

Geopolitics

BBVA Research Big Data Geopolitics Monitor

Big Data Unit
22 January 2025

Israel and Hamas finally reached a ceasefire agreement. Trump returns to the White House and unveils a significant reform agenda

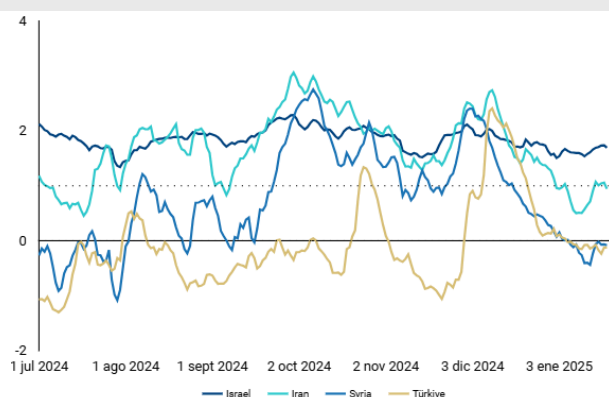
Israel and Hamas finally signed a ceasefire agreement that went into effect on Jan 19 after 15 months. The deal, mediated by Egypt and Qatar, includes a three-phase plan: 1. A six-week ceasefire during which Hamas will release 33 Israeli hostages, primarily women and children. In exchange, Israel will release approximately 1,900 Palestinian prisoners. 2. Discussions for a permanent ceasefire, the release of remaining Israeli hostages, and the phased withdrawal of Israeli forces from the Gaza Strip. 3. The return of the remains of deceased Israeli hostages and the initiation of a reconstruction process in Gaza, expected to take three to five years ([BBC](#)).

US President Donald Trump unveils measures on his first day in the White House. Trump announced a series of proposed measures under four key initiatives. President Trump's agenda includes **Make America Safe Again**, focused on enhancing border security, cracking down on criminal activity, and deploying the Armed Forces to protect American communities. It also outlines **Make America Affordable and Energy Dominant Again**, boosting domestic energy production and withdrawing from climate agreements, and reducing costs of living through streamlined regulations and an America First Trade Policy. Additionally, **Drain the Swamp** calls for government reforms, a hiring freeze for nonessential bureaucrats, and the removal of unnecessary regulations to improve accountability. Lastly, **Bring Back American Values** involves affirming biological realities, preserving US history through national landmarks, and reorienting foreign policy around America's best interests ([Whitehouse](#)).

The BBVA Monitor: the conflict intensity index keep contained in the US in Colombia and Venezuela

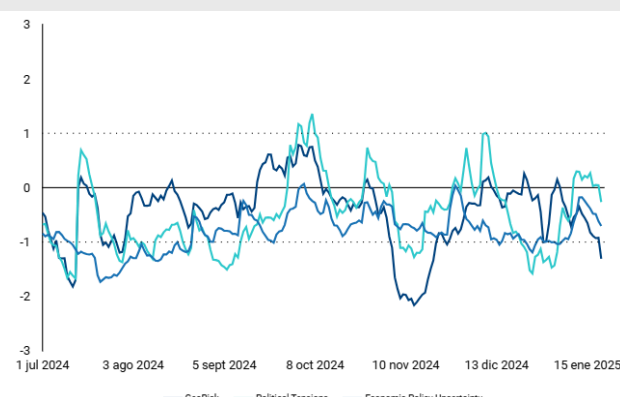
- The **conflict intensity index** in the **Middle East** remained contained given the ceasefire agreement between Israel and Hamas is close to being signed (Fig.1 and Fig. 3).
- **Geopolitical, political tensions and EPU** indicators eased in the **US** during the week (Fig. 2 and Fig. 3).
- In Latam, **conflict intensity index** rose in **Colombia** and **Venezuela** sharply given attacks between guerrilla groups for control of the cocaine trade in the region. The clashes have resulted in at least 80 deaths and the displacement of over 18000 residents, with approximately 1000 seeking refuge in Venezuela (Fig. 3, Fig. 4 and Fig. 5).

