

# Micro-Bite on US-Israeli-Iran War

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Live Analysis on Economic & Diplomatic Tail-Risks

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# Outline

## ∞ Executive Summary

- ∞ Three bite-sized bullet points.

## ∞ WHAT? - Primary economic effects

- ∞ Impact to global oil supply: 25+% crude hostage.

## ∞ HOW? - Secondary economic effects

- ∞ Cost increases are broad and specific from expensive crude oil.

## ∞ WHY? – Cause of economic and tail-risks

- ∞ Iran's mobile missile launchers and cheap bomb-drones make problems go and go and go and go and go

## ∞ WHAT NEXT? – Potential tail-risks and concluding events

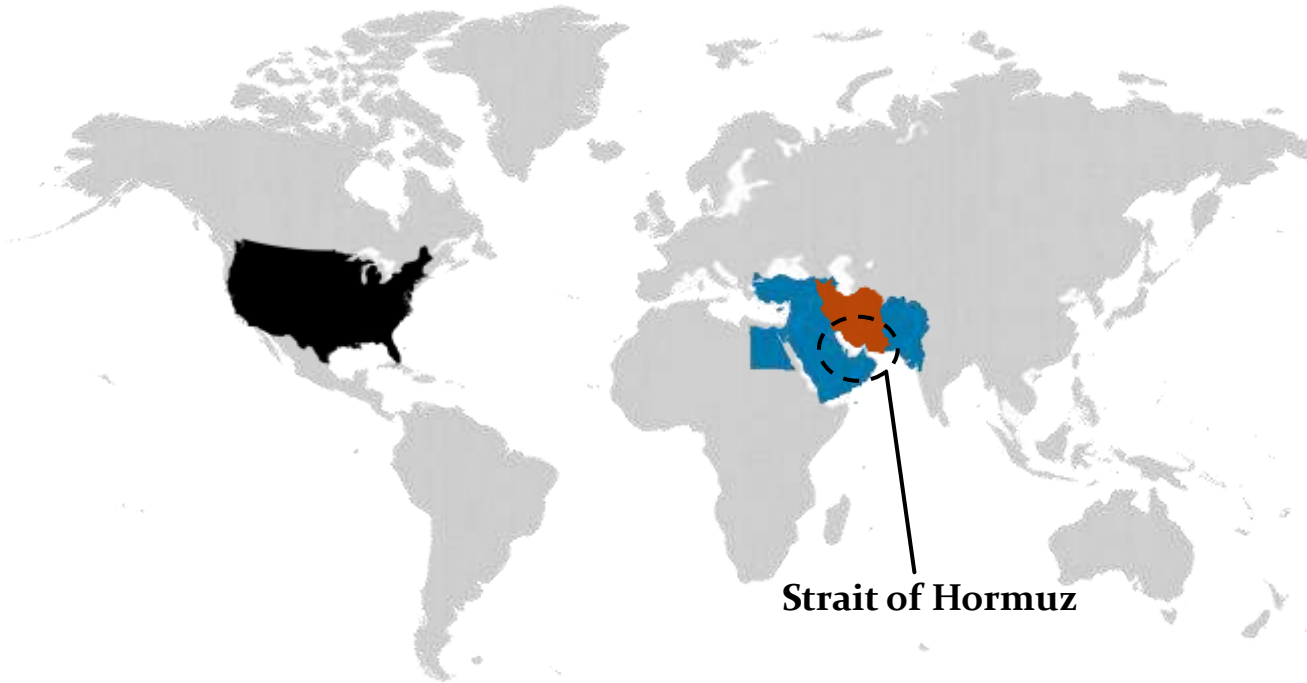
- ∞ Powder-kegs explode; Oil burns on...

## ∞ Retrospective Red-Flags

- ∞ The warning signs war was coming.

# Executive Summary

As the war continues, damage to oil infrastructure, population centers, and other countries increases, so does the economic and international fabric damage.



## War not complete until complete regime change

- ∞ US needs Khamenei 2 & Iranian Revolutionary Guard Corps (IRGC) to surrender, therefore US likely needs American troops “on the ground”.

