DAILY INTELLIGENCE UPDATE

The U.S.-Israel-Iran War, Hormuz and the Axis of Resistance

Economic pressure, maritime coercion and regional signaling: economic D-Day meets Iran's parallel sanctions regime

Reporting window: August 23, 2026, 08:00 IDT – August 24, 2026, 10:00 IDT

Coverage: 26 hours · **Method:** Primary national-language sources first; international reporting for verification and global effects

Window-control note: Events that occurred before 08:00 IDT on August 23 are included only when they are necessary background to understand an in-window development. The U.S. sanctions package itself was not yet publicly released by the cut-off. What changed inside the window was the formalization of August 24 as the launch day, the Treasury Secretary's direct description of the coming campaign, and Iran's corresponding regulatory and deterrent response.

EXECUTIVE ASSESSMENT

The center of gravity in the U.S.-Iran confrontation shifted further away from large-scale kinetic exchange and toward an unusually direct contest of economic and maritime coercion. Washington is preparing to use secondary sanctions, financial isolation, oil-trade restrictions and the continuing naval blockade to force Iran to reopen the Strait of Hormuz and accept broader U.S. terms. Tehran is answering in kind: it is building a formal compliance regime for Hormuz, threatening fines, detention and confiscation of non-compliant vessels, and extending liability to ships that trade or transfer cargo with blacklisted vessels.

This is not de-escalation. It is escalation by financial and regulatory means, with military force retained as the enforcement backstop.

The most important U.S. development came shortly after midnight Israel time. Treasury Secretary Scott Bessent, writing in the Financial Times, described August 24 as the beginning of an 'economic D-Day' and said Washington would target Iran's remaining petroleum sales, banking links and transport networks, while imposing costs on countries and companies that continue to provide economic lifelines. Reuters subsequently reported that Bessent would detail the measures at 2:00 p.m. EDT on August 24 - 21:00 IDT, well after this report's cut-off. Accordingly, the new sanctions were politically launched in the reporting window, but their legal scope, designation list and effective dates were not yet available at 10:00 IDT.

Iran's response was deliberately symmetrical. Foreign Minister Abbas Araghchi dismissed the new sanctions as another failed coercive campaign. More consequentially, Supreme National Security Council Secretary Mohsen Rezaei warned regional states that participation in the U.S. economic campaign would be treated as hostile action and threatened, if the pressure campaign continues, to prevent oil exports not only through Hormuz but also through alternative Gulf export routes. The message raises the cost of U.S. secondary sanctions by putting neighboring states in a coercive dilemma: comply with Washington and risk Iranian retaliation, or preserve economic channels with Tehran and risk U.S. penalties.

The Persian Gulf Strait Authority's August 23 announcement gives this confrontation an institutional form. Tehran is no longer relying only on naval warnings or episodic interdictions. It is attempting to create a sanctions-like maritime architecture of its own - a non-compliant vessel list, penalties for future passage, secondary blacklisting for ship-to-ship transfers, and a formal delisting process. This is the clearest indicator that Iran is trying to convert wartime leverage into a durable regulatory claim over the world's most important energy chokepoint.

The resulting balance is unstable. Neither side appears eager, at this stage, to return immediately to sustained air and missile exchanges. Yet both are designing coercive systems that can collide at sea, in banks, and across Gulf energy infrastructure. A vessel seizure, a sanctions action against a major Gulf or

Asian actor, or an Iranian strike on an alternative export route could rapidly convert the present non-kinetic phase back into direct military escalation. By the 10:00 IDT cut-off, Oman had also announced a ministerial visit to Tehran for Tuesday, reinforcing that the maritime channel remains active even as neither side has softened its public position.

