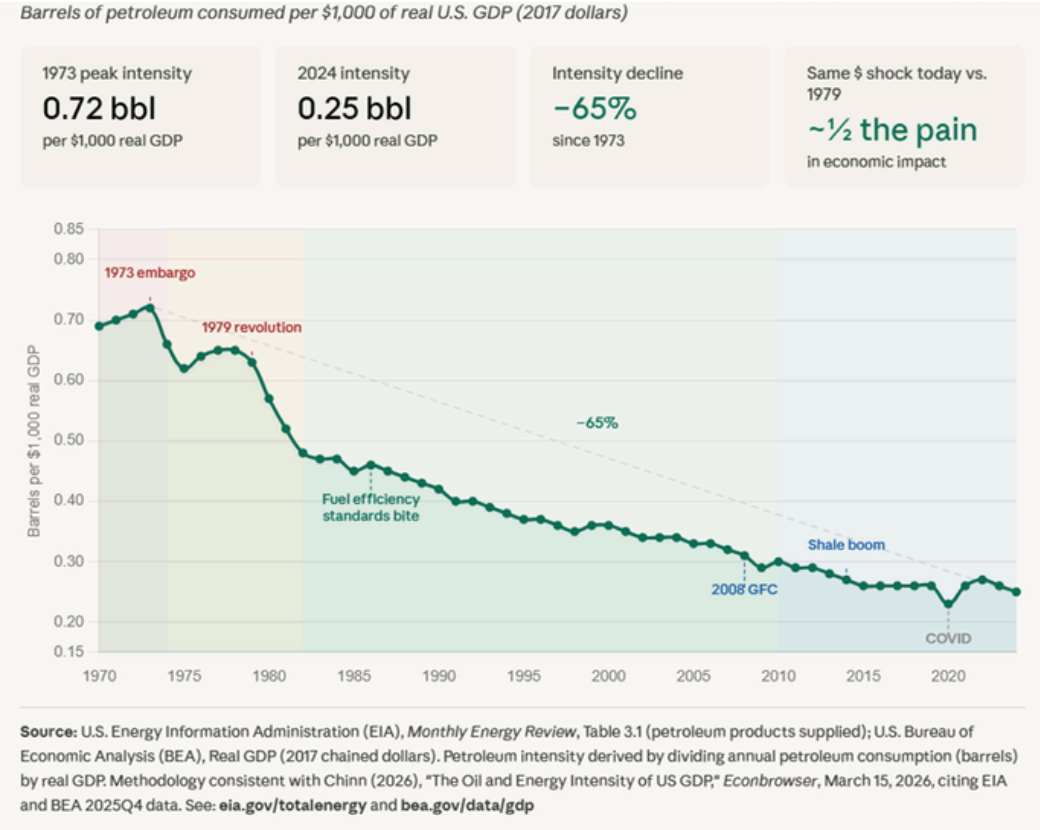
research launched in that same era quietly laid the groundwork for the American shale revolution three decades later, ultimately turning the United States into the world's largest oil and gas producer and, ironically, one of the greatest beneficiaries of Middle Eastern instability.[6] A pair of supply shocks in the 1970s planted the seeds of the modern clean energy industry. The chokepoints closed. Innovation, not brute strength, solved the issue.

Note that we've done more than just stretch the use of oil as highlighted by the continuous and material drop of oil intensity (the amount of oil used per unit of economic output) in the US. Today's shock in constant dollars is equal to that of the 1970s but the economic impact is considerably lower, as shown in the chart below...



At the same time, we also materially increased our energy output. As a result, we are materially more insulated from events like the Strait of Hormuz (though not fully, more innovation to come!).

[6] DOE's Early Investment in Shale Gas Technology Producing Results Today | Department of Energy

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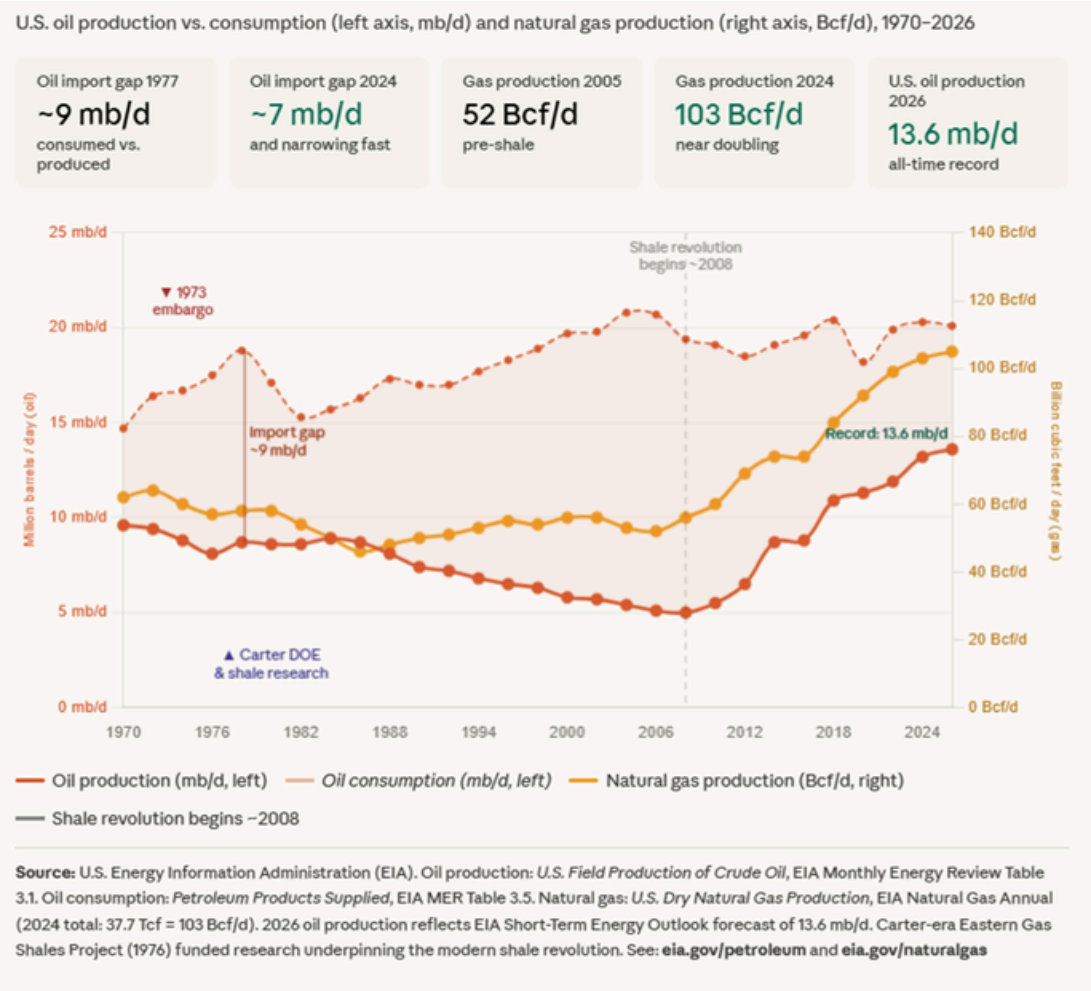