## Cost increases sustained for repair time

- ∞ Price jumps will continue with new attacks against oil infrastructure, ships in the Strait, or significant escalations in targets by Iran.

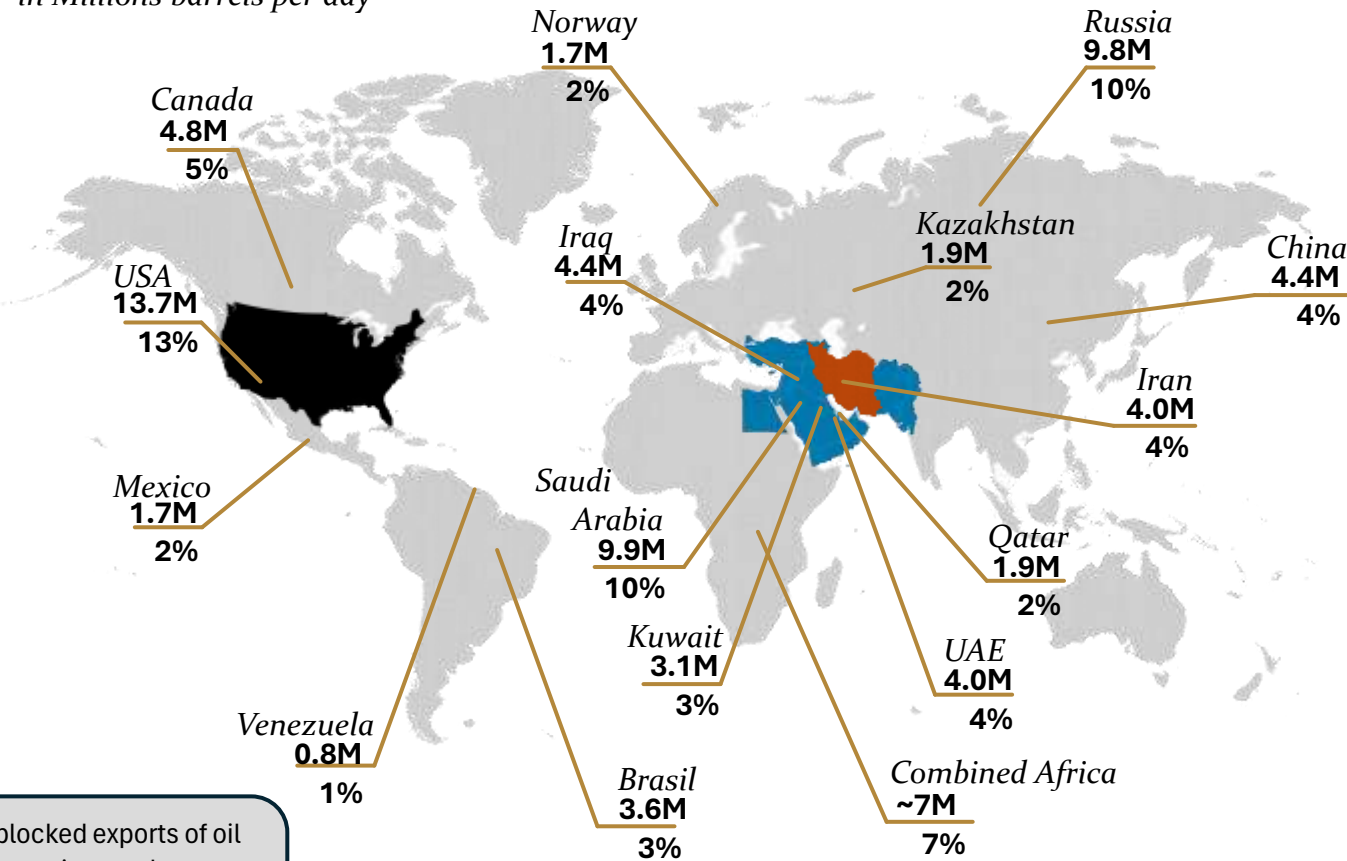
## Global spillover risks new battles on old, and new fronts

- ∞ France & UK mobilized, US pulled defense assets from Asia.