Key Judgments

- The conflict is entering a new phase of structured economic warfare rather than genuine de-escalation. Washington is weaponizing access to the dollar, oil markets and shipping networks; Tehran is weaponizing access to Hormuz and the vulnerability of regional energy routes.
- August 24 is the politically declared start of Washington's new sanctions offensive, but not yet a verified legal effective time for the full package. As of 10:00 IDT, the designation list and implementing documents had not been publicly issued; Bessent's formal briefing was scheduled for 21:00 IDT.
- Iran's new PGSA rules are more important than another rhetorical threat to 'close' Hormuz. They create a practical enforcement mechanism designed to make shipowners, charterers, cargo owners and counterparties calculate the cost of non-compliance with Iranian rules.
- The PGSA's secondary-blacklisting mechanism mirrors the logic of U.S. secondary sanctions. Both sides are now trying to force third parties to choose whose rules they will obey.
- Rezaei's threat to target alternative Gulf oil-export routes broadens the confrontation beyond Hormuz. It is intended to deny Washington and Gulf states an easy workaround and to deter regional governments from participating in the U.S. pressure campaign.
- Tehran still preserves a diplomatic exit. Araghchi and President Masoud Pezeshkian continue to argue that a negotiated arrangement is possible, while Pakistan's army chief is due in Tehran as part of an active mediation track. The civilian message, however, is increasingly constrained by a harder national-security posture.
- Oman remains the most concrete maritime interlocutor: its foreign minister is due in Tehran on August 25, while Pakistan is working the broader political channel. The parallel tracks suggest active crisis management, not agreement.
- No new public CENTCOM or Department of Defense announcement of a major U.S. kinetic strike on Iran was identified inside the strict window. This reinforces the assessment that the current U.S. emphasis is financial and maritime pressure rather than immediate renewed air operations.
- Hormuz remains selectively restricted rather than physically sealed. Iran's earlier special permission for Iraqi tankers, alongside the new blacklist and permit logic, demonstrates that Tehran's objective is controlled passage under Iranian authority, not indiscriminate closure.
- The broader Axis remains relevant as strategic depth, but the most consequential in-window proxy development was political and coercive rather than a coordinated regional attack: Iraq proposed an Iran-Saudi security mechanism, while the Houthis claimed the downing of a Saudi ScanEagle over Hajjah.
- The principal near-term danger is a rules-enforcement collision: U.S. sanctions compliance, Iranian maritime enforcement, or a Gulf state's attempt to bypass Hormuz could trigger the military response that both sides currently appear to be postponing.

1. United States: 'Economic D-Day' and the Shift to Financial Coercion

What changed inside the reporting window

Washington had already announced before the window that it intended to impose what Treasury Secretary Scott Bessent called the 'toughest sanctions in history.' The in-window development was the transition from broad threat to a dated, operationally framed campaign. In a Financial Times article published at 21:30 UTC on August 23 - 00:30 IDT on August 24 - Bessent said the United States was entering the 'endgame' and that an economic offensive would begin on August 24.

Bessent identified the remaining pressure points in broad terms: petroleum sales, financial transactions, banking access and transport networks. He also made clear that the strategy extends beyond Iranian entities to third-country actors that continue to sustain Iran economically. This matters because the likely effectiveness of the package will depend less on adding more Iranian names to existing sanctions lists than on whether Washington is prepared to impose meaningful costs on major buyers, banks, insurers, shippers and trading hubs outside Iran.

> Source: Financial Times - Scott Bessent: an economic D-Day is coming for Iran

Timing - political launch versus legal implementation

Reuters reported during the final hours of the window that Bessent's press conference was scheduled for 2:00 p.m. EDT on August 24, equivalent to 18:00 UTC and 21:00 IDT. That distinction is operationally important. Bessent's 'at dawn' language marks August 24 as the political start of the campaign, but as of the report cut-off there was no publicly available Treasury designation package establishing the exact targets, legal authorities, grace periods or effective times.

The report therefore treats the new sanctions as imminent rather than fully implemented. Any assessment of their actual reach - particularly whether China, India, Gulf financial centers, shipping insurers or major energy traders are directly targeted - must await the formal Treasury release.

> Source: Reuters - U.S. vows 'economic D-Day' as Iran threatens to halt all oil exports

Trump's strategic framing

President Trump had already warned that countries providing 'any type of lifeline' to Iran would face economic consequences. That statement preceded the reporting window, but it is the policy frame Bessent is now operationalizing. The administration's concept is therefore a form of extraterritorial economic isolation: pressure Tehran by increasing the cost of maintaining normal commercial relations with it.

