

US–Iran Conflict Briefing

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Iran steps up Hormuz shipping attacks in a deliberate shift of tactics

- Two senior Iranian officials told Reuters on October 14 that Iran changed its offensive tactics against shipping in the Strait of Hormuz about ten days earlier, increasing the pace and changing the type of attacks in order to keep oil prices high and influence the U.S. midterm elections. — [Reuters](#)
- Maritime security data reported by Reuters recorded at least five incidents involving tankers and other commercial ships around the Strait of Hormuz in the preceding 48 hours, including drone strikes, with the attack tempo at its highest since the war began. — [Reuters](#)
- A U.S. military official told Reuters that the IRGC has begun using unarmed spotters in small boats to identify targets after U.S. strikes destroyed much of Iran's radar capability, and that U.S. forces last week destroyed a dhow whose occupants were calling in targets, with no casualties. — [Reuters](#)
- The Iranian officials told Reuters that Tehran plans to expand its shipping operations beyond the Strait of Hormuz into the Gulf of Oman and waters further afield, and that Iran is moving toward a complete closure of the strait to vessels it considers in violation of its restrictions. — [Reuters](#)
- The U.S. Navy-led Joint Maritime Information Center rates the threat to merchant shipping in the Strait of Hormuz as severe, its second-highest level, with IRGC attacks, targeted surveillance of merchant shipping and radio hailing persisting, Reuters reported. — [Reuters](#)

Iran's supreme leader vows to fight on and keep Hormuz closed

- Iran's supreme leader said in a written statement reported by Reuters on October 13 that the war would continue until the United States and Israel were brought to their knees, and that the Strait of Hormuz would remain closed. — [Reuters](#)
- The supreme leader warned that oil prices would rise further and dismissed President Trump's claims about Iran as lies aimed at improving his position ahead of November's midterm elections, adding that Trump's prediction of a swift end to the war had not come true. — [Reuters](#)
- Al Jazeera independently reported the statement, in which Iran's leader said the country would not back down until its enemies were brought to their knees and that the Strait of Hormuz would remain closed. — [Al Jazeera](#)
- Foreign Ministry spokesperson Esmaeil Baghaei said on October 12 that Iran is still reviewing the U.S. response to its seven-condition proposal for reopening the strait and will reply via intermediaries once the review is over, with messages still being exchanged via Qatar and Pakistan. — [Reuters](#)

Iran's economy spirals as the rial hits a record low

- Iran's currency has halved in value against the dollar since the war began in February, trading at about 1.8 million rials to the dollar on the open market, Reuters reported on October 12. — [Reuters](#)
- Inflation reached 56.7 percent in the Iranian month of Shahrivar, and Reuters reported Iranians moving savings into gold, dollars and cryptocurrencies after a central bank measure expanding quasi-money by about a third failed to stem the flight. — [Reuters](#)

- The state shipping line IRISL's revenues have collapsed, and the Ofogh Kourosh supermarket chain has cut staff by about 40 percent, closed 13 percent of its stores and seen foot traffic halve, according to Reuters. — [Reuters](#)
- The IMF forecasts Iran's economy will shrink 3.2 percent this year, and Reuters reported Iran nets under 40 dollars a barrel for its oil, less than half the market price, with more than 80 percent of its crude still going to China. — [Reuters](#)

Markets

- Brent crude traded at \$106.61 a barrel on October 14, and WTI crude traded at \$95.41 a barrel in the same session, as Middle East supply risks offset a build in U.S. inventories. — [Reuters](#)
- UK NBP day-ahead gas settled at 208.292 pence per therm on October 13, as European gas prices climbed to multi-month highs with Middle East risks persisting. — [Reuters](#)

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