Which brings us to today. The Strait of Hormuz, a narrow passage carrying over 20% of the world's daily oil supply and nearly 20% of its liquefied natural gas (LNG), has been effectively closed since late February, following the outbreak of military conflict involving Iran, the United States, and Israel. The IEA estimates that in 2025, approximately 20 million barrels per day of crude oil transited the strait, representing roughly a quarter of the world seaborne oil trade.[7] The consequences are landing hard and fast. Brent crude surged above $100 per barrel in early March 2026 for the first time in four years, reaching $126 per barrel at its peak.[8] Equity markets have pulled back, and households from Seoul to Karachi arefacing fuel rationing and rolling blackouts. The Dallas Federal Reserve estimates that a one-quarter closure of the strait could lower global real GDP growth by an annualized 2.9 percentage points.[1] The short-term pain is real, and we do not dismiss it. As we noted in a recent client memo, we believe this conflict has more natural off-ramps than most:

[7]Strait of Hormuz - About - IEA
[8] If the Strait of Hormuz Remains Closed: What Commodity Markets Will Experience? + EIA Press Release (03/10/2026): EIA releases latest Short-Term Energy Outlook amid Middle East conflict

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- Economic pain is mutual,
- Military asymmetry is complete,
- Every regional neighbor wants it over, and
- An active deal framework already exists.

The structure points toward resolution in weeks to months, not years. But this is a major disruption. **And if history is any guide, the more interesting question right now is not when the strait reopens. It is what is conceived while it is closed and what will eventually be invented.**

Noah Smith, writing in his widely-read Noahpinion newsletter just days ago, captures the current moment with characteristic bluntness. His point is simple but worth sitting with: the energy transition is not, at its core, a climate story. It is a national security story.[1] EV drivers, he notes, are paying roughly 5 cents per mile versus 12 cents for gasoline — and that gap has widened considerably since the strait closed. More important, they are immune to whatever happens in the Middle East. Oil is a global commodity, which means any war, anywhere near a chokepoint, sends prices spiking in every country simultaneously. Electricity is local. Your utility rate does not care what Brent crude is doing. Smith also makes a point that should give American investors pause: even as EV adoption has skyrocketed globally, the U.S. has been moving in the opposite direction by retreating from EV subsidies, blocking cheaper Chinese batteries with tariffs, and watching Ford and GM write down a combined $25 billion in EV-related investments. Meanwhile, Norway is approaching 100% new EV sales, Singapore has flipped and Chinese EV sales are surging across Southeast Asia. The countries that spent the last decade building out clean energy infrastructure are experiencing this crisis a bit differently than those that didn't.

Pakistan is not a country that anyone would associate with a green energy revolution. It is an economy perpetually teetering on the edge of a balance of payments crisis, importing roughly 83% of its oil with the vast majority of it through the now-closed strait, and spending nearly $16 billion a year on petroleum imports, its single largest import item. It has no meaningful strategic petroleum reserve. Every $10 increase in oil prices costs the country an additional $1.8 to $2.0 billion annually in foreign exchange.

[9] https://www.dallasfed.org/research/economics/2026/0320
[10] Noah Smith, Noahpinion, March 2026. noahpinion.substack.com. Noah Smith is one of our favorite writers on the intersection of economics and policy.

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And yet, between 2020 and 2025, solar power went from roughly 1% of Pakistan's electricity generation to an estimated 25% — making it the single largest source of power in the country in the span of five years.[11] In 2024, Pakistan imported 17 gigawatts of solar panels, more than any other country in the world. This was not the result of a visionary government policy or a climate commitment. Electricity tariffs rose 155% between 2021 and 2024, and Chinese solar panel prices fell by nearly 50%, creating a perfect storm.[12] Ordinary Pakistani households, doctors, shopkeepers, and factory owners, put panels on their rooftops out of pure economic desperation. LNG imports, meanwhile, have fallen so sharply that Pakistan recently cancelled 21 contracted cargo shipments it simply couldn't absorb because solar had displaced that much grid demand.[13] The country didn't transition because it was idealistic. It transitioned because it had no choice. That distinction matters enormously for investors trying to understand how durable this shift really is.

[1]The Perfect Storm Fueling Pakistan's Solar Boom | World Resources Institute
[1]Inside Pakistan's Solar Revolution: Growth, Drivers and Obstacles - Climate Adaptation Platform
[1] World Resources Institute, "The Perfect Storm Fueling Pakistan's Solar Boom," October 2025. wri.org.