The approach also gives Washington an option short of another major air campaign. Bessent has explicitly suggested that stronger economic measures can reduce the need for large new military operations. At the same time, his Financial Times article retained the threat of rapid military retaliation if Iran responds with force. The intended U.S. posture is pressure without tactical passivity.

Primary-source operational check

No new White House, State Department, Department of Defense or CENTCOM public release announcing a major new U.S. strike on Iran was identified between 08:00 IDT on August 23 and 10:00 IDT on August 24. This does not establish that no U.S. military activity occurred. It does show that Washington's public signaling in the strict window was dominated by sanctions and financial coercion rather than a newly announced kinetic operation.

2. Iran: From Sanctions Resistance to Counter-Coercion

Foreign Ministry - sanctions as U.S. desperation

Foreign Minister Abbas Araghchi dismissed the impending U.S. package as a sign of desperation and argued that successive generations of sanctions and maximum-pressure campaigns had failed to force Iran to surrender. His public line remained that a settlement is possible only through respectful negotiation based on what Tehran describes as justice and national dignity. Reuters carried the comments on August 23, placing them squarely inside the reporting window.

> Source: Reuters - Iran says new sanctions threatened by 'desperate' U.S. will fail

Rezaei - economic pressure can trigger military consequences

Mohsen Rezaei, the secretary of Iran's Supreme National Security Council, supplied the harder half of Tehran's response. Persian-language regime channels carried his warning that neighboring countries should not join the U.S. economic campaign. He said Iran does not seek to widen the war, but would regard regional participation in the economic campaign as hostile action and could strike those states' interests.

The most consequential element was geographic. Rezaei threatened that if the economic war continues, oil would not leave through the Strait of Hormuz or from other Gulf export points, and that alternative routes used to move Gulf oil could also be targeted. This is a deterrent message aimed at Saudi Arabia, the UAE and other states that have invested in pipelines and Red Sea or Arabian Sea outlets precisely to reduce exposure to Hormuz.

> Source: IRGC-linked Persian channel - Rezaei on retaliation against participation in the economic war

Pezeshkian - economic war, but still a diplomatic exit

President Masoud Pezeshkian continued to frame Iran as facing a comprehensive economic, military and security war while defending diplomacy and the previous memorandum of understanding as the least damaging route out of the conflict. The contrast with Rezaei is meaningful but should not be overstated: both accept the premise that Iran must preserve leverage. The disagreement is over how aggressively that leverage should be exercised and how much economic pain Iran should absorb before compromising.

Iranian media barometer

The Persian-language media environment is preparing the public for a prolonged economic confrontation. Hamshahri's August 24 front-page formulation - 'Sanction us, we strike' - distilled the emerging deterrent equation into a simple message. Kayhan's current line similarly argues that Washington has returned to economic warfare after failing to impose its will militarily, and that the answer is resistance and economic insulation rather than concessions. IRGC-linked channels simultaneously mock Trump's threats as bluster while stressing Iran's accumulated experience in sanctions evasion and oil sales.

> Source: Hamshahri Persian Telegram - August 24 front page and Rezaei headline
> Source: IRGC-linked Persian media - messaging on U.S. economic pressure

3. Strait of Hormuz: Iran Builds a Parallel Sanctions Regime

PGSA enforcement rules

The Persian Gulf Strait Authority announced on August 23 that vessels violating Iranian transit protocols would face future restrictions that could include fines, detention or confiscation. Cargo owners were instructed to check a Non-Compliant Vessels list before chartering ships. Most significantly, the authority said that a vessel conducting ship-to-ship transfers, transshipment or other cooperation with a listed vessel would itself be added to the blacklist.

This is a major qualitative change. Iran is attempting to move from ad hoc coercion to a compliance ecosystem. The system creates a commercial contagion effect: a ship can become exposed not only through its own conduct but through dealings with already listed tonnage. The structure closely resembles the behavioral logic of U.S. secondary sanctions, even though Iran lacks comparable global financial reach.

