

Corporate Sectors: Implications of Prolonged Iran Crisis

Multiple sectors to come under pressure, a few to benefit

- Fitch Ratings' downside conflict scenario incorporates a three-month closure of the Strait of Hormuz, followed by a gradual reopening, oil prices averaging USD100/barrel in 2026, a correction in equity prices and higher spreads.
- Higher hydrocarbon prices, supply-chain disruption, weaker demand, and a delayed recovery from the cyclical troughs could affect many corporate sectors globally.
- Revenue and margins in a few sectors would benefit from the disruption.
- Several sectors in the Gulf Cooperation Council (GCC) region, as well as the global chemicals sector, would be under material threat.

Oil and Gas

Oil & gas is the sector most immediately affected. Upstream and integrated producers across all regions could benefit from a prolonged period of higher hydrocarbon prices. For GCC producers, volume constraints arising from limited transit alternatives following an effective closure of the Strait of Hormuz would offset this price benefit. Fitch expects APAC refiners to come under pressure due to their high reliance on Middle Eastern oil, resulting in greater supply-chain disruption and demand destruction. European refineries would pass on higher costs to customers.

Chemicals

Chemicals would remain under strain due to high feedstock prices and further supply-chain disruption, exacerbated by demand destruction in several markets. The sector is in a downturn and is oversupplied and the conflict is likely to delay its recovery. However, North American petrochemical producers rely primarily on domestically sourced natural gas and natural gas liquids, which provide a competitive advantage over European and Asian peers that mostly rely on oil-based naphtha. Fitch's 2026 outlook for global chemicals is 'deteriorating'.

Consumer Goods

Implications would be mixed across consumer goods subsectors. For agriculture and commodity processors, supply-chain disruptions could lead to more expensive and longer fertiliser supply logistics. Expectations of lower harvests could lead to further increases in weak commodity prices, which is positive for producers. High fossil fuel prices create more demand for biofuels, supporting commodity processors, which can shift capacity from food production to biofuels. However, more discretionary segments, including alcohol and certain consumer goods, could see reduced demand.

Airlines

The airlines under most pressure are those with hubs in countries directly affected by aviation disruption, such as Qatar and the UAE, or with limited or no fuel hedging in place, such as North American airlines. Sustained higher fuel prices would affect profitability of most carriers as existing hedges roll off, particularly if passenger demand is also affected by rising inflation.

Related Research

- [Prolonged Iran Conflict to Ripple Through Corporate Sectors Globally \(March 2026\)](#)
- [2026 Adverse Macroeconomic Case Risk Heat Map \(March 2026\)](#)
- [Global Cross-Sector Analysis of Iran War Adverse Risk Case \(March 2026\)](#)
- [Fitch Ratings Lays Out Approach to Ratings Potentially Affected by Iran Crisis \(March 2026\)](#)
- [Prolonged Iran War Raises Demand Risks for US Corporates \(March 2026\)](#)
- [Global Oil: Potential Price Impacts if Hormuz Effective Closure Prolonged \(March 2026\)](#)

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Gaming, Lodging & Leisure

Increased fuel costs could affect European cruise operators due to their unhedged energy positions. Disrupted tourism flows to the Middle East are likely to be redirected to other destinations in Europe, softening the impact. Increased cost of living with rising inflation would affect mid-market and economy and budget lodging, with limited implications for the high-end segment.

GCC hotels would see lower occupancy due to ongoing security concerns and aviation disruption. Post-conflict, potential cancellation of major events and conferences and lower confidence in safety may result in a reduction in bookings for the remainder of 2026.

Real Estate

A longer period of hostilities may reduce the attractiveness of the GCC as a destination for residential housing investment, pressuring the credit profiles of some homebuilders in the region. This could often be mitigated by very solid liquidity positions and strong margins among rated issuers.

Commercial property, including offices, logistics assets and shopping centres, is typically let on long-term leases of five to 10 years. Tenants cannot usually exit these contractual arrangements unless they default and break the lease, in which case the landlord may pursue them for unpaid rent covering the remaining term. Where an asset or sector has shorter leases, this would already be reflected in the rating because, during a downturn, tenants are more likely either to negotiate lower rents on renewal or not to renew at all.

