

November 12, 2018

Rachel Washburn | rwashburn@academysecurities.com 646-940-9995
General James "Spider" Marks | spider@academysecurities.com

Academy Securities Geopolitical SITREP

Geopolitical Flashpoints: The Macroeconomic Impact of the Geostrategic Landscape

Table of Contents:

00:00 – 22:16: Iran

22:16 – 31:24: Post mid-term international strategy

Listen on [iTunes Here](#)

Listen on [Google Play](#)

Key Points:

- China could just ignore sanctions on Iran, which would be embarrassing for the U.S.
 - A waiver gives the U.S. time to continue to negotiate with China on multiple fronts
- India, South Korea, and Japan are allies and trading partners that rely on oil imports - it is in America's interest to keep them stable as they wean themselves off Iranian supply
- Turkey's strained relationship with NATO and Saudi Arabia justify the waiver
- Italy and Greece's economic struggles are likely the motivation for the waivers
- Regional allies have limited capabilities to impact Iran and the U.S. acts as a proxy, weakening Iran's economy
 - KSA benefits from these sanctions
 - Turkey walks a fine line with Iran; both Turkey and Iran view the Kurds in their countries and Syria as a threat
 - Israel is supportive of the revised relationship with Iran and the dissolution of the JCPOA
- Regime change would be incredibly difficult given the depth of Iran's theocracy
 - IRGC's (Islamic Revolutionary Guard Corps) sole purpose is to fulfill the revolution at home and abroad
- If Iran nuclearized, it would start a proliferation among the Arab states - initiating an arms race in the Middle East
 - A nuclearized Iran would be an economic burden for the U.S. as the U.S. acts as a global protector against the nuclear threat
 - The U.S. is the only country that can destroy a nation's nuclear capabilities and infrastructure
- The greatest threat from Iran, in the near-term, is surrogate terrorist activity – wreaking havoc on the U.S. and its allies
- Movement of a carrier battlegroup is an indicator of growing tensions
 - Though it is a tactic that is designed to ultimately deescalate
- The market is surprised to see a global drop in oil prices
 - Iran was only a short-term major player in oil distribution
 - Threatening the Straits of Hormuz, compromising the Saudi supply system, is something Iran could threaten
- Russia will attempt to exploit any deteriorating situation vis-a-vis Iran
- Mid-term election results are unlikely to impact the White House's international stance
 - China, Russia, and Iran will remain a focus
 - Concerns over European nationalism impacting U.S. strategy

Listen on [iTunes Here](#)

Listen on [Google Play](#)

Listen to Academy's Podcasts on our [Website](#)

Lieutenant General (Ret.) Frank Kearney served 35 years in the United States Army as an Infantry and Special Operations officer. Most recently, LTG Kearney served as the Deputy Director for Strategic Operational Planning at the National Counter-Terrorism Center in Washington, DC. In this position, LTG Kearney was responsible for whole-of-government planning with over 29 Inter-Agency partners to achieve the strategic end states outlined in the Obama Administration's National Counter-Terrorism Strategy. LTG Kearney has been appointed to the U.S. House of Representatives House Armed Services Committee National Defense Panel, the U.S. Secretary of Defense's WMD Threat Reduction Advisory Committee, and the Iran Project. Previously, LTG Kearney was the Deputy Commander of the United States Special Operations Command. He commanded all Theater Special Operations Forces in Central Command Area of Responsibility from 2005-2007, before which he served as commander of the Joint Inter-Agency Task Force-Former Regime Elements in Baghdad, Iraq. He sits on the Department of Defense Threat Reduction Advisory Committee (TRAC). LTG Kearney also chairs the board of Team Red White and Blue, a non-profit organization that seeks to reintegrate military veterans with traumatic brain injuries and Post Traumatic Shock Disorder back into their local communities using sports and outreach. LTG Kearney is a 1976 graduate of the United States Military Academy at West Point.

Major General (Ret.) James A. "Spider" Marks is Head of Geopolitical Strategy and Academy Securities' Senior Advisory Board Member. General Marks is the Founder and President of The Marks Collaborative, an advisory for corporate leader development, education and training and has led entrepreneurial efforts in global primary research and national security. He served over 30 years in the Army holding every command position from infantry platoon leader to commanding general and was the senior intelligence officer in the LA Riots, the Balkans, Korea, and Operation Iraqi Freedom. He culminated his career as the Commanding General of the U.S. Army Intelligence Center and School at Fort Huachuca, Arizona. He has been awarded the Distinguished Service Medal, the Defense Superior Service Medal, Legion of Merit with Oak Leaf Cluster, Bronze Star, and multiple combat, expeditionary and service ribbons. General Marks is a Master Parachutist, authorized to wear Korean and Canadian Airborne wings, Air Assault qualified, and Honor Graduate of the U.S. Army Ranger School. General Marks is a national security contributor to CNN and member of the Military Intelligence Hall of Fame.

