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## Crude oil prices surge over 7 pc as Israel-Iran war escalates



New Delhi, March 2 Global crude oil prices went up more than 7 per cent on Monday as war in West Asia escalated, following US and Israeli military strikes on Iran.

Brent crude futures prices surged to \$82.37, the highest since January 2025. Brent crude oil price rallied 7.60 per cent to \$78.41 a barrel, while the US West Texas Intermediate (WTI) crude futures rallied 7.19 per cent to \$71.86.

Iran has closed navigation through the crucial Strait of Hormuz, prompting governments and refiners to assess oil stockpiles, according to reports.

Meanwhile, OPEC has agreed to resume oil production increases next month amid US-Israeli strikes on Iran. Key members led by Saudi Arabia and Russia will add 206,000 barrels a day.

Analysts said the US-Israel strikes on Iran represent a significant geopolitical shock, raising the global oil risk premium and boosting demand for safe haven assets like gold and silver.

Brickwork Ratings said global crude oil prices surged over 7% as the Israel-Iran war escalated, driven by fears of supply disruptions through the strategically vital Strait of Hormuz, with Brent crude briefly spiking to multi-month highs. Rajeev Sharan, Head – Criteria, Model Development & Research at Brickwork Ratings, noted that India's heavy dependence on crude imports means such price spikes could feed through to higher fuel costs, inflation, and a wider current account deficit, complicating monetary policy. He added that the oil risk premium tied to geopolitical tensions may only ease once there is clear de-escalation and assurance that crucial energy transit routes like the Strait of Hormuz remain open.