# Winter arrives on a floor that moved.

*Two contested corridors. One mechanism. What the world economy composes against.*

# Hormuz.
# Bab al-Mandeb.
# *Nine days apart.*

**STRAIT OF HORMUZ**

Closed to normal transit since 4 March. Iranian PGSA regime, Day 195+.

**BAB AL-MANDEB**

Same class since 20 July. Houthi enforcement on Saudi port traffic.

*2,800 miles apart. Nine days apart. The second corridor entered the class nine days after the political mechanism at the first collapsed. That was not coincidence.*

# Three conditions produced the *second.*

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01 · GEOGRAPHIC POSITION

Houthi movement sits across the Red Sea axis from Yanbu, Saudi Arabia's workaround port.

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02 · STRATEGIC ALIGNMENT

Houthi interest in constraining Saudi capacity aligned with Iranian PGSA regime effect on Gulf outflow.

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03 · COST TRANSMISSION

Gulf freight and insurance premiums already elevated. Bab al-Mandeb war-risk overlay layered on the existing premium, not on a baseline.

*Corridor extension is not a scenario. It is the mechanism.*

# Three watchlist corridors. *All three conditions live.*

## Turkish Straits

Russian maritime pressure on Turkish shipping. Position + alignment + transmission acceleration through Ukraine escalation.

## Malacca · South China Sea

Chinese enforcement cadence if a Taiwan Strait crisis moves operational. Position + alignment + transmission at scale beyond current corridors combined.

## European sub-corridor

Russian hybrid pressure on gas import routes and subsea cables. Insurance market already moving.

# Thirteen years from failure to *durable settlement.*

**1923**

LAUSANNE

*Internationalised regime. Failed within a decade.*

**1936**

MONTREUX

*Sovereignty-with-obligations. Held 90 years.*

**2026**

CURRENT

*Approximately month seven of the class.*

The 1923 Lausanne Convention attempted internationalised governance and failed. 1936 Montreux produced 90 years of settled Turkish Straits governance because the conditions had taken 13 years to assemble.

*Month seven. Not year 13.*

# Calculable. And it *exceeds one trillion dollars.*

TURKISH STRAITS

**+$40–60** / bbl

+15–20% European gas above TTF. +$800–1,200/FEU Med & Black Sea freight.

MALACCA · PARTIAL CADENCE

**$100s Bn**

Loss scenarios in the hundreds of billions. Insurance reserves building since 2024.

EUROPEAN SUB-CORRIDOR

**$10s Bn** / yr

Gas market and subsea infrastructure exposure. Insurance markets already moving.

AGGREGATE IF ALL THREE MOVE TO LIVE

**> $1 Tn / yr**

*Annual transmission across the world economy. Not a forecast. The arithmetic.*

# Q4 gas demand. 2027 contract renewals. *The wave pulling forward.*

**€65**/MWh

TTF holds. No political mechanism visible to lift the floor.

**Below normal**

European gas storage heading into Q4 heating demand.

**Through 2028**

Ras Laffan LNG offline regardless of any Hormuz settlement.

**Q4 2026**

Consumer inflation Wave 2 pulling forward from H1 2027.

*Winter is where this stops being an abstraction.*

# Four bearings *for 2027.*

**01 · CONTRACT STRUCTURE**

Corridor extension as an explicit term, not a force majeure carve-out.

**02 · INSURANCE & FREIGHT HEDGING**

Against N corridors, N defined as current 2 plus at least one watchlist scenario.

**03 · LONG-TERM ENERGY COMMITMENTS**

Priced against the moved baseline, not against reversion.

**04 · STRATEGIC CAPITAL ALLOCATION**

Corridor exposure as a first-class portfolio risk factor.

***The businesses composed against the moved baseline carry the transition.***

BearingA

GEOPOLITICS READS FORWARD.

READ THE SUBSTRATE PAPER

bearinga.com/papers/contested-corridor-topology

*For CFOs, treasurers, and risk officers renewing 2027 contracts this quarter: what floor are you contracting against?*