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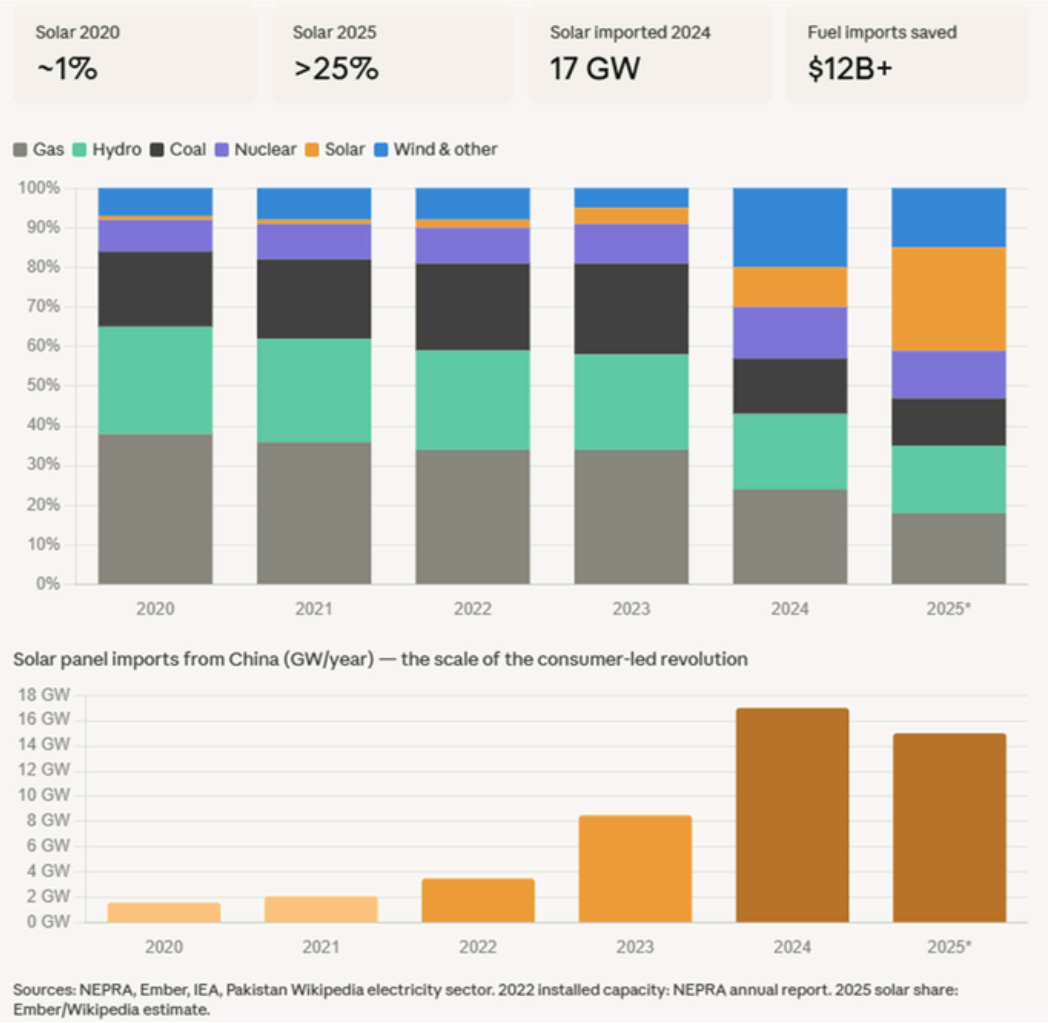

The innovation cycle is not limited to solar panels and electric vehicles. A remarkable piece published in the Wall Street Journal just days before this writing describes a company called Cache Energy developing a thermal battery built around chemistry that Roman engineers discovered when they mixed quicklime and water to build the Pantheon.[14] The reaction releases substantial heat. Reverse it — add heat back — and you regenerate the original compound, ready to discharge again. A rechargeable cement battery. Engineers have speculated about this concept since the 1970s, but until cheap renewable electricity made it economical to charge the system, it had no commercial logic. That logic now exists. Industrial heat and building heating together account for a very large share of global energy use.[15] A scalable, cost-competitive thermal battery that displaces natural gas in those applications addresses nearly a third of global energy demand. The Hormuz closure did not invent this technology. But it is the kind of crisis that makes the funding calls easier to make and the deployment timelines shorter.

[14] The 2,000-Year-Old Cement Battery That Could Reduce Our Reliance on Fossil Fuel - WSJ
[15] International Energy Agency, World Energy Outlook 2025. Industrial heat accounts for roughly 20% of global final energy consumption; space and water heating approximately 10%.

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For investors, the instinct is to ask which company to own. That may be an exciting question, though it comes with the material risk of whether the investor will select the winning company. For example, the 1973 oil shock did not primarily enrich the makers of fuel-efficient cars; rather, it enriched every business that structurally lowered its energy cost per unit of output. The internet did not primarily enrich the companies that built the cables — it enriched every business that used them to reach customers more cheaply and efficiently.

Transformative technology has a way of accruing across the entire economy rather than concentrating in the hands of its inventors. Picking the winning solar manufacturer, the dominant battery chemistry, or the EV brand that outlasts its competitors is genuinely possible — and genuinely risky. Others copy. Marketing matters. Capital intensity can destroy returns even in a growing market. The more durable opportunity, historically, has been identifying the businesses that will use these technologies to permanently lower their costs such as the industrial companies replacing gas-fired heat with thermal storage, the logistics operators converting fleets to electric, and the utilities that become the backbone of an electrified economy.

Pakistan's solar revolution didn't make panel manufacturers wealthy. It saved the country significant costs while lowering its fuel import dependence and allowed savings for every household and business that installed a rooftop panel.[16] The technology was the means, and the cost reduction was the universal benefit. That is how transformative innovation almost always works and why the current disruption, whatever short-term pain it is causing, is likely to leave the global economy structurally wealthier than it was. After all, this is how it has worked through history.

Deep Thought: Why Are US Passenger Trains So Damn Slow?

The average US Amtrak speed is 30 MPH while the average passenger speed in China is 155 MPH. That is embarrassing.

[16] World Resources Institute, "The Perfect Storm Fueling Pakistan's Solar Boom," October 2025. wri.org.