Fig1. **CONFLICT INDEX: ISRAEL&IRAN&SYRIA&TURKIYE**
(28-day weighted moving avg, normalized by its own history)



Source: .BBVA Research & www.gdelt.org. Positive (negative) values indicate greater (lower) risk relative to the mean of period 2021-nowadays)

Fig2. **GEORISK & POLITICAL TENSIONS & EPU IN US**
(28-day weighted moving avg, normalized by its own history)



Source: BBVA Research & www.gdelt.org. Positive (negative) values indicate greater (lower) risk relative to the mean of period 2021-nowadays)

*The selection of news has been enriched by the BBVA Research Geo Assistant developed with Chat-GPT.

Fig3. BBVA RESEARCH GEOPOLITICS MONITOR "SIGNAL" CHANGES

(Signals in Geopolitical Risk, Political Tensions, Economic Policy Uncertainties, Protest and Conflict according to Standard Dev)

BBVA Research Geopolitics Monitor main "Signal" changes after the Hamas-Israel Conflict

Summary of Signals After Hamas-Israel Conflict January 14th, 2025)



Source: BBVA Research

Summary of Signals After Hamas-Israel Conflict January 21st, 2025)

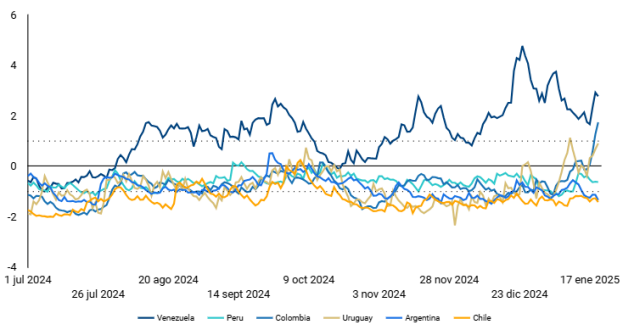


Source: BBVA Research

Source: BBVA Research and www.qdelt.org.

Fig4. POLITICAL TENSIONS INDEX: LATAM

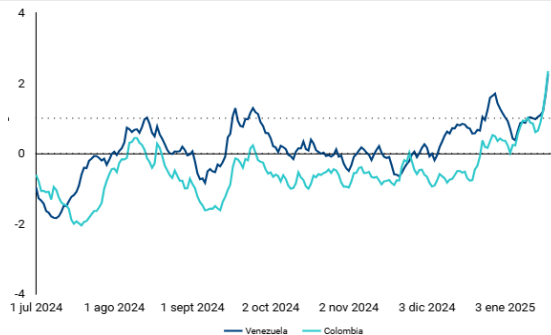
(28-day weighted moving avg, normalized by its own history)



Source: BBVA Research & www.qdelt.org. Positive (negative) values indicate greater (lower) risk relative to the mean of period 2021-nowadays