In Dubai's shopping-centre market, landlords still benefit from a local catchment population, alongside tourism, albeit at lower levels, and potentially fewer expatriates. Retailers are unlikely to respond immediately by exiting a location; instead, they are more likely to adapt to prevailing conditions, with rents potentially adjusting when leases expire. As a result, a landlord's rental income is unlikely to fall sharply. Any deterioration would take time to emerge.

In Dubai's office market, leases tend to be longer, and businesses in the Dubai International Financial Centre and elsewhere are likely to take a longer-term view on whether to maintain operations in the region's established financial and business hub. In the meantime, rent remains payable under these leases, which typically run for five to 10 years. Rents cannot be reset downwards overnight and would generally adjust only on lease expiry.

Fitch's ratings focus on the contractual rental income relative to net debt, which is considerably more durable and stable. Where rental income is supported by long lease terms and debt is locked in at fixed interest rates, issuers are generally better placed to withstand cyclical downturns. Fitch does not assign the same debt capacity to UAE issuers as it does to Western European or Central and Eastern European names, reflecting the greater inherent volatility of UAE property markets.

North American homebuilders are likely to face some pressure on margins and demand due to higher input costs, including for coatings, roofing, appliances, windows and flooring. Homebuilders will also seek to negotiate with suppliers to limit price increases. Higher and more volatile mortgage rates, together with weaker consumer confidence, are likely to weigh on demand. The downside scenario would reduce the sector's 2026 forecast from modest year-on-year growth to broadly flat performance.

Automotive

The global automotive sector would primarily experience indirect effects, including supply-chain disruptions and lower demand, due in large part to higher gas prices and higher interest rates. The extent of any positive long-term impact on electric vehicle demand remains unclear. Fitch's global automotive outlook is 'deteriorating' for 2026.

Aerospace & Defence

The Iran conflict could drive potential upside for the North American aerospace and defence sector, as escalating tensions would likely accelerate defence spending, replenishment orders, and demand for missile defence, intelligence, surveillance, and reconnaissance, and advanced weapons systems. These benefits in the defence segments largely outweigh the neutral commercial aerospace exposure, where airline pressure from higher fuel costs is unlikely to materially impact fleet-planning considerations for the sector, given strong aircraft orders and record backlogs. Fitch has an 'improving' outlook for the aerospace and defence sector, driven by rising defence spending and a multi-year US modernisation programme. Increased military activity would provide additional upside for the sector.

Utilities

Electricity prices are likely to remain volatile due to higher title transfer facility (TTF) prices as significant LNG flows from the Middle East (which accounts for about 20% of global supply) are unable to transit the Strait of Hormuz. (Gas-fired plants often set the electricity price in various countries). Higher gas prices feeding into higher energy prices could provide a potential upside for renewable energy producers.

North American utilities would face only a limited direct impact, given their lower reliance on oil for power generation and their ability to pass through fuel costs. Historically high capex and higher interest rates could add to regulatory pressure, as customer affordability is already a concern. Midstream issuers have significant contracted cash flows and are therefore relatively insulated from any volumetric response to higher oil prices. LNG demand signals would be strong, but spare capacity is limited.

Ports

We do not anticipate a decline in overall regional throughput in the GCC, but rather a redistribution of volumes among ports located outside the immediate risk zone. This would closely mirror the pattern seen during the Red Sea crisis and the Houthi attacks, when volumes shifted rather than disappearing from the region entirely, with traffic rerouted around the Cape of Good Hope.

The direct exposure of European seaports and storage operators is driven by asset location, the share of throughput, calls or revenue linked to the Middle East, and the port's role in liner networks, which can be affected by supply-chain disruption. From a broader macroeconomic perspective, port operators have limited exposure to higher oil prices, which account for less than 5% of operating expenses.

Overall implications for North American ports would likely be neutral, but the Iran conflict could pressure shipping lines' import and export operations and port scheduling, resulting in moderate delays or cancellations, while demand could be vulnerable to macroeconomic shifts and could weaken should there be slower economic growth. Furthermore, part of the rated portfolio has capex obligations that must be executed on a strict schedule and cannot be deferred. Higher commodity prices (typically linked to oil and gas prices) could materially increase capex for these projects. In LatAm, we believe route redesigns and other factors could be disruptive to supply chains.