# Impact to Global Oil Supply: 25+% Hostage

## Top Crude Oil Producers illustrates global reliance on Middle east

in Millions barrels per day



Source: Grey Theorem, EIA 2023 and 2025

## Oil Supply is Semi-Elastic

- ∞ Production takes specialized equipment for drilling, pumping, transportation, storage, crews for each step AND oil deposits.
- ∞ Flex in output can replace small part of missing supply.

## Crude is only the first step

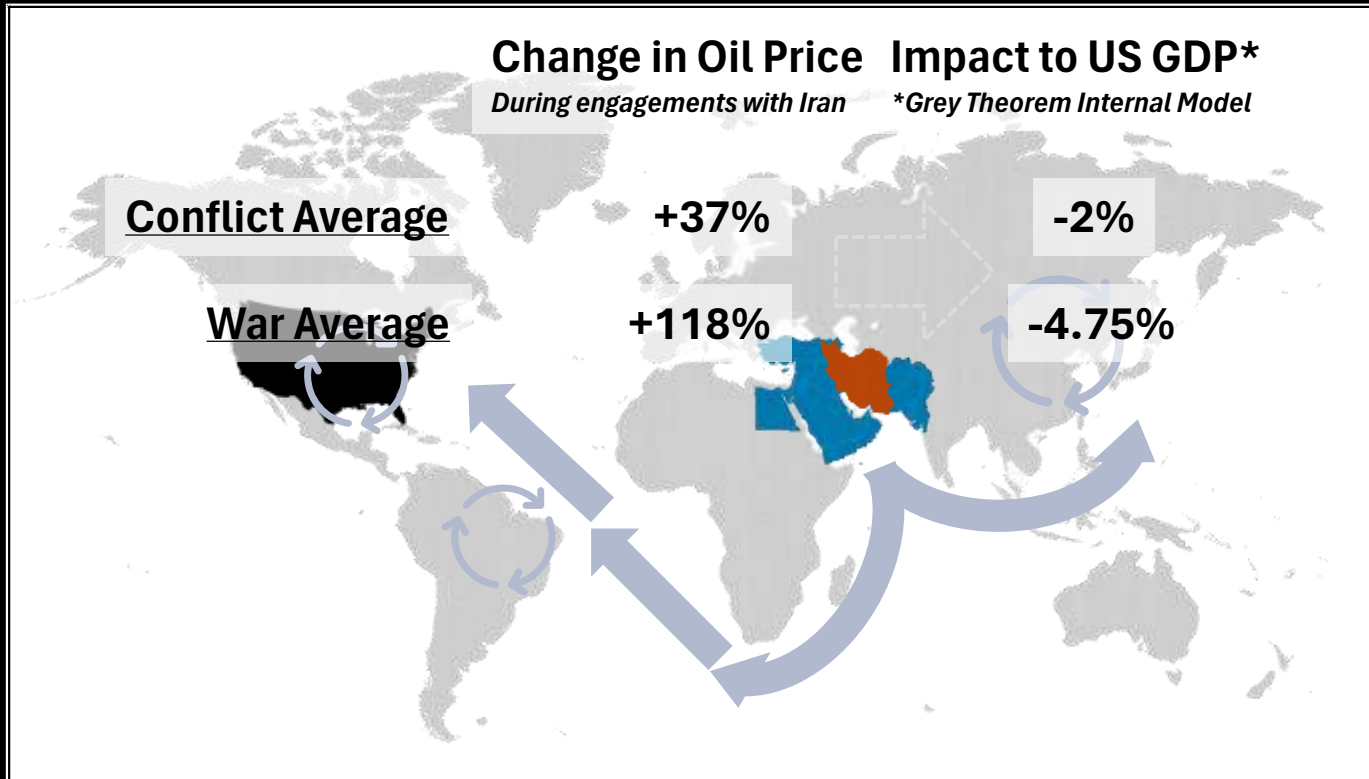
- ∞ Middle East accounts for ~10% of global refinement.
- ∞ US & China tie for first with 18% each.