Fig5. CONFLICT INDEX: COLOMBIA& VENEZUELA

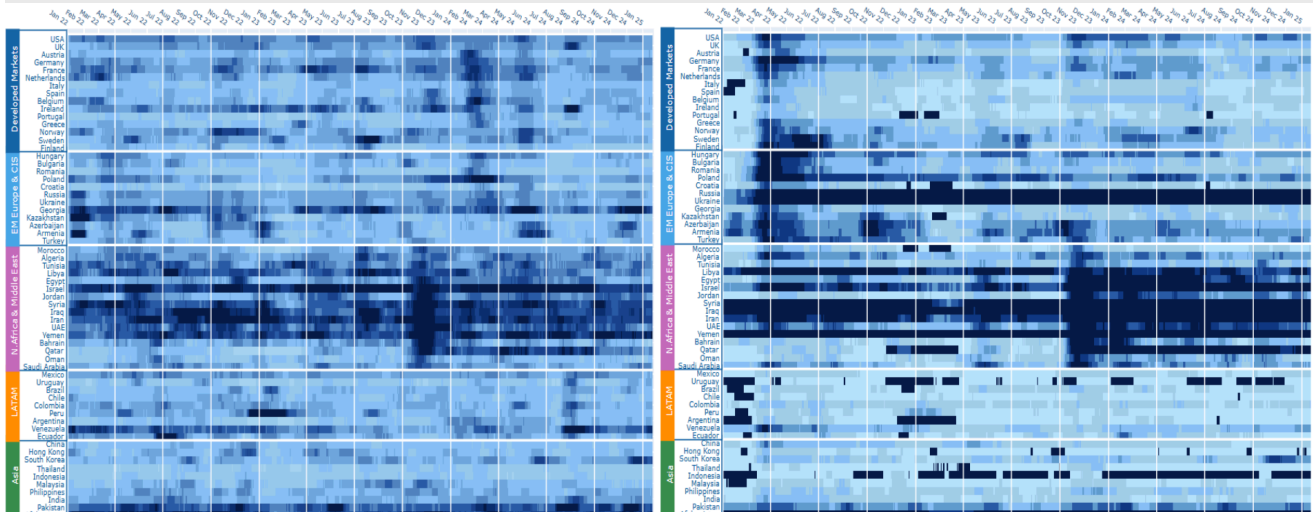
(28-day weighted moving avg, normalized by its own history)



Source: BBVA Research & www.qdelt.org. Positive (negative) values indicate greater (lower) risk relative to the mean of period 2021-nowadays

Fig6. BBVA RESEARCH PROTEST AND CONFLICT HEAT MAPS

(Evolution of Protest and Conflict over time by regions)



Source: BBVA Research and www.qdelt.org.

Methodological annex: indicators' construction

We have developed a daily tracker with weekly updates to monitor protest and conflict indicators for every country in the world from 2019 to present day. To construct this, we use a rich 'big database' of international events (GDELT), created by Leetaru and Schrodt (2013). GDELT is an open-source database that extracts and parses digital news monitoring world events covered by news media from nearly every corner of the world, whether broadcast, printed, or published on the web, in over 100 languages, every moment of every day, updated every 15 minutes. Thus, it contains a comprehensive and high-resolution catalog of geo-referenced events and themes.

Using different dictionaries, several thousands of taxonomies and themes are identified in the news pieces to classify the information. The algorithms used by GDELT also identify emotions, organizations, locations, news sources, and events across the world as well as their average sentiment using Natural Language Processing (NLP) techniques and the lexicon approach.

The included indicators are:

- Geopolitical Risk: or sentiment (weighted by coverage) of the country's geopolitical risk perception.
- Political Tensions: or sentiment (weighted by coverage) of the country's political tensions.
- Economic Policy Uncertainty or sentiment (weighted by coverage) about the country's economic policy uncertainty, also disaggregated by media origin.
- Protests or coverage regarding social protests or unrest in the country.
- Conflict or coverage of armed conflicts, which go beyond verbal protests.
- Bilateral Tensions or the sentiment (weighted by coverage) between a specific pair of countries that appear together in the news article (plus NATO and EU).

The indicators track the evolution of tensions and are normalized by their country's history since 2019, thus they are all expressed in terms of standard deviations from their historical patterns. Indicators usually lie within the range [-1,1]. Therefore, when the values exceed one (the upper boundary of the range), this means escalating tensions. While it's possible to observe simultaneous tensions arising in multiple countries (for example, due to geopolitical events affecting several nations, as seen in some of our heatmaps), using these indicators for direct quantitative comparisons of risk levels between countries is not recommended.

We apply a weighted moving average of 28 days (to include four complete weeks with the same number of days of the weeks) to reduce the noise of daily information and identify signals more clearly. The weights have been calculated using a discrete geometric distribution such that it puts more weight on recent data and less on past data (see Graph 1). Aggregating by weeks, the weight of the most recent week has a weight of 68%, the past week 22%, the previous 7%, and the fourth 3%. The weight of the 28 days can be seen in the following image. In such a way, the indicators reflect what has been happening in the last few days.

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