Chinese ports have minimal exposure to GCC cargo and routes. Cargo is diversified, and customers are sticky, with limited reliance on LNG and oil cargoes. Issuers' liquidity is ample to absorb short-term volatility. Australian coal terminals are well protected by take-or-pay clauses and could benefit from higher demand for coal as a substitute for oil and LNG in the near term. Australian container ports might experience some mild volume volatility, but this could be offset by tariff-setting flexibility. Fitch-rated Indian ports' exposure to Middle East-originating cargoes, LNG cargoes and international operations with exposure to the conflict is limited. Some disruption arising from rerouting could affect volumes, but rating headroom is adequate.

Government-Related Entities

We rate most government-related entities in the GCC on a top-down basis, reflecting the strong likelihood that the respective governments, particularly among higher-rated states, will support their key operating companies. Their ratings will, therefore, move with the Issuer Default Rating of the relevant sovereign.

Appendix: Sector Implications of Iran Conflict Adverse Scenario

Europe

Sector	Subsector	Direct exposure			Indirect exposure	
		Overall threat	Higher oil & gas prices	Supply-chain disruption ^a	Hit on demand ^b	Delayed recovery from cyclical trough ^c
Natural Resources	Chemicals	Red	Red	Yellow	Yellow	Red
	Oil & Gas Upstream/Integrated	Green	Green	Green	Green	Green
	Oil & Gas Downstream/Refining	Green	Green	Yellow	Green	Green
	Oil & Gas Oilfield Services	Green	Green	Yellow	Green	Green
	Metals & Mining	Green	Green	Yellow	Green	Green
	Mining	Green	Green	Green	Green	Green
	Steel	Yellow	Green	Green	Yellow	Green
	Packaging	Green	Green	Green	Green	Green
Health Care	Pharma	Green	Green	Yellow	Green	Green
	Providers	Green	Green	Green	Green	Green
	Medtech	Green	Green	Yellow	Green	Yellow
Food, Beverages, Tobacco, Consumer Products	Staples	Green	Green	Green	Green	Green
	Discretionary	Yellow	Green	Yellow	Green	Yellow
	Agriculture	Green	Green	Yellow	Green	Green
	Commodity Processors	Green	Green	Yellow	Green	Green
	Alcohol	Yellow	Green	Green	Green	Yellow
	Protein	Green	Green	Green	Green	Green
	Tobacco	Green	Green	Green	Green	Green
	Packaged Food	Green	Green	Green	Green	Yellow
Gaming, Lodging & Leisure	Hotels	Green	Yellow	Green	Yellow	Green
	Restaurants	Red	Green	Green	Red	Red
	Gaming	Green	Green	Green	Green	Green
Retail	Food or Staples	Yellow	Green	Green	Green	Yellow
	Non-Food or Discretionary	Yellow	Green	Green	Green	Yellow
Real Estate	Reits	Green	Green	Green	Green	Green
	Homebuilders	Green	Green	Green	Green	Green
Industrials	Automotive	Yellow	Green	Yellow	Yellow	Yellow
	Airlines	Yellow	Red	Green	Yellow	Green
	Aerospace & Defence	Yellow	Green	Yellow	Green	Green
	Building Materials	Green	Yellow	Green	Green	Green
	Building Products	Green	Green	Green	Yellow	Yellow
	Engineering & Construction	Green	Green	Green	Yellow	Green
	Shipping	Green	Yellow	Green	Yellow	Green
	Environmental Services	Green	Yellow	Green	Green	Green
	Transportation & Logistics	Green	Yellow	Green	Yellow	Green
	Diversified Industrials	Yellow	Green	Yellow	Yellow	Yellow
	Telecom, Media, Technology	Technology (Hardware)	Yellow	Green	Yellow	Green
Technology (Software)		Green	Green	Green	Green	Green
Telecom		Green	Green	Green	Green	Green
Media & Entertainment		Green	Green	Green	Green	Green
Diversified Services		Green	Green	Green	Green	Green
Utilities	Supply	Yellow	Green	Green	Green	Green
	Integrated	Green	Green	Green	Green	Green
	Generation	Green	Green	Green	Green	Green
	Electric Networks	Green	Green	Green	Green	Green

Europe

Sector	Subsector	Overall threat	Direct exposure		Indirect exposure	
			Higher oil & gas prices	Supply-chain disruption ^a	Hit on demand ^b	Delayed recovery from cyclical trough ^c
	Gas Distribution					
Infrastructure & Project Finance	Airports					
	Toll Roads					
	Seaports					
	Sporting Arenas					
	Power					
	Digital & Data Centres					

	Material threat
	Some threat
	Neutral/limited threat
	Potential upside

^a Direct logistics issues, plus the fact that oil is used in production of many intermediate inputs.