PGSA also created a formal delisting route requiring an application and justification. That bureaucratic feature matters because it signals an ambition to make Iranian rules persistent and administratively normal, rather than merely emergency wartime restrictions.

> Source: PGSA official X statement - non-compliant vessel rules
> Source: Press TV - PGSA fines, detention and confiscation warning

Fees and Iranian claims of jurisdiction

Iranian reporting also said authorized vessels could be charged for navigation, safety, environmental and related maritime services. Tehran presents such charges as payment for services rather than a toll for transit. The legal and political distinction is central: Iran seeks to normalize a role in managing the strait without openly describing the system as a sovereign tax on an international waterway.

The new rules therefore serve two purposes at once. They generate leverage over commercial actors and they create facts on the ground that Tehran can later cite as evidence that international shipping has accepted an Iranian administrative role.

Shipping reality - restricted, selective, not fully closed

Reuters reported in the final hours of the window that fewer than 20 commodity vessels crossed Hormuz over the weekend: four on Sunday and 13 on Saturday, with tracking limitations because some ships had switched off transponders. The volume remained roughly 90 percent below pre-conflict baselines. This is inconsistent with a claim of normal navigation even if individual tankers continue to pass.

> Source: Reuters - fewer than 20 commodity vessels transit Hormuz over the weekend

Iran's decision on August 22 to grant special passage permission to a number of Iraqi oil tankers is useful background because it reveals the model Tehran is pursuing. The objective is not necessarily to stop every ship. It is to make passage dependent on Iranian authorization, exemptions and compliance.

> Source: Reuters - Iran grants special permission for Iraqi oil tankers

> **Assessment:** Hormuz is becoming the physical interface between two sanctions systems. Washington wants companies to avoid sanctioned Iranian trade; Tehran wants those same companies to respect Iranian transit rules and avoid blacklisted vessels. A global shipping company can therefore be compliant with one side and exposed to coercion by the other. That contradiction is likely to raise insurance premiums, encourage opaque ownership and routing practices, and increase reliance on politically protected or gray-market shipping.

4. Israel, Gaza, Lebanon and the Axis of Resistance

Iran continues to resist compartmentalizing Hormuz from the broader war. Rezaei's standing conditions for reopening the strait have included ending the U.S. blockade, releasing frozen Iranian funds, and ending fighting across the region, including in Lebanon and Gaza. That linkage is strategically important because it preserves the Axis of Resistance as part of Iran's bargaining position even during a period dominated by economic measures.

Within the strict window, there was no verified announcement of a new Iranian-directed, synchronized Axis-wide attack. The more important signal was that Tehran's deterrent language continues to treat pressure on Iran, Hezbollah and Gaza as parts of one regional conflict architecture rather than separate theaters.

> Source: AP - Iran security chief warning and wider Middle East developments

5. Iraq: Containment of Iran-Linked Escalation

Iraq's relevance in this window is primarily regional rather than domestic. National Security Adviser Qassem al-Araji said Baghdad had proposed a unified Iran-Saudi security coordination council to address what he described as a crisis of trust between Tehran and Riyadh. The proposal shows Baghdad trying to prevent the Iran-Saudi confrontation from again being fought through Iraqi territory.

Iraqi security forces also completed deployment of three brigades along the Saudi border under the Desert Operations Command, according to Iraqi reporting, with the stated purpose of securing the frontier and distancing armed factions from launch areas. The measure follows Saudi accusations that Iran-aligned groups used Iraqi territory for attacks on Saudi energy infrastructure.

At the same time, institutional ties between Tehran and the Popular Mobilization Forces remain intact. An Iranian delegation sent by Supreme Leader Mojtaba Khamenei met PMF chairman Faleh al-Fayyadh in Baghdad on August 23. The juxtaposition is characteristic of Iraq's current position: the state is trying to restrict unauthorized regional attacks without severing the political-security relationships through which Iran retains influence.