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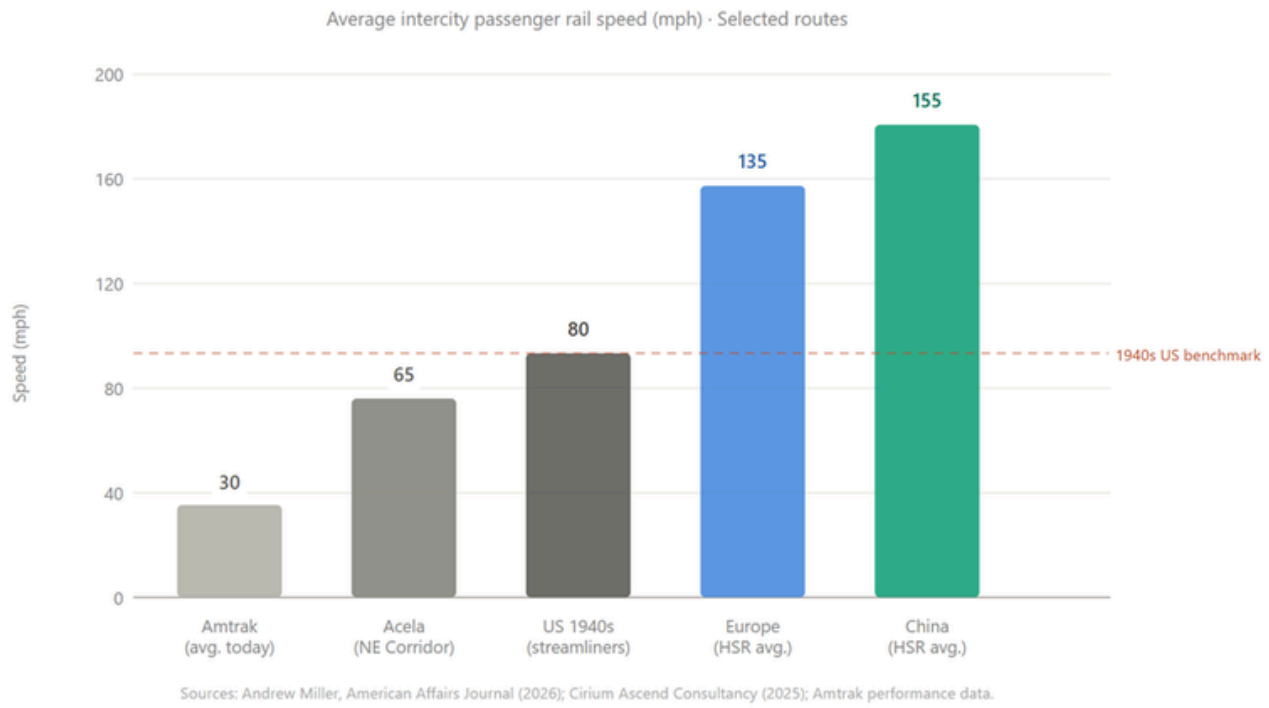
In the 1950s, the Milwaukee Road's Olympian Hiawatha ran from Minneapolis to Chicago in roughly seven hours. Amtrak's Empire Builder covers the same route today in just under eight. The New York–Montreal trip took nine hours in 1940; today's Adirondack takes over thirteen — if it shows up at all.[17]



Driving US passengers crazy was purposeful, it turns out. A recent and thought-provoking essay in American Affairs Journal by Andrew Miller highlights the efficient, capitalist motivation for our train design.[1] After 1970, private railroads were freed from mandatory passenger service due to losses driven by more efficient alternatives. The railroads rationally invested in what paid — freight. That decision was spectacular for the US: we now move over 5,000 ton-miles of freight per person annually by rail, nine times Europe's rate and fifty-four times Japan's. The world's best freight network and the world's slowest passenger trains turn out to be the same achievement viewed from different angles. A critical detail: fast passenger trains and heavy freight trains cannot share the same tracks — they require entirely separate infrastructure, which means building for both is not just expensive but a genuine either/or capital decision. In the US, passenger trains would simply never be competitive with airplanes and cars given our geography — so why force them into existence given reasonable alternatives?

[17] Andrew Miller, "Why Are American Passenger Trains Slow?" American Affairs Journal, February 20, 2026. americanaffairsjournal.org/2026/02/why-are-american-passenger-trains-slow/
[18] Ibid. Miller's framing — that American passenger rail is slow because freight rail succeeded, not despite it — is the core insight worth sitting with.

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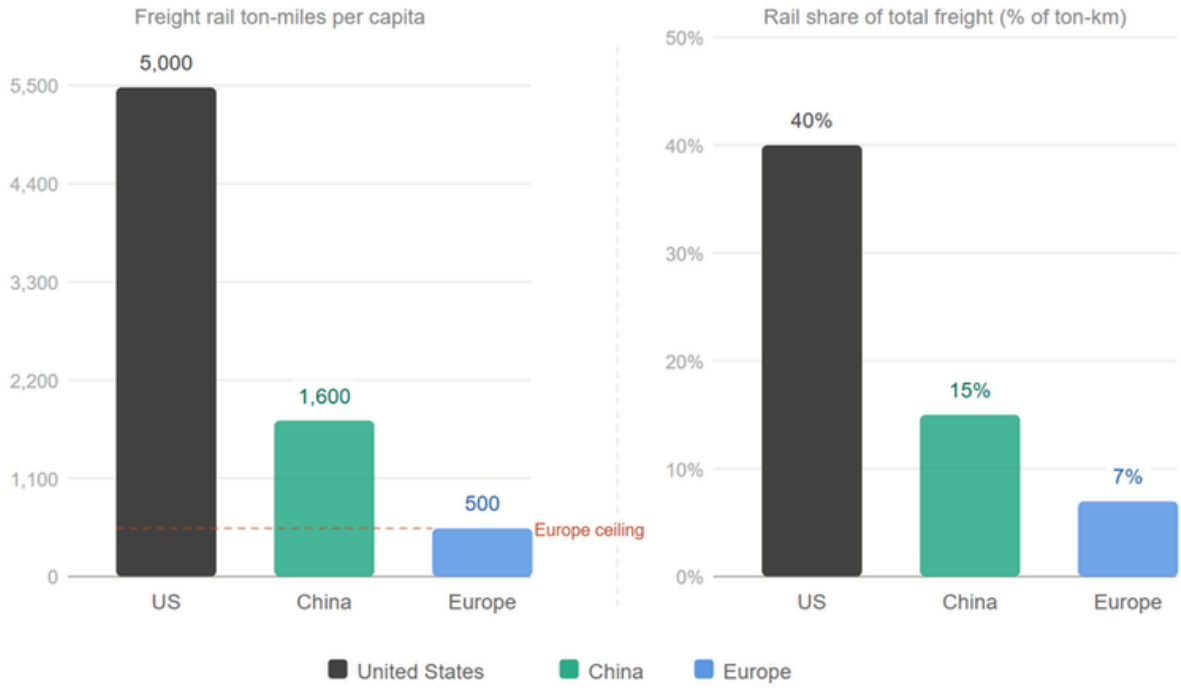

Sources: AAR; China National Railway Administration; Eurostat; ICCT (2024). Ton-miles converted from tonne-km.