^b Includes the impact of weakening customer confidence and higher interest rates, and factors in the wealth/income effect of declining share prices and rising energy costs for households.

^c A recovery previously expected in 2026-2027, but delayed due to the conflict and its lasting consequences.

Material threat: issuers in the sector not benefitting from particularly strong mitigants (large rating headroom, defensive subsector) are at high risk (over 50%) of a downgrade if the scenario materialises.

Some threat: weaker issuers in the sector (low rating headroom, more exposed subsectors) are at a high risk of a downgrade if the scenario materialises.

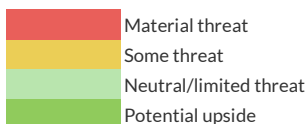
Neutral/limited threat: no rating impact from the scenario.

Potential upside: Issuers in the sector would benefit but the extent and sustainability of the benefit would need to be ascertained before positive actions are considered (i.e. nothing for now).

Source: Fitch Ratings

GCC

Sector	Subsector	Overall threat	Direct exposure		Indirect exposure	
			Higher oil & gas prices	Supply-chain disruption ^a	Hit on demand ^b	Delayed recovery from cyclical trough ^c
Natural Resources	Chemicals	Material threat	Some threat	Material threat	Some threat	Material threat
	Oil & Gas Upstream/Integrated	Neutral/limited threat	Potential upside	Some threat	Neutral/limited threat	Neutral/limited threat
	Oil & Gas Downstream/Refining	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat	Neutral/limited threat
	Oil & Gas Oilfield Services	Some threat	Potential upside	Some threat	Some threat	Neutral/limited threat
	Metals & Mining	Some threat	Potential upside	Some threat	Some threat	Neutral/limited threat
	Mining	Some threat	Neutral/limited threat	Material threat	Neutral/limited threat	Neutral/limited threat
	Steel	Some threat	Neutral/limited threat	Material threat	Neutral/limited threat	Neutral/limited threat
Gaming, Lodging & Leisure	Hotels	Material threat	Neutral/limited threat	Material threat	Material threat	Neutral/limited threat
	Restaurants	Material threat	Neutral/limited threat	Material threat	Some threat	Neutral/limited threat
Retail	Food or Staples	Some threat	Neutral/limited threat	Some threat	Some threat	Some threat
	Non-Food or Discretionary	Some threat	Neutral/limited threat	Material threat	Some threat	Some threat
Real Estate	Reits	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat
	Homebuilders	Material threat	Neutral/limited threat	Some threat	Material threat	Neutral/limited threat
Industrials	Airlines	Material threat	Material threat	Neutral/limited threat	Material threat	Neutral/limited threat
	Shipping	Neutral/limited threat	Some threat	Potential upside	Some threat	Neutral/limited threat
	Environmental Services	Neutral/limited threat	Some threat	Some threat	Neutral/limited threat	Neutral/limited threat
	Transportation & Logistics	Some threat	Some threat	Material threat	Some threat	Neutral/limited threat
	Diversified Industrials	Material threat	Some threat	Material threat	Some threat	Neutral/limited threat
			Material threat	Some threat	Material threat	Some threat
Telecom, Media, Technology	Technology (Hardware)	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Technology (Software)	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Telecom	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Media & Entertainment	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat
	Diversified Services	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat
Utilities	Integrated	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat
	Generation	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat
	Electric Networks	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Gas Distribution	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
Infrastructure & Project Finance	Toll Roads	Some threat	Neutral/limited threat	Some threat	Some threat	Neutral/limited threat
	Seaports	Some threat	Neutral/limited threat	Some threat	Some threat	Some threat
	Oil & Gas Pipelines	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Media & Entertainment	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat	Neutral/limited threat



^a Direct logistics issues, plus the fact that oil is used in production of many intermediate inputs.

^b Includes the impact of weakening customer confidence and higher interest rates, and factors in the wealth/income effect of declining share prices and rising energy costs for households.

^c A recovery previously expected in 2026-2027, but delayed due to the conflict and its lasting consequences.