## Infrastructure under Fire

- ∞ 27+% of crude supply under local threat of attack.
- ∞ 68% of global crude supply in-range of advanced Iranian missile systems.

China blocked exports of oil and certain petroleum products ~Mar 7<sup>th</sup>, believed to be mechanism for strategic reserve refill and short-lived.

# Cost increases Broad & Specific



## Crude Oil & Fuel/Gas Prices go together

- ∞ Consumer fuel prices increase ~1:1, commercial fuel prices increase more.
  - ∞ Advanced refinement bears opportunity cost.
  - ∞ Transportation costs for all goods increases by...
- ∞ Conflict averages +37% price in Oil, War +118%

## Crude is only the first step

- ∞ 27% of Petroleum usage in US was for Industrial manufacturing and chemical synthesis.
  - ∞ US #1 global consumer of petroleum oil.

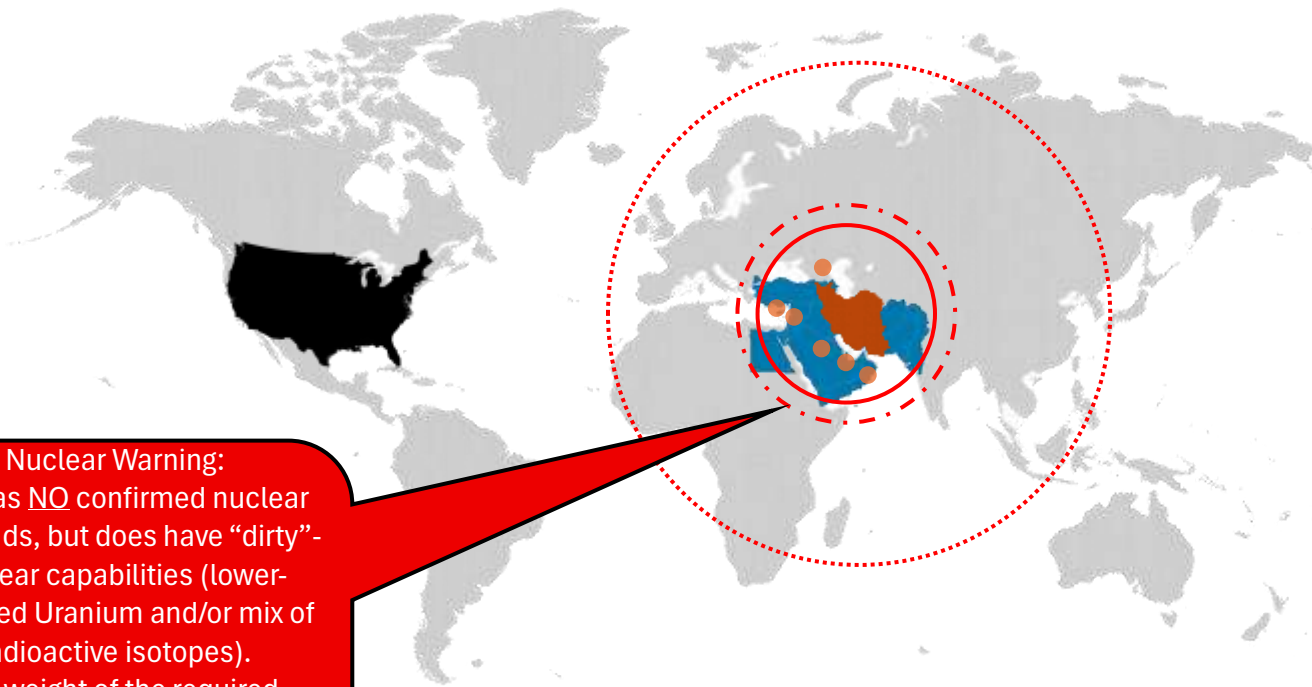
## US reserves can (only) supplement...