China presents a fascinating counterexample. It built a separate, dedicated high-speed passenger network — now exceeding 50,000 kilometers — while simultaneously using its conventional rail lines to carry freight efficiently. It appears to have both. The catch: the entire system is state-owned, the high-speed rail network runs at a roughly 100 billion yuan (~$14.5 billion) annual loss,[1] and only six of its forty-six HSR lines are profitable at the operating level. China didn't escape the tradeoff — it socialized it, at extraordinary scale, and handed the bill to its state-owned banks.

The next time you complain about that slow train, remember there is actually a good reason for it: you have better options.

[19] China's National Audit Office, as reported by multiple Chinese financial outlets, February 2025. China State Railway Group's total liabilities reached 6.2 trillion yuan at end of 2024 ($900 billion). Asia Times, "China's fast-growing high-speed railway network faces reality," June 2025.

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Talking Points — March 2026

Monthly Market Recap

March was a tough month for equities and bonds. All three major US indices were down over 4.5% while yields rose materially, to levels above those at the beginning of the year. The war between the US/Israel and Iran was the main performance driver.

Tensions had been building in the Middle East since the conclusion of the brief, albeit intense, Twelve Day War between Israel and Iran (with a US bombing run of nuclear assets the culmination). Nuclear ambitions and threat of Iran's ballistic missile program resulted in continued heavy sanctions by the US and NATO. Tensions elevated in January as national protests in Iran met with a violent response by the regime. Over the last few monts, in response to these protests and perhaps perceived weakness of the regime, the US started to build up military assets in the region. Iran refused to give in to US demands in regards its military ambitions.

The US and Israel launched and all out aerial attack on Iran targeting its military infrastructure, military and regime leaders, and nuclear program. Iran's Supreme leader was killed in the initial strikes. The attacks prompted a "broad" response from Iran where they chose to launch missiles and drones at US assets in the region (military bases, embassies, etc.), Israel, and other neighboring countries (with a focus on US allies) – effectively dragging much of the region into the conflict.

Iran also started to target ships attempting to navigate through the Strait of Hormuz. Typically, 20% of the world's oil supply travels through the Strait and the disruption sent energy prices surging. The US originally floated the idea of forcefully opening the Strait but by the end of the month President Trump said that other nations needed to "take the lead." He even went as far as to say that the US could potentially end the conflict without the Strait being opened – leaving it in control of Iran if other countries opted to not get involved.

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The biggest risk to markets is if this conflict ends up being a prolonged one. The Trump administration has been adamant from the onset that they wanted to resolve this quickly. The longer the war continues the greater the disruption to global energy markets. Energy costs are key inputs for inflation and prices are unlikely to come down until ships can safely travel through the Strait. Concerns over inflation in the US are back and futures were even pricing in a small chance of a rate hike over the near-term prior to some commentary from Powell where he made it seem like that was unlikely to happen. Expect markets to be hyper focused on upcoming CPI and PCE releases.

In early April a 14 day ceasefire was announced between Iran and the US. Typically, a ceasefire leads to a permanent (or at least long term) cessation of war. This is not a typical administration so to be seen.

