

Message from the CIO

Insights from Harison Sidhu, BridgePort Chief Investment Officer

Given the unprecedented military action the U.S. has taken in Iran, we felt it was important to write a message to investors.

Joint U.S. and Israeli strikes on Iran began on February 28, 2026, targeting senior leadership, nuclear infrastructure, missile sites and strategic military assets. The Supreme Leader of Iran, Ayatollah Ali Khamenei, was killed in these strikes. Iran has retaliated with sustained missile and drone attacks targeting U.S. bases, Israel and Gulf nations allied with the U.S. President Trump has signaled that the campaign against Iran will continue for “as long as it takes.”

Iran has moved to effectively close the Strait of Hormuz, severely restricting a waterway responsible for roughly 20% of global oil and natural gas shipments. Traffic has dropped by more than 80%, with major firms suspending operations and insurers withdrawing coverage. This has led to oil markets pricing in a multi-week disruption. In addition, Qatar’s energy minister Saad al-Kaabi, said the ongoing conflict could force Gulf oil exporters to halt production within days.

Effects of this conflict have been felt almost immediately. On Friday, WTI oil prices surged 12% to \$90.90 a barrel, and Brent oil rose 8.5% to \$92.69 a barrel. Weekly gains were 36% for WTI and 27% for Brent, the largest percentage increases on record since 1983 and 1991, respectively. Large increases in the price of crude oil have in turn pushed gasoline prices higher, as well. These price increases have rekindled inflation fears, and markets have begun to reduce bets that the Federal Reserve will ease rates further despite the weakness in this week’s jobs report.

This conflict is broader and more intense than prior Iran flare-ups. Analysts suggest the war could last up to eight weeks, but if history is any guide this conflict can last far longer than most expect. With that said, even a short conflict could lead to lasting market dislocation. If the strait remains impaired, oil prices may rise further, threatening global growth. Overall, the conflict remains highly unstable, and we believe markets will continue to price in elevated geopolitical risk until a clear path toward de-escalation emerges.

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