Disruption.

STRATEGIC DAILY BRIEFING — ISSUE #10 — MONDAY 9 MARCH 2026

LEAD SIGNAL

The Strait of Compute: Iran War Strikes the Cloud

The Iran-US/Israel war entered its second week with no resolution in sight. Three AWS data centres in the UAE and Bahrain were struck by Iranian drones — the first confirmed military attack on a hyperscale cloud provider. Simultaneously, the Strait of Hormuz has been effectively shut down, with tanker traffic dropping to near zero since March 1, removing approximately 20 million barrels per day from global markets. Oil surged 35% in a single week — the largest gain in futures trading history since 1983 — with Brent reaching $108–114/bbl and WTI at $107–110 on Monday morning.

Azeem Azhar at Exponential View coined the term “The Strait of Compute,” noting that the AI infrastructure market’s Herfindahl-Hirschman Index sits at 0.59 (where 1.0 is a pure monopoly and 0.25 is already “highly concentrated”). The convergence of physical energy chokepoints and digital infrastructure vulnerability is the defining story of this crisis. The Nikkei fell 6%, KOSPI triggered circuit breakers at -7%, and Dow futures dropped 800 points. Japan sources 95% of its oil from the Middle East, with 70% transiting Hormuz.

ZEITGEIST SCORES

AI & AGENTS 8 HOT ▲	**QUANTUM & COMPUTE** 8 HOT ▲	**DIGITAL MARKETS** 7 HEATING ■
DIGITAL TRUST 9 HOT ▲	**INTERFACE & SPATIAL** 4 COOLING ▼	**BIO-HUMAN** 5 HEATING ■
BIZ FINANCE & POLICY 9 HOT ▲	**CONSUMER** 4 COOLING ▼	**HORIZON SCANNER** 9 HOT ▲

AI & AGENTS

Zeitgeist Score: 8 | HOT ▲

GPT-5.4 Ships Native Computer Use While Productivity Data Catches Up

OpenAI released GPT-5.4 on March 5 — the first general-use model with native computer-use capabilities, a 1 million token context window, and an 83% score on OpenAI’s GDPval knowledge work benchmark. Claims are 33% less likely to be false than GPT-5.2. GPT-5.4 Thinking and Pro variants also shipped. CONFIRMED.

Karpathy released “autoresearch” — a 630-line single-GPU LLM training core. Also running 8xH100 NanoChat inference benchmarks and tweeted “this is what post-AGI feels like” about autonomous workflows. CONFIRMED.

Exponential View reports US productivity grew 2.8% in 2025 (Q4-to-Q4), roughly twice the previous decade. Micro-level evidence: 14% productivity rise in customer service, 26% for developers, 25% for consultants. Erik Brynjolfsson argues the line about AI showing up everywhere except productivity statistics “may need to be retired.” Goldman Sachs counters that AI added zero to GDP in 2025 with 80% of firms reporting no gains — but they’re measuring institutions, not individuals. REPORTED.

Atlassian CTO: 45% of AI-generated code has security flaws, but Rovo Dev cut PR cycle time by 45%. REPORTED.

> ***So what:*** *GPT-5.4 marks the shift from chatbot to agent era. But productivity data still measures the chatbot phase — agent-era gains haven’t hit the statistics yet.*

QUANTUM & COMPUTE

Zeitgeist Score: 8 | HOT ▲

When Data Centres Become Military Targets

Three AWS data centres struck by Iranian drones in UAE and Bahrain on March 1–2. First confirmed military attack on a hyperscale cloud provider. AWS reported structural damage, power disruption, and water damage from fire suppression. Banking services (ADCB, Emirates NBD), Careem, and payments companies experienced outages. CONFIRMED.

Exponential View: AI chip market HHI at 0.59 — dangerously concentrated. US debating tiered oversight of Nvidia clusters: licenses for smaller deployments, government-to-government assurances for up to 100,000 chips, potential on-site inspections at ~200,000. REPORTED.

China’s Qwen team lead Lin Junyang said China is “relatively strapped” for compute; serving users “likely consumes the majority of our infrastructure.” Several Qwen researchers have left Alibaba. REPORTED.

QatarEnergy halted world’s largest LNG export facility after drone attack. Oil supertanker rates hit all-time highs as insurers drop war risk protection. CONFIRMED.

> ***So what:*** *The AWS strikes exposed a new vulnerability class — cloud infrastructure as military targets. With AI concentrated in a handful of fabs and platforms, the “Strait of Compute” is as strategically fragile as the Strait of Hormuz.*

DIGITAL MARKETS & ASSETS

Zeitgeist Score: 7 | HEATING ■

Prediction Markets Cross $1 Billion as War Betting Raises Ethical Alarms

Polymarket: $529M traded on Iran strikes alone — one of the platform’s largest markets ever. Over $1B total wagered across all conflict aspects. CONFIRMED.