Source: Fitch Ratings

North America

Sector	Subsector	Overall threat	Direct exposure		Indirect exposure	
			Higher oil & gas prices	Supply-chain disruption ^a	Hit on demand ^b	Delayed recovery from cyclical trough ^c
Natural Resources	Chemicals	Light Green	Light Green	Light Green	Yellow	Yellow
	Oil & Gas	Light Green	Light Green	Light Green	Light Green	Light Green
	Metals & Mining	Light Green	Light Green	Light Green	Light Green	Light Green
	Pulp & Paper	Light Green	Light Green	Light Green	Light Green	Light Green
	Packaging	Light Green	Light Green	Light Green	Light Green	Light Green
Healthcare	Pharma	Light Green	Light Green	Light Green	Light Green	Light Green
	Providers	Light Green	Light Green	Light Green	Light Green	Light Green
	Medtech	Light Green	Yellow	Light Green	Light Green	Light Green
Food, Beverages, Tobacco, Consumer Products	Staples	Light Green	Light Green	Light Green	Light Green	Light Green
	Discretionary	Yellow	Light Green	Yellow	Yellow	Yellow
	Agriculture	Light Green	Light Green	Light Green	Light Green	Light Green
	Commodity Processors	Light Green	Light Green	Light Green	Light Green	Light Green
	Alcohol	Yellow	Light Green	Light Green	Yellow	Yellow
	Protein	Light Green	Light Green	Light Green	Light Green	Light Green
	Tobacco	Light Green	Light Green	Light Green	Light Green	Light Green
Gaming, Lodging & Leisure	Cruises	Yellow	Yellow	Yellow	Yellow	Yellow
	Gaming	Light Green	Light Green	Light Green	Yellow	Light Green
Retail	Food or Staples	Light Green	Light Green	Light Green	Light Green	Light Green
	Non-Food or Discretionary	Yellow	Light Green	Yellow	Yellow	Yellow
Real Estate	Reits	Light Green	Light Green	Light Green	Light Green	Light Green
	Homebuilders	Yellow	Yellow	Light Green	Yellow	Yellow
Industrials	Automotive	Yellow	Yellow	Light Green	Yellow	Light Green
	Airlines	Yellow	Red	Light Green	Yellow	Yellow
	Aerospace & Defence	Light Green	Light Green	Light Green	Light Green	Light Green
	Building Materials	Light Green	Yellow	Light Green	Light Green	Yellow
	Building Products	Yellow	Yellow	Light Green	Yellow	Yellow
	Engineering & Construction	Light Green	Light Green	Light Green	Light Green	Light Green
	Environmental Services	Light Green	Light Green	Light Green	Light Green	Light Green
	Transportation & Logistics	Light Green	Yellow	Light Green	Yellow	Light Green
	Diversified Industrials	Light Green	Light Green	Light Green	Yellow	Light Green
Telecom, Media, Technology	Technology (Hardware)	Yellow	Yellow	Yellow	Yellow	Yellow
	Technology (Software)	Light Green	Light Green	Light Green	Light Green	Light Green
	Telecom	Light Green	Light Green	Light Green	Light Green	Light Green
	Media & Entertainment	Light Green	Yellow	Light Green	Yellow	Light Green
	Diversified Services	Light Green	Light Green	Light Green	Light Green	Light Green
Utilities	Utilities – Generation	Light Green	Light Green	Light Green	Light Green	Light Green
	Distribution & Transmission	Light Green	Light Green	Light Green	Light Green	Light Green
	Utilities – Gas Distribution	Light Green	Light Green	Light Green	Light Green	Light Green
	Utilities – Electric Networks	Light Green	Light Green	Light Green	Light Green	Light Green
	Water Utilities	Light Green	Light Green	Light Green	Light Green	Light Green
	Midstream	Light Green	Light Green	Light Green	Light Green	Light Green
Infrastructure & Project Finance	Airports	Light Green	Light Green	Light Green	Light Green	Light Green
	Toll Roads	Light Green	Light Green	Light Green	Light Green	Light Green
	Seaports	Light Green	Light Green	Yellow	Yellow	Light Green
	Sporting Arenas	Light Green	Light Green	Light Green	Light Green	Light Green
	Digital & Data Centres	Light Green	Light Green	Light Green	Light Green	Light Green

North America

Sector	Subsector	Overall threat	Direct exposure		Indirect exposure	
			Higher oil & gas prices	Supply-chain disruption ^a	Hit on demand ^b	Delayed recovery from cyclical trough ^c
	Material threat					
	Some threat					
	Neutral/limited threat					
	Potential upside					

^a Direct logistics issues, plus the fact that oil is used in production of many intermediate inputs.