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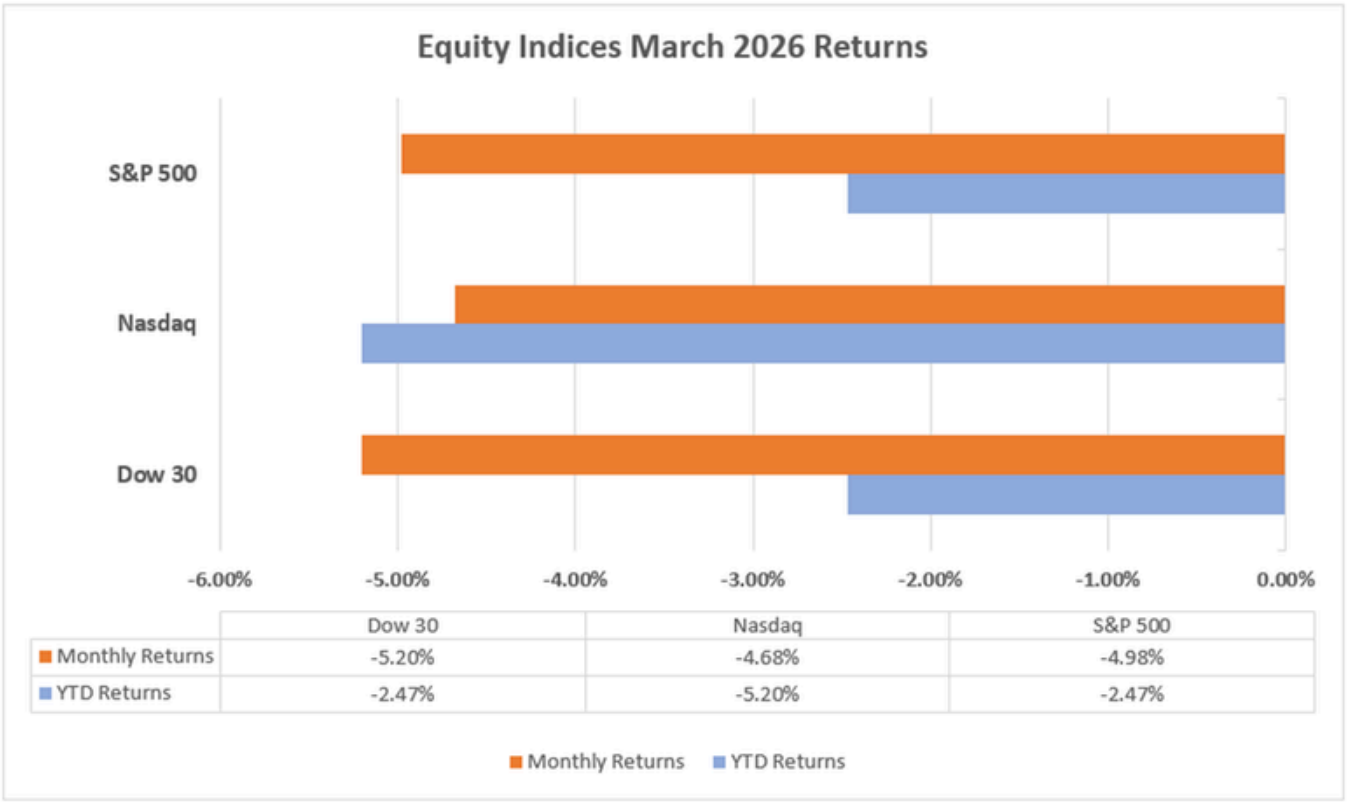
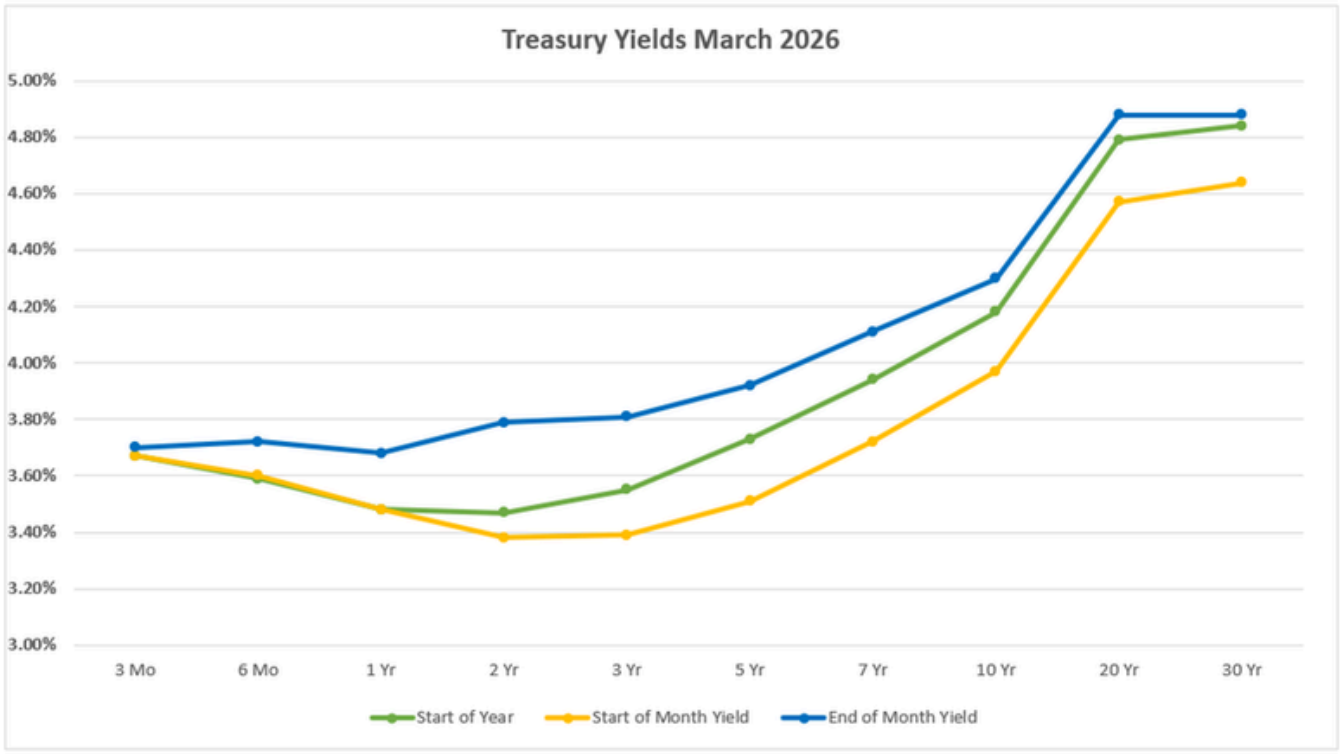
Graphs/Visuals



	Dow 30	Nasdaq	S&P 500
Monthly Returns	-5.20%	-4.68%	-4.98%
YTD Returns	-2.47%	-5.20%	-2.47%



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Fed Interest Rate Decisions Since Start of Hiking Cycle

FOMC Meeting Date	Hike/Cut	Target Fed Funds Rate (Lower)	Target Fed Funds Rate (Upper)
Start of 2022	-	*0.00%*	*0.25%*
3/16/2022	0.25%	0.25%	0.50%
5/4/2022	0.50%	0.75%	1.00%
6/15/2022	0.75%	1.50%	1.75%
7/27/2022	0.75%	2.25%	2.50%
9/21/2022	0.75%	3.00%	3.25%
11/2/2022	0.75%	3.75%	4.00%
12/14/2022	0.50%	4.25%	4.50%
2/1/2023	0.25%	4.50%	4.75%
3/22/2023	0.25%	4.75%	5.00%
5/3/2023	0.25%	5.00%	5.25%
6/14/2023	0.00%	5.00%	5.25%
7/26/2023	0.25%	5.25%	5.50%
9/20/2023	0.00%	5.25%	5.50%
11/1/2023	0.00%	5.25%	5.50%
12/13/2023	0.00%	5.25%	5.50%
1/31/2024	0.00%	5.25%	5.50%
3/20/2024	0.00%	5.25%	5.50%
5/1/2024	0.00%	5.25%	5.50%
6/12/2024	0.00%	5.25%	5.50%
7/31/2024	0.00%	5.25%	5.50%
9/18/2024	-0.50%	4.75%	5.00%
11/7/2024	-0.25%	4.50%	4.75%
12/18/2024	-0.25%	4.25%	4.50%
1/29/2025	0.00%	4.25%	4.50%
3/19/2025	0.00%	4.25%	4.50%
5/7/2025	0.00%	4.25%	4.50%
6/18/2025	0.00%	4.25%	4.50%
7/30/2025	0.00%	4.25%	4.50%
9/18/2025	-0.25%	4.00%	4.25%
10/29/2025	-0.25%	3.75%	4.00%
12/10/2025	-0.25%	3.50%	3.75%
1/28/2026	0.00%	3.50%	3.75%
3/18/2026	0.00%	3.50%	3.75%