> Source: Alsumaria - Iraqi proposal for an Iran-Saudi security coordination council
> Source: Al-Araby Al-Jadeed - Iraqi army deployment on the Saudi border
> Source: Al Hadath - Iranian delegation meets PMF chairman Faleh al-Fayyadh

6. Yemen and the Houthis: Pressure on Saudi Arabia Continues

A Houthi military source claimed on August 23 that the group shot down a Saudi ScanEagle reconnaissance UAV over Hajjah Governorate with an unspecified weapon. The claim was carried by the Houthi defense ministry's 26 September outlet. No Saudi confirmation or independent technical verification was identified by the cut-off.

The incident fits the current Houthi campaign of imposing persistent operational costs on Saudi Arabia without necessarily launching a major strategic strike every day. The Houthi maritime blockade narrative remains in force, and the Saudi-Houthi confrontation continues to constrain Red Sea routing and Saudi export planning.

No new confirmed Houthi strike on a major Saudi oil installation was identified inside the strict window. The fresh ScanEagle claim therefore matters more as evidence of continued air-defense and surveillance contestation than as a major escalation in itself.

> Source: Xinhua Arabic - Houthis claim downing of Saudi ScanEagle over Hajjah

7. Mediation: Pakistan, Egypt and the Search for a Political Off-Ramp

Pakistan remains the most active visible intermediary. Iran's Foreign Ministry announced that Pakistani army chief Field Marshal Asim Munir would visit Tehran on August 24 to continue efforts aimed at regional peace and security. Pakistani sources told Reuters that the talks would cover the Islamabad memorandum, Trump's sanctions warning, the Saudi-Turkey-Pakistan defense arrangement and the Houthi file.

The timing is significant. Munir's visit coincides with the U.S. sanctions launch day, giving Pakistan an opportunity to test whether either side is prepared to convert maximum pressure into a bargaining sequence rather than a new escalation cycle.

Egypt has also remained engaged with Araghchi in efforts to revive talks. There was, however, no new ceasefire text, mutually accepted Hormuz arrangement or formal U.S.-Iran negotiating round announced before 10:00 IDT.

A further diplomatic signal emerged on the morning of August 24. Iranian Foreign Ministry spokesman Esmaeil Baghaei announced that Omani Foreign Minister Sayyid Badr Albusaidi will travel to Tehran on Tuesday for talks with Abbas Araghchi. Baghaei explicitly tied the visit to continuing political consultations between the two states as co-littoral countries of the Strait of Hormuz and to efforts to strengthen regional peace and security. The announcement does not amount to a breakthrough, but it confirms that Muscat's technical and political channel remains active precisely as Washington launches its new economic campaign.

> Source: Reuters - Oman foreign minister to visit Tehran on Tuesday
> Source: Reuters - Pakistan army chief to visit Tehran

8. Global Energy and Shipping: The Non-Kinetic War Is Already Material

Oil prices

Oil prices fell in early August 24 trading as markets waited for the U.S. sanctions package. Reuters reported Brent at $93.16 per barrel and WTI at $85.70, down 1.3 percent and 1.6 percent respectively. The decline followed gains of more than 5 percent in the previous week. The market reaction reflects two competing expectations: severe sanctions could tighten supply, but traders were also discounting an immediate return to large-scale kinetic exchange.

> Source: Reuters - oil falls ahead of U.S. sanctions announcement

The deeper problem is refined fuels and route reliability

Reuters analysis published before the cut-off argued that the most acute shortage is increasingly in refined fuels rather than headline crude availability. Asian imports of light and middle distillates were reported well below pre-conflict levels, while refining margins remained historically high. This helps explain why apparently modest changes in Hormuz traffic can have outsized downstream effects.

> Source: Reuters Open Interest - Hormuz crude debate masks refined-fuel shortage

The Economist context - Hormuz cannot be engineered away quickly

The strategic point highlighted by the Economist material supplied for this report is that the confrontation is not only about today's tanker count. It is about whether the global energy system can reduce its structural dependence on Hormuz quickly enough to neutralize Iranian leverage. The supplied archive page could not be directly retrieved in the research environment, so no specific factual claim from that page is quoted here.