“Magamyman” trader made $553,000 betting on death of Iran’s supreme leader, raising insider trading concerns across CNN, Al Jazeera, and NPR. Congress scrutinising “death markets.” CONFIRMED.

“Best AI Model March 2026” market: Anthropic 54%, Google 24%, OpenAI 12%, xAI 5.5% with $3.13M volume. CONFIRMED.

Korean police seized paper with crypto mnemonic worth $4.8M in tax evasion bust. Government contractor arrested for $46M crypto theft from US Marshals. MetaMask’s $mUSD dominates crypto dev activity. Hong Kong planning stablecoin licenses. CONFIRMED/REPORTED.

> ***So what:*** *Polymarket proved prediction markets scale under extreme uncertainty — but $1B+ in war betting has bipartisan attention and congressional hearings look likely.*

DIGITAL TRUST

Zeitgeist Score: 9 | HOT ▲

Anthropic's War on Two Fronts: Pentagon and Privacy

Anthropic CEO Amodei's leaked 1,600-word internal memo called OpenAI staff "gullible" and supporters "Twitter morons." Said Trump administration opposed Anthropic because it hadn't donated to or praised the president. Called OpenAI's approach "safety theater." Amodei apologised "for the tone" within hours. CONFIRMED.

Pentagon formally designated Anthropic a "supply-chain risk," restricting contractors using Claude from defence contracts. Anthropic says designation is "narrower than initially implied" and plans to sue. Polymarket "ban Claude" odds peaked at 49%, now 13%. CONFIRMED.

Meta AI smart glasses surveillance: Swedish investigations found contractors in Nairobi reviewing intimate footage from 7M+ devices. Blurring frequently fails, exposing faces, homes, and bank cards. REPORTED.

Cluely CEO admitted fabricating $7M ARR figure. Actual revenue was millions lower. Company raised $20.3M total on "interview cheating tool" positioning. CONFIRMED.

> ***So what:*** *Trust in AI is being stress-tested from every direction — government retaliation, surveillance hardware, fabricated metrics, and LLM de-anonymisation. The Anthropic saga may define how safety-focused companies navigate political headwinds.*

INTERFACE & SPATIAL

Zeitgeist Score: 4 | COOLING ▼

No significant movement beyond the Meta AI glasses story (covered under Digital Trust). Weekend geopolitics dominated all attention.

BIO-HUMAN

Zeitgeist Score: 5 | HEATING ■

Healthcare AI Hits Two Quiet Milestones

Clover Health became the first payer to go live on the CMS-aligned FHIR network — a healthcare interoperability breakthrough. REPORTED.

AWS launched Amazon Connect Health, an AI agent platform for automating healthcare administrative tasks. New agent-based AI system for rare diseases outperformed existing diagnostic tools. REPORTED.

> ***So what:*** *Healthcare AI is progressing through infrastructure rather than flashy demos. The CMS network milestone is the plumbing that makes everything else possible.*

BUSINESS FINANCE & POLICY

Zeitgeist Score: 9 | HOT ▲

Oil Breaks $110 as the World Prices War

Brent crude surged to $108–114/bbl. WTI at $107–110. Oil up 35% in one week — largest gain in futures history since 1983. Strait of Hormuz effectively shut since March 1–2, removing ~20M bbl/day. Major shippers (Maersk, CMA CGM, Hapag-Lloyd) suspended transits. CONFIRMED.

Nikkei 225 fell 6% to ~52,000. KOSPI plunged 7%, triggering circuit breaker. Dow futures down 800 points / 1.75%. Japan depends on the Middle East for 95% of oil, 70% via Hormuz. CONFIRMED.

Trump administration proposed then walked back plans to intervene in oil market. The Diff notes the SPR holds only ~4 days of global oil consumption / 3 weeks of US consumption. CONFIRMED/COMMENTARY.

Blackstone credit fund limiting investor redemptions, echoing the BREIT pattern. Data centres powered 80–92% of US GDP growth in H1 2025. REPORTED.

> ***So what:*** *This is 1973 energy shock territory. If Hormuz stays shut, the global economy faces a stagflationary shock that dwarfs anything since the Arab oil embargo. Central banks face an impossible trilemma: cut rates to save growth, raise rates to fight inflation, or freeze and hope for ceasefire.*

CONSUMER

Zeitgeist Score: 4 | COOLING ▼

Agent Interfaces Ship Quietly Under War Clouds

GPT-5.4's native computer-use mode is the first mainstream consumer agent interface. Netflix acquiring Ben Affleck's AI startup InterPositive. Meta allowing third-party AI chatbots on WhatsApp in Europe (pay-per-message, 12-month trial). REPORTED.