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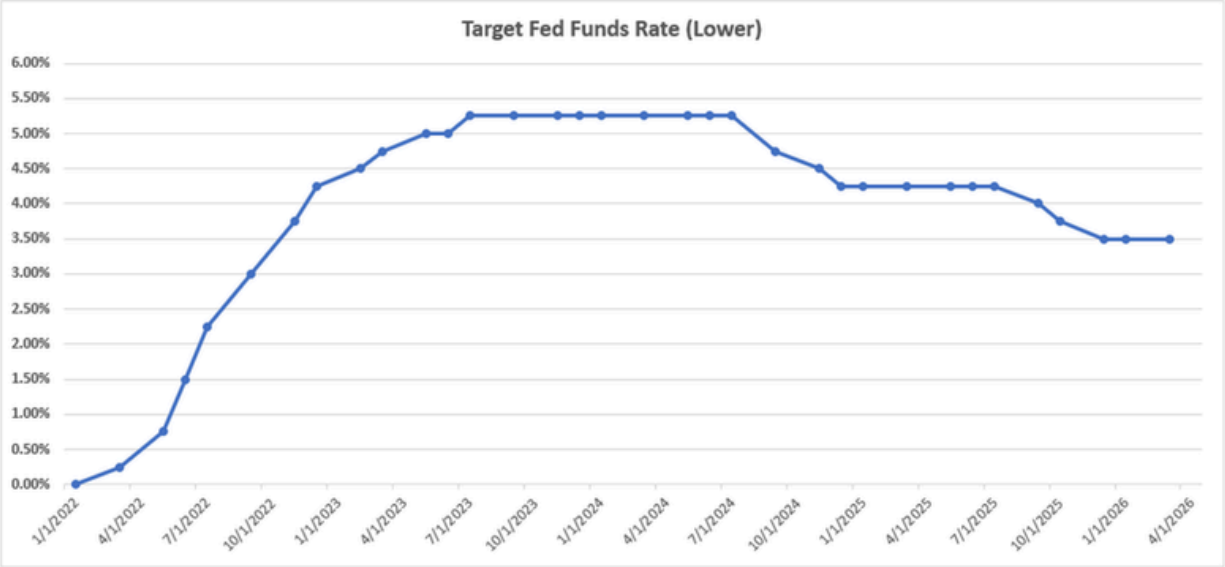

Probability of Upcoming Fed Interest Rate Decisions							
3/20/2026	Hike	Hold	Cut	Hike 25bps	Cut 25bps	Cut 50bps	Cut 75bps
April 29th	12.40%	87.60%	0.00%	12.40%	0.00%	0.00%	0.00%
3/27/2026	Hike	Hold	Cut	Hike 25bps	Cut 25bps	Cut 50bps	Cut 75bps
April 29th	4.10%	95.90%	0.00%	4.10%	0.00%	0.00%	0.00%
4/2/2025	Hike	Hold	Cut	Hike 25bps	Cut 25bps	Cut 50bps	Cut 75bps
April 29th	0.50%	99.50%	0.00%	0.50%	0.00%	0.00%	0.00%

February CPI and Core CPI (yoy)	*Feb.*	*vs. Expected*	*vs. Jan*
CPI	*2.4%*	*2.4%*	*2.4%*
Core CPI	*2.5%*	*2.5%*	*2.5%*

January PCE and Core PCE (yoy)	*Jan.*	*vs. Expected*	*vs. Dec*
PCE	*2.8%*	*2.9%*	*2.9%*
Core PCE	*3.1%*	*3.1%*	*3.0%*

Highlights/Notes

Highlight: The war between the US/Israel and Iran caused major disruptions to global energy markets resulting in a material sell-off in equities and bonds.

(continued)

FAM Sentiment Summary 2026:

2026	January	February	March
Fed	**Mildly Bearish**	**Neutral**	**Neutral**
Interest Rate Decisions	*Neutral*	*Neutral*	*Neutral*
Commentary	*Mildly Bearish*	*Neutral*	*Mildly Bearish*
Fed Independence	*Mildly Bearish*	*Neutral*	*Neutral*
Economic Data	**Mildly Bullish**	**Mildly Bullish**	**Mildly Bearish**
Inflation	*Bullish*	*Mildly Bullish*	*Neutral*
Employment/Labor Market	*Neutral*	*Mildly Bullish*	*Bearish*
GDP	*Neutral*	*Neutral*	*Neutral*
Consumer Spending	*Neutral*	*Mildly Bearish*	*Neutral*
Consumer Sentiment	*Neutral*	*Neutral*	*Mildly Bearish*
Housing/Real Estate	*Neutral*	*Mildly Bullish*	*Mildly Bullish*
Global Events/News	**Mildly Bearish**	**Mildly Bearish**	**Bearish**
China	*Neutral*	*Neutral*	*Mildly Bearish*
Middle East	*Bearish*	*Bearish*	*Bearish*
Russia	*Neutral*	*Neutral*	*Mildly Bearish*
South America	*Mildly Bullish*	*Neutral*	*Neutral*
Europe	*Mildly Bearish*	*Neutral*	*Neutral*
Japan	*Neutral*	*Neutral*	*Neutral*
US Politics/Government	**Mildly Bearish**	**Mildly Bullish**	**Neutral**
Tariffs	*Mildly Bearish*	*Bullish*	*Mildly Bearish*
Economic Policy	*Mildly Bearish*	*Neutral*	*Neutral*
Market Trends	**Mildly Bearish**	**Bearish**	**Mildly Bearish**
Earnings	*Mildly Bearish*	*Neutral*	*Neutral*
AI/Chips	*Mildly Bearish*	*Bearish*	*Neutral*
Private Markets	*Bearish*	*Bearish*	*Bearish*
Energy Prices	*Mildly Bearish*	*Bearish*	*Bearish*
Metals/Critical Minerals	*Mildly Bullish*	*Neutral*	*Neutral*
Crypto	*Mildly Bearish*	*Neutral*	*Mildly Bearish*

