

## Oil Prices Rise Amid US-Iran Strikes; European Markets Open Lower on Geopolitical Concerns

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— Categories: Finance



Oil prices surged on Monday following US airstrikes on Iranian nuclear and military sites over the weekend, intensifying geopolitical tensions in the Middle East. Brent crude rose 1.53% to \$78.19 per barrel, while West Texas Intermediate (WTI) increased 1.48% to \$74.93. The escalation coincides with ongoing missile exchanges between Iran and Israel, raising concerns over regional stability.

European equity markets opened lower as investors weighed the potential economic impact of the conflict. The FTSE 100 declined 0.28%, the CAC 40 fell 0.66%, and Germany's DAX slipped 0.55%. US futures reflected similar caution, with the S&P 500 futures down 0.13%, indicating investor apprehension about further volatility.

Iran responded firmly, with President Masoud Pezeshkian asserting that the nation "will never surrender to bullying and oppression." Simultaneously, Iranian Foreign Minister Abbas Araghchi traveled to Moscow for discussions with President Vladimir Putin, signaling Tehran's effort to strengthen diplomatic ties amid mounting pressure.

The primary concern for global markets remains the security of the Strait of Hormuz, a strategic chokepoint through which approximately 20% of the world's crude oil is transported. Investors fear potential disruptions to oil shipments could sharply increase energy prices and disrupt supply chains. Shipping companies like Maersk continue to operate in the region but maintain heightened vigilance.

While some analysts suggest Iran is unlikely to fully close the strait due to its own reliance on oil exports, the risk of increased aggression could trigger short-term price spikes and complicate inflation control efforts worldwide. The situation poses significant challenges for global economic stability.

Political tensions were further heightened by comments from former US President Donald Trump, who suggested the possibility of regime change in Iran, a position not officially endorsed by current US administration officials. As diplomatic and military developments unfold, markets remain attentive to the evolving geopolitical landscape and its broader implications.