The underlying thesis is strongly corroborated by other Economist Group analysis and current shipping data. Economist Impact has described the war as a hard shift from sustainability toward energy security and noted that roughly one-fifth of global oil supplies, along with LNG and other commodities, normally pass through Hormuz. It also warns that access, cost and compliance conditions are becoming inseparable from political alignment. Current Reuters traffic data - still about 90 percent below pre-conflict baselines - show why alternative pipelines and routes have not made the strait strategically irrelevant.

> Source: Economist Impact - From sustainability to security: the Iran war marks a hard shift

Rigzone's recent energy coverage points in the same direction. Supertanker earnings on Middle East routes have remained elevated, Chinese tankers have reversed Hormuz approaches, Saudi crude has been rerouted north to avoid the Houthi threat, and U.S. pressure on Iran's trade partners has become a direct oil-market driver. The energy system is adapting, but adaptation is expensive and incomplete.

Source: Rigzone - current oil and gas industry headlines

9. Overall Assessment

The U.S. and Iran are preparing for a dramatic confrontation that is, for now, primarily non-kinetic. The United States is building an economic exclusion regime designed to make Iran commercially toxic to third parties. Iran is building a maritime compliance regime designed to make disregard for its Hormuz rules physically and commercially risky. Each side is therefore trying to universalize its own rules beyond its territory.

This phase can be more strategically consequential than a short exchange of airstrikes. Secondary sanctions can force governments, banks and energy companies to choose sides; Iranian vessel blacklists and threats against alternative export routes can force the same choice on shipowners and Gulf states. The contest is over who can impose larger costs on third parties without triggering a coalition against itself.

For Washington, the key test will be enforcement credibility. If major Iranian oil buyers or financial intermediaries are exempted, the 'economic D-Day' label will outrun the policy. If the measures are enforced aggressively, the risk shifts to retaliation against Gulf infrastructure and shipping. For Tehran, the test is whether it can enforce its PGSA rules selectively enough to preserve political support and some commerce while maintaining the perception that Hormuz operates on Iranian terms.

BOTTOM LINE

The most likely short-term scenario is neither peace nor renewed full-scale air war. It is a coercive economic-maritime standoff marked by sanctions designations, vessel blacklisting, selective exemptions, insurance repricing, mediation and repeated military threats. The most dangerous feature of this equilibrium is that the enforcement mechanisms are not purely economic: U.S. naval power supports the blockade, while Iranian missiles, drones and naval units stand behind PGSA rules. The line between economic warfare and kinetic warfare is consequently thin.

10. Indicators to Watch

- Treasury's August 24 designation list: whether it directly targets major Chinese or Indian buyers, Gulf intermediaries, insurers, banks, ports or shipping companies.
- The exact legal effective dates and any wind-down periods in the new U.S. sanctions package.
- Publication and expansion of the PGSA Non-Compliant Vessels list, especially the identities, flags and owners of listed ships.
- The first actual PGSA detention, confiscation or fine under the new rules.
- Evidence that major charterers or P&I insurers are refusing Gulf fixtures because of conflicting U.S. and Iranian compliance requirements.

- Any Iranian action against pipelines, Red Sea export terminals or other alternative Gulf oil routes following third-country compliance with U.S. sanctions.
- Results of Asim Munir's Tehran visit and whether Pakistan can restore a formal negotiating channel.
- Whether Araghchi and Pezeshkian retain space for compromise or Rezaei and the security establishment further tighten Iran's position.
- A new CENTCOM or DoD strike announcement, which would signal that the economic phase is being supplemented by renewed U.S. kinetic pressure.
- Houthi or Iraqi-militia attacks on Gulf energy infrastructure that could serve as deniable enforcement of Iran's economic-war deterrent.
- Saudi and UAE decisions on sanctions compliance, alternative export routes and maritime escorts.
- Movement in refined-fuel margins and Asian distillate imports, which may provide an earlier warning of real supply stress than headline crude prices.