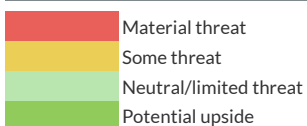
^b Includes the impact of weakening customer confidence and higher interest rates, and factors in the wealth/income effect of declining share prices and rising energy costs for households.

^c A recovery previously expected in 2026-2027, but delayed due to the conflict and its lasting consequences.

Source: Fitch Ratings

Latin America

Sector	Subsector	Overall threat	Direct exposure		Indirect exposure	
			Higher oil & gas prices	Supply-chain disruption ^a	Hit on demand ^b	Delayed recovery from cyclical trough ^c
Natural Resources	Chemicals	Some threat	Material threat	Some threat	Some threat	Material threat
	Oil & Gas	Potential upside	Potential upside	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Metals & Mining	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Sugar & Ethanol	Neutral/limited threat	Potential upside	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Pulp & Paper	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Packaging	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat
Healthcare	Pharma	Some threat	Neutral/limited threat	Some threat	Neutral/limited threat	Neutral/limited threat
	Providers	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
Food, Beverages, Tobacco, Consumer Products	Staples	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Some threat
	Discretionary	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Some threat
	Agriculture	Some threat	Some threat	Some threat	Neutral/limited threat	Some threat
	Commodity Processors	Neutral/limited threat	Potential upside	Some threat	Neutral/limited threat	Neutral/limited threat
	Alcohol	Some threat	Neutral/limited threat	Neutral/limited threat	Some threat	Some threat
	Protein	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Packaged Food	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat
Retail	Food or Staples	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Some threat
	Non-Food or Discretionary	Some threat	Neutral/limited threat	Neutral/limited threat	Some threat	Some threat
Real Estate	Reits	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat
	Homebuilders	Neutral/limited threat	Some threat	Some threat	Neutral/limited threat	Neutral/limited threat
Industrials	Automotive	Some threat	Neutral/limited threat	Neutral/limited threat	Some threat	Some threat
	Airlines	Some threat	Material threat	Neutral/limited threat	Some threat	Neutral/limited threat
	Aerospace & Defence	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat	Neutral/limited threat
	Building Materials	Neutral/limited threat	Some threat	Neutral/limited threat	Some threat	Neutral/limited threat
	Building Products	Neutral/limited threat	Some threat	Neutral/limited threat	Some threat	Neutral/limited threat
	Engineering & Construction	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat
	Environmental Services	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Transportation & Logistics	Neutral/limited threat	Some threat	Neutral/limited threat	Some threat	Neutral/limited threat
	Diversified Industrials	Neutral/limited threat	Neutral/limited threat	Some threat	Some threat	Neutral/limited threat
Telecom, Media, Technology	Technology (Software)	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Telecom	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
Utilities	Utilities – Generation	Some threat	Some threat	Some threat	Neutral/limited threat	Neutral/limited threat
	Distribution & Transmission	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Utilities – Gas Distribution	Some threat	Some threat	Some threat	Some threat	Neutral/limited threat
	Water Utilities	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Midstream	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
Infrastructure & Project Finance	Airports	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Toll Roads	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat	Neutral/limited threat
	Seaports	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat	Neutral/limited threat
	Sporting Arenas	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat



^a Direct logistics issues, plus the fact that oil is used in production of many intermediate inputs.

^b Includes the impact of weakening customer confidence and higher interest rates, and factors in the wealth/income effect of declining share prices and rising energy costs for households.

^c A recovery previously expected in 2026-2027, but delayed due to the conflict and its lasting consequences.

Source: Fitch Ratings

China

Sector	Subsector	Overall threat	Direct exposure		Indirect exposure	
			Higher oil & gas prices	Supply-chain disruption ^a	Hit on demand ^b	Delayed recovery from cyclical trough ^c
Natural Resources	Chemicals					
	Oil & Gas Upstream/Integrated					
	Oil & Gas Downstream/Refining					
	Oil & Gas Oilfield Services					
	Metals & Mining					
	Mining					
	Steel					
	Thermal Coal					
Food, Beverages, Tobacco, Consumer Products	Staples					
	Discretionary					
	Commodity Processors					
	Protein					
	Packaged Food					
Gaming, Lodging & Leisure	Hotels					
	Restaurants					
	Gaming					
Retail	Food or Staples					
	Non-Food or Discretionary					
Real Estate	Reits					
	Homebuilders					
Industrials	Automotive					
	Aerospace & Defence					
	Building Materials					
	Engineering & Construction					
	Environmental Services					
	Transportation & Logistics					
	Diversified Industrials					
Telecom, Media, Technology	Technology (Hardware)					
	Technology (Software)					
	Telecom					
	Media & Entertainment					
	Diversified Services					
Utilities	Utilities – Generation					
	Utilities – Electric Networks					
	Utilities – Gas Distribution					
Infrastructure & Project Finance	Toll Roads					
	Seaports					