Noteworthy Sentiment Items:

- Economic Data – Mildly Bullish to Mildly Bearish
  - Even though the impact of elevated energy prices is yet to show up in inflation data, February's jobs report pointing to weakness in the labor market could not have come at a worse time. With inflation potentially set to rise again in coming weeks/months, a weakening labor market complicates matters for the Fed when it comes to interest rate decisions moving forward.
- Fed Commentary – Neutral to Mildly Bearish
  - This would have flipped fully to bearish had Powell not come out and ease concerns over a near-term rate hike.

(continued)

Key Topics/Items from Below:

BEARISH

- After weeks of tensions building, US and Israel launched an all-out aerial attack on Iran targeting Iran's military infrastructure, military and regime leaders, and its nuclear program
- Iran responding by launching missiles and drones at US assets in the region (military bases, embassies, etc.), Israel, and other neighboring countries (with a focus on US allies) – dragging much of the Middle East into the conflict
- Energy prices surging as a result of the conflict in the Middle East (20% of world's oil supply travels through the Strait of Hormuz) – leading to inflation concerns globally and dampening hopes for rate cuts in 2026 here in the US
- President Trump stating that the US would hold out for "unconditional surrender" and "acceptable leadership" before ending the conflict with Iran
- Reports circulating that Russia and China were assisting Iran
- The release of February's jobs report which showed that the US lost more jobs than expected and that overall unemployment rose
- The popular BCRED (private credit fund) managed by Blackstone getting hit with elevated redemptions.
- A private credit fund managed by Blackrock getting hit with elevated redemptions
- Iran's new leader threatening to ramp up attacks on ships attempting to navigate the Strait of Hormuz after already having hit seven ships over the course of 24 hours
- Iran's new leader threatening to use proxies to cut off shipping traffic through the Suez Canal via the Red Sea
- Cliffwater's Corporate Lending Fund getting hit with elevated redemptions
- Energy prices pushing higher after Israel struck Iran's largest gas field – Iran responding with strikes on energy infrastructure across the Gulf (which cause "significant" damage)
- Reports that suggested the Pentagon was going to ask Congress for $200 billion to fund the Iran war
- The US sending additional group troops to the region throughout the month to give the Trump administration "options"

(continued)

- Powell's commentary post interest rate decision in which he pointed to inflation being a major concern once again – "the economy is experiencing an energy shock of some size and duration"
- Iran rejecting an initial cease-fire proposal
- A private credit fund manager by Apollo getting hit with elevated redemptions
- Yemen's Houthis joining the conflict and reports circulating that President Trump was considering a military operation to extract Iran's uranium
- The release of jobs data which showed that hiring in the US fell to the lowest levels since April of 2020

MILDLY BEARISH

- Reports that the US government was looking to implement new regulation that would restrict the sale of AI-chips to anywhere outside of the US without American approval
- Treasury Secretary Bessent announcing that the proposed increase of the new global tariffs from 10% to 15% would take place this month
- A treasury auction being met with weaker-than-expected demand mid-month
- February PPI data coming in higher than expected
- Reserve Bank of Australia raising their benchmark interest rates citing rising inflation as their reasoning
- A treasury auction being met with weaker-than-expected demand later in the month
- The University of Michigan's Consumer Sentiment Survey showing that the Iran war is starting to raise concerns, especially surrounding energy prices and inflation
- Contradicting comments from President Trump where he said that the US had almost completed all of its initiatives in Iran but later threatening to "pummel them back to the Stone Ages"
- Google researchers releasing a study that pointed to serious potential issues for cryptocurrencies stemming for advancements in quantum computing

(continued)

Neutral

- The International Energy Agency (IEA) announcing that a record 400 million barrels would be released from strategic reserves in an effort to calm energy markets – it had minimal impact on prices
- Housing data which showed that home prices rose in February
- February CPI and Core CPI being right in line with expectations
- January PCE surprising to the downside and January Core PCE coming in as expected
- Fed deciding to hold benchmark interest rates at current levels this month (as expected)
- Rally in gold (and other precious metals) stalling out this month

MILDLY BULLISH

- President Trump floating the idea of the US military escorting ships through the Strait of Hormuz
- President Trump proposing providing insurance and security for energy shipments in the Middle East region
- Seven big tech companies that have built or are in the process of building data centers pledging to help offset higher electricity costs in the regions where they are located
- Housing data which showed that sales of existing homes were higher than expected for February
- President Trump telling Israel that it was not to strike any more of Iran's energy assets and stating that the US would not be sending in ground troops
- Conflicting reports about US and Iran negotiations – with the US claiming that talks were taking place and Iran denying (third party mediators back US claims but cautioned that sides were still far apart)
- President Trump stating that he would consider ending the war without fully reopening the Strait – potentially shortening the timeline for the conflict but risking leaving the Strait in full control of Iran
- SpaceX filing IPO paperwork

(continued)

BULLISH

- Trump commenting mid-month that the war was "very complete" and "very ahead of schedule"
- President Trump backing off threats to strike Iran's energy infrastructure – extending the deadline for Iran to open the Strait so that negotiations could take place
- President Trump stating that he would consider ending the war without fully reopening the Strait – potentially shortening the timeline for the conflict
- President Trump stating that the US would leave Iran in "two to three weeks" and that a deal does not need to be made in order for this to happen – again, potentially shortening the timeline for the conflict
- The UAE preparing to help the US and other allies open the Strait by force – joining the offensive against Iran rather than just opting to play defense
- Powell easing concerns over a potential near term rate hike stating that the Fed "was inclined to hold rates steady"

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