- ∞ US Strategic Petroleum Reserves (SPR) at 416 million barrels.
- ∞ US consumes ~21 million barrels per day, produces ~13.7 million.

The economy will **need** to slowdown to conserve oil if war becomes entrenched.

# More Ballistics, More Problems

- Shaded Manned Drone range
- - - ICBM Surface-to-Surface Missile range
- ⋯ Theoretical “Jericho 3” Missile range
- Major Iranian strike sites



**Nuclear Warning:**  
 Iran has NO confirmed nuclear warheads, but does have “dirty”- nuclear capabilities (lower-enriched Uranium and/or mix of radioactive isotopes).  
 The weight of the required warhead would limit missile range, but anti-air defenses would not limit damage or loss-of-life.

Source: Grey Theorem, Kyiv Independent, CSIS Missile Defense Project

## Cheap drones, thousands of missiles, no where to go

∞ Israeli Intelligence (Mar 9) reported Iran launched over 2,000 Shaded drones and 500 Ballistic missiles since the start of the war.

	Pre-War	March 7 <sup>th</sup> Estimate
Mobile Launcher	400	70
Medium-range Ballistics (MRBM)	~2,000	40-340
Short-range Ballistics (SRBM)	6,000-8,000	2,620-5,120

Source: Israeli Defense Force Release

## Iran depleted everyone’s anti-air stocks except the Laser Dome

- ∞ Low anti-air stocks means more missiles and drones get through.
- ∞ Trending decline in attack count hopeful, but persistent attacks extends threat.

# Powder-kegs explode; Oil burns on...

Cuba in crises. Desperately needed oil before war, US embargoing support. Senior US administrators and President escalating talk of direct intervention. Possible two-pronged deployment to Iran AND Cuba.

Russia has been training and building a second force since the outbreak of the Russo-Ukraine war in 2022, NATO intelligence reports Russian plans for a European invasion if Ukraine falls.

Venezuela is still a live-item for the US; Maduro's trial is on-going in New York, but still de facto political foundation of Venezuela. US presence maintains new status quo, and spreading regional conflicts.

National pride in self-defense, resentment against US and Israeli foreign policy, chance for regional unity; Middle Eastern diplomacy could take large step back for US.

PRC's China Reunification 2027 plan remains active; China's invasion of Taiwan will meet reduced foreign resistance, depleted inventories.

Afghani-Paki violence has been a front for the India-Paki cold war. Direct conflict between both is a low probability. Indirect conflict isn't.

## Oil is Out

- ∞ #\*%& the environment, someone save our wallets!
- ∞ Nuclear, Solar, Wind, and others in unison
- ∞ Large-scale energy storage infrastructure project
- ∞ Renewable combustible production as national security infrastructure.