United Airlines banning headphone-free music — The Diff calls it "federalism by private companies." Roblox using AI to rephrase rude chat messages in real time. REPORTED.

> ***So what:*** *Consumer AI is advancing on multiple fronts, but all of it is background noise against the oil crisis. The real test comes when $110 oil hits petrol pumps.*

HORIZON SCANNER

Zeitgeist Score: 9 | HOT ▲

Data Centres Join the Battlefield

The AWS drone strikes represent a genuinely new category of warfare — targeting civilian digital infrastructure as military retaliation. This was previously a theoretical risk; it is now established precedent. CONFIRMED.

Exponential View: Acemoglu et al. argue AI could shrink the knowledge commons by eliminating the public trail of human problem-solving. Azhar counter-argues AI opens new sharing mechanisms. Donald Knuth let Claude solve an open combinatorics problem autonomously, then proved why it worked. REPORTED.

Sequoia partner Julien Bek argues agents will create "AI service firms" rather than embedded AI employees. Garry Tan (YC CEO) recreated his 2008 startup — 70,000 lines in 90 hours — with AI. REPORTED.

> ***So what:*** *The militarisation of cloud infrastructure changes where to build, what to insure, and how to defend the digital economy. Expect sovereign cloud mandates to accelerate dramatically.*

15 KEY DATA POINTS

#	Figure	Description	Status
1	**$108-114/bbl**	Brent crude price, up from ~$84 pre-war	CONFIRMED
2	**35%**	Oil weekly gain, largest since 1983	CONFIRMED
3	**20M bbl/day**	Oil supply via Hormuz, now shut	CONFIRMED
4	**3**	AWS data centres struck by Iranian drones	CONFIRMED
5	**6%**	Nikkei 225 decline to ~52,000	CONFIRMED
6	**7%**	KOSPI decline, circuit breaker triggered	CONFIRMED
7	**$529M**	Polymarket volume on Iran strikes	CONFIRMED
8	**83%**	GPT-5.4 score on GDPval benchmark	CONFIRMED
9	**2.8%**	US productivity growth 2025 (Q4-to-Q4)	REPORTED
10	**0.59**	AI chip market HHI (1.0 = monopoly)	REPORTED
11	**7M+**	Meta AI smart glasses sold in 2025	REPORTED
12	**54%**	Anthropic Polymarket 'Best AI Model' odds	CONFIRMED
13	**630**	Lines in Karpathy's autoresearch core	CONFIRMED
14	**800pts**	Dow futures decline Monday morning	CONFIRMED
15	**$1B+**	Total prediction market Iran volume	CONFIRMED

KEEP AN EYE ON

▲ **Strait of Hormuz reopening** — any ceasefire signal moves oil $20+ in either direction. ESCALATED.

▲ **AWS reconstruction + cloud insurance** — will providers require military-grade protection? NEW.

▲ **QatarEnergy LNG force majeure** — if exports stay halted, European gas prices spike. NEW.

▲ **Anthropic vs Pentagon lawsuit** — filing expected within days. Tests legal teeth of “supply chain risk.” ESCALATED.

▲ **GPT-5.4 agent adoption** — first native computer-use model. Watch enterprise data in 2–4 weeks. NEW.

▲ **China compute squeeze** — Qwen departures signal internal pressure. Watch talent migration. NEW.

▲ **Prediction market regulation** — $1B+ war betting has bipartisan attention. Hearings likely. ESCALATED.

▲ **Oil SPR intervention** — Trump walked back once, may revisit above $100. SPR = ~4 days global supply. NEW.

▲ **Meta glasses privacy regulation** — Swedish investigation may trigger EU enforcement. NEW.

▲ **Sovereign cloud mandates** — expect acceleration post-AWS strikes. NEW.

▲ **US productivity trend** — if 2.8% holds through Q1 2026, validates AI thesis. CONTINUING.

▲ **Stablecoin licensing** — Hong Kong licenses due March. CONTINUING.

X RADAR

@karpathy: Very active. Released autoresearch (630-line single-GPU LLM core). 8xH100 NanoChat benchmarks. Tweeted “this is what post-AGI feels like.” Marked 1-year anniversary of “vibe coding.”

@ylecun: Quiet period.

@benedictevans: Quiet period.

@caitlinlong_: Active on stablecoin regulation and Custodia Bank developments.

@EricTopol: Active on Ground Truths. Healthcare AI and rare disease diagnostics.

@scobleizer: Quiet period.

@briansolis: Quiet period.

@boztank: Quiet period.

@dmaguireARK: Quiet period.

@willmanidis: Quiet period.

@BrianRoemmele: Quiet period.