Peter Tchir is head of Macro Strategy at Academy Securities. He has 25 years in the industry focusing on fixed income. He has traded and structured products ranging from complex transactions, junk bonds, liquid CDS indices, and ETFs. This background helps bring a unique frame of reference to his market strategies and analysis. It helps him focus on what is relevant for the here and now for investors and issuers. He has worked closely with a wide range of investors and portfolio managers since he established TF Market Advisors as an independent firm in 2010. He is regularly quoted in the media for his views on the macro outlook and fixed income strategies. His expertise provides insight into risk, identifying opportunities on a global macro basis, with an emphasis on fixed income. As the Head of Macro Strategy, Peter communicates these opportunities and approaches effectively to customers. Peter received a B.S. in mathematics and computer sciences from the University of Waterloo and an MBA with distinction from Vanderbilt University, where he also won the Matt Wiggington Leadership Award for outstanding performance in finance.

Rachel Washburn is an Associate of Geopolitical Strategy at Academy Securities. Rachel served six years in the U.S. Army as an Intelligence Officer. While serving, Rachel deployed twice to Afghanistan; first as a member of the pioneer Cultural Support Team attached to Special Forces and second as an intelligence Platoon Leader. Since leaving the Army in 2016, Rachel continued to pursue a career addressing global security and instability, most recently acting as a regional director with a nonprofit focused on bringing relief in the wake of disasters and armed conflicts. Rachel is a graduate of Drexel University.

The following information has been provided for informational purposes only and should not be used or construed as a solicitation, an offer to sell, or an offer to buy any security. Academy Securities Inc. accepts no liability for any errors or omissions arising as a result of transmission. Use of this communication by other than the intended recipients is prohibited.

Academy Securities is a preeminent disabled veteran owned investment bank with strength in public finance, fixed income and equity trading and underwriting. Leadership and staff have had intensive military training prior to entering and gaining in-depth financial services experience in global capital markets. We are mission driven with a high ethical code, a solid sense of accountability and strive for excellence in the pursuit of our clients' success. Intellectual assets, strong visionary leaders and a proud team commitment bring out the best in each other for the benefit of our clients. Academy is our nation's first and only post-9/11 disabled veteran owned investment bank and is certified as DVBE, SDVOSB and MBE. The firm has a strong top and middle tier client base served by a national platform with offices in New York, Chicago, Boston, San Diego, South Norwalk, Sacramento and Chapel Hill.

Please visit our website at www.academysecurities.com.

Third Party Research Disclosure:

The opinions are those of independent third-party research providers. Information contained herein is based on information provided by a third-party research provider and is not guaranteed by U.S., nor should the information be construed as an offer or a solicitation to buy or sell the securities mentioned herein or provide investment advice. Any comments or statements made herein do not necessarily reflect the views or opinions of Academy Securities Inc, its employees, officers, or directors. Academy Securities, Inc. directors, officers and employees and their family members from time to time may own securities of the publicly traded companies discussed in any referenced independent Third-Party Research report. Academy Securities, Inc. may have a marketing partnership with several Third-Party Research providers to market their research services to institutional clients. Academy Securities, Inc. is an agency-only broker. The firm does not produce proprietary research, nor does it engage in any proprietary trading. The user is responsible for verifying the accuracy of the data received. Academy Securities, Inc. does not have any ownership of the subject company's securities. Academy Securities, Inc. has not managed or co-managed a public offering of securities for the subject company in the past 12 months. Academy Securities, Inc. does not or has not had any investment banking relationships with the subject company in the past 12 months nor expects to in the next 3 months. Academy Securities, Inc. does not have any market making activities in the subject company's securities. Academy Securities, Inc. does not maintain an analytical relationship and is not a member of any distributing organization. Academy Securities, Inc. makes no claim as to its accuracy or completeness. Academy Securities, Inc. is not responsible for the content or comments of these independent third-party research providers. Academy Securities, Inc. accepts no liability for any errors or omissions arising as a result of transmission. Use of this communication by other than the intended recipients is prohibited.

Academy Securities, Inc. Member FINRA | SIPC