## De-Centralization Sticks

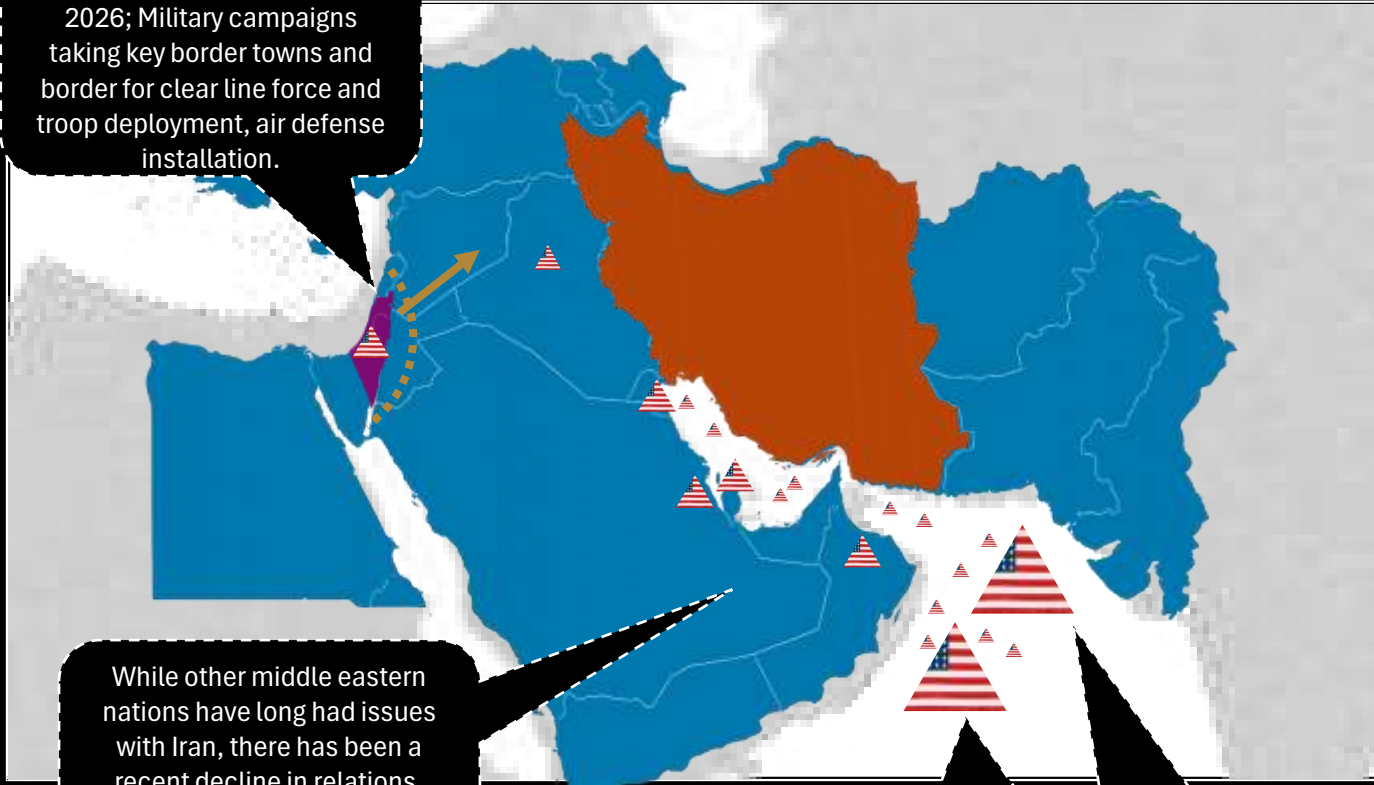
- ∞ Unified European defensive and economic state
- ∞ Resentment of US increases, backwards step for Middle Eastern diplomacy

## New Battlefronts

- ∞ EU activation for Russia-Ukraine war
- ∞ Indefensibility of Asian axis, Chinese reunification
  - ∞ Weapon + anti-air stock depletion
  - ∞ US + NATO force commitment

# The Warning Signs

Israel's Laser Dome fully installed and operational Jan. 2026; Military campaigns taking key border towns and border for clear line force and troop deployment, air defense installation.



While other middle eastern nations have long had issues with Iran, there has been a recent decline in relations, and resistance to Israeli-US interference in Iran.

One Aircraft carrier group has more air force power than Iran. Two Aircraft carrier groups is a historical escalation and significant operational burden. Three carrier groups is a global conquest force.

## Top Indicator is Military Capability

- ∞ Two++ aircraft carrier groups
- ∞ Sustained operational support capacity
- ∞ Relocated air attack and support

## Setting the Stage

- ∞ Israeli Laser Dome installation & Syrian campaign post-12 Day War to create air defense buffer zone.
- ∞ One aircraft carrier group historically normal for region, two isn't.
- ∞ USS Gerald R. Ford group deployed beyond operational parameters – there **MUST** be strong reason to be out.

## Diplomacy: Demand the Unacceptable

- ∞ Nuclear energy program is multi-generational promise of Khamenei.
- ∞ Moving goalposts from US team on conditions

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Contact [Advisory@Greytheorem.com](mailto:Advisory@Greytheorem.com)

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