	Material threat
	Some threat
	Neutral/limited threat
	Potential upside

^a Direct logistics issues, plus the fact that oil is used in production of many intermediate inputs.

^b Includes the impact of weakening customer confidence and higher interest rates, and factors in the wealth/income effect of declining share prices and rising energy costs for households.

^c A recovery previously expected in 2026-2027, but delayed due to the conflict and its lasting consequences.

Source: Fitch Ratings

APAC ex. China

Sector	Subsector	Overall threat	Direct exposure		Indirect exposure	
			Higher oil & gas prices	Supply-chain disruption ^a	Hit on demand ^b	Delayed recovery from cyclical trough ^c
Natural Resources	Chemicals	Material threat	Material threat	Material threat	Some threat	Material threat
	Oil & Gas Upstream/Integrated	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat
	Oil & Gas Downstream/Refining	Material threat	Material threat	Material threat	Material threat	Some threat
	Oil & Gas Oilfield Services	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Metals & Mining	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Mining	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Steel	Some threat	Neutral/limited threat	Some threat	Some threat	Some threat
	Thermal Coal	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Packaging	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
Healthcare	Pharma	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Providers	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
Food, Beverages, Tobacco, Consumer Products	Commodity Processors	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Protein	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Some threat
	Packaged Food	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
Gaming, Lodging & Leisure	Hotels	Some threat	Neutral/limited threat	Some threat	Some threat	Neutral/limited threat
	Restaurants	Some threat	Neutral/limited threat	Some threat	Some threat	Neutral/limited threat
	Gaming	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat
Retail	Food or Staples	Some threat	Neutral/limited threat	Some threat	Neutral/limited threat	Neutral/limited threat
	Non-Food or Discretionary	Some threat	Neutral/limited threat	Some threat	Some threat	Neutral/limited threat
Real Estate	Reits	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Homebuilders	Some threat	Neutral/limited threat	Some threat	Some threat	Neutral/limited threat
Industrials	Automotive	Some threat	Neutral/limited threat	Some threat	Some threat	Neutral/limited threat
	Building Materials	Some threat	Some threat	Neutral/limited threat	Neutral/limited threat	Some threat
	Building Products	Some threat	Some threat	Neutral/limited threat	Some threat	Neutral/limited threat
	Engineering & Construction	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat
	Shipping	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat	Neutral/limited threat
	Transportation & Logistics	Neutral/limited threat	Neutral/limited threat	Some threat	Some threat	Neutral/limited threat
	Diversified Industrials	Some threat	Neutral/limited threat	Some threat	Some threat	Neutral/limited threat
Telecom, Media, Technology	Technology (Hardware)	Some threat	Neutral/limited threat	Some threat	Neutral/limited threat	Some threat
	Technology (Software)	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Telecom	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Media & Entertainment	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Diversified Services	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
Utilities	Utilities – Integrated	Some threat	Neutral/limited threat	Some threat	Neutral/limited threat	Neutral/limited threat
	Utilities – Generation	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat
	Utilities – Electric Networks	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Utilities – Gas Distribution	Some threat	Some threat	Some threat	Some threat	Neutral/limited threat
Infrastructure & Project Finance	Airports	Neutral/limited threat	Some threat	Some threat	Some threat	Neutral/limited threat
	Toll Roads	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Some threat	Neutral/limited threat
	Seaports	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat
	Power	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat	Neutral/limited threat



^a Direct logistics issues, plus the fact that oil is used in production of many intermediate inputs.

^b Includes the impact of weakening customer confidence and higher interest rates, and factors in the wealth/income effect of declining share prices and rising energy costs for households.

^c A recovery previously expected in 2026-2027, but delayed due to the conflict and its lasting consequences.

Source: Fitch Ratings

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