

Geopolitics

BBVA Research Big Data Geopolitics Monitor

Big Data Unit
12 March 2025

Ukraine agrees to the US ceasefire proposal. EU retaliates against US Steel and Aluminum Tariffs

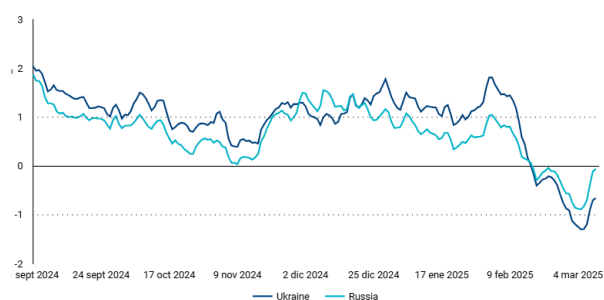
Ukraine agrees to US ceasefire proposal with Russia: On March 11, Ukrainian and US officials engaged in significant peace talks in Saudi Arabia aimed at ending the ongoing war with Russia. Ukraine expressed its readiness to accept a US proposal for a 30-day ceasefire, contingent on Russia's agreement. The accepted proposal covers the entire front line of the fighting with Russia, not just the air and sea. Additionally, the US announced the resumption of military aid and intelligence sharing with Ukraine. International leaders, including representatives from the UK, France, and Poland, welcomed the ceasefire proposal, emphasizing the need for lasting peace. US representatives will meet with Russia in the coming days, with upcoming discussions seen as critical to finally achieving a ceasefire and advancing further peace negotiations ([CNN](#)).

EU strikes back on US steel and aluminum tariffs, while Trump retracts Canada tariff threat: The European Union announced on Tuesday countermeasures in response to US President Donald Trump's imposition of 25% tariffs on EU steel and aluminum imports. Starting April 1, 2025, the EU will implement tariffs totaling €26 billion on a range of US goods, including industrial products, agricultural items, and consumer goods such as textiles and appliances. European Commission President Ursula von der Leyen stated that these measures are "strong but proportionate," aiming to protect EU consumers and businesses from the impact of US tariffs. Meanwhile, President Trump has retracted his threat to impose an additional 25% tariff on Canadian steel and aluminum imports, which would have raised the total tariff to 50%. This decision came after Ontario Premier Doug Ford agreed to suspend a planned 25% surcharge on electricity exports to US states, including Michigan, New York, and Minnesota ([BBC](#)).

The BBVA Monitor: Trade Uncertainty index keeps in the extreme risk area given trade tensions escalation

- **Geopolitical risk indicators** remained in the neutral range for **Ukraine** and **Russia** amid peace negotiations, despite some increases this week (Fig.1 and Fig. 3). The indicator rose in **Iran** after Supreme Leader Khamenei rejected US President Donald Trump's proposal to negotiate a new nuclear agreement (see Fig. 3 and Fig. 5). In **Syria**, recent clashes in coastal regions resulted in significant civilian casualties, with over 200 civilians killed in one of the most violent sectarian attacks (see Fig. 3 and Fig. 5).
- **The US Trade uncertainty index** kept climbing this week amid trade tensions (Fig. 2 and Fig. 3).
- In the case of Latin America, **geopolitical risk** increased in **Argentina**, entering in the high risk area, while **Colombia** remained in the neutral area, albeit with a slight uptick (Fig.3 and Fig. 4).

Fig1. **GEOPOLITICAL RISK INDEX: UKRAINE & RUSSIA**
(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. **TRADE UNCERTAINTY INDEX: US**
(28-day weighted moving avg, normalized by its own history)



Source: BBVA Research & www.gdelt.org. Positive (negative) values indicate greater (lower) interest 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**

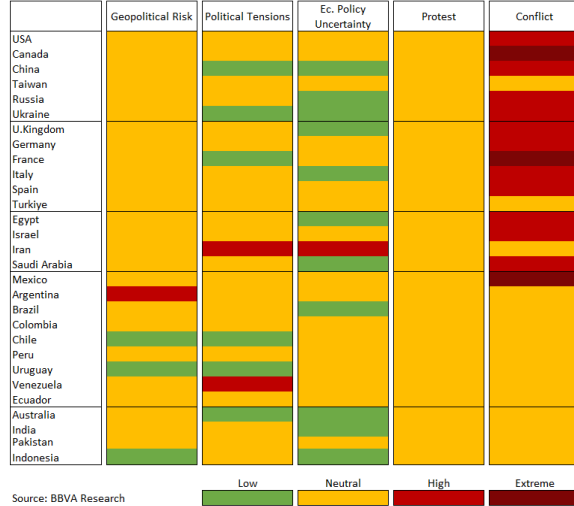
(Signals in Geopolitical Risk, Political Tensions, Economic Policy Uncertainties, Protest and Conflict according to Standard Dev)

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

Summary of Signals After Hamas-Israel Conflict (March 4th, 2025)
(News Sentiment Map. Sentiment relative to average sentiment in each country)



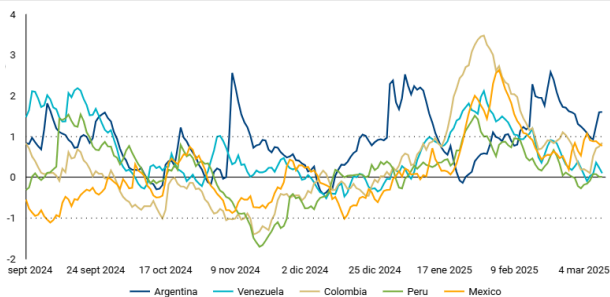
Summary of Signals After Hamas-Israel Conflict (March 11th, 2025)
(News Sentiment Map. Sentiment relative to average sentiment in each country)



Source: BBVA Research and www.qdelt.org

Fig4. **GEOPOLITICAL RISK INDEX: LATAM**

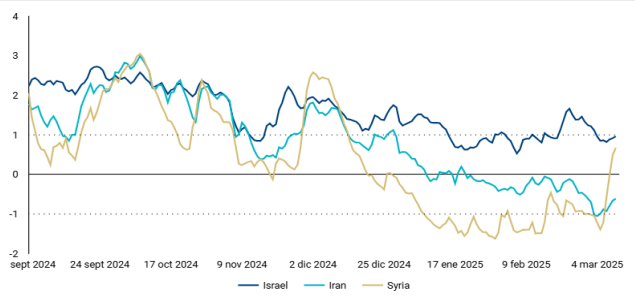
(28-day weighted moving avg, normalized by its own history)



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

Fig5. **GEOPOLITICAL RISK INDEX: ISRAEL&IRAN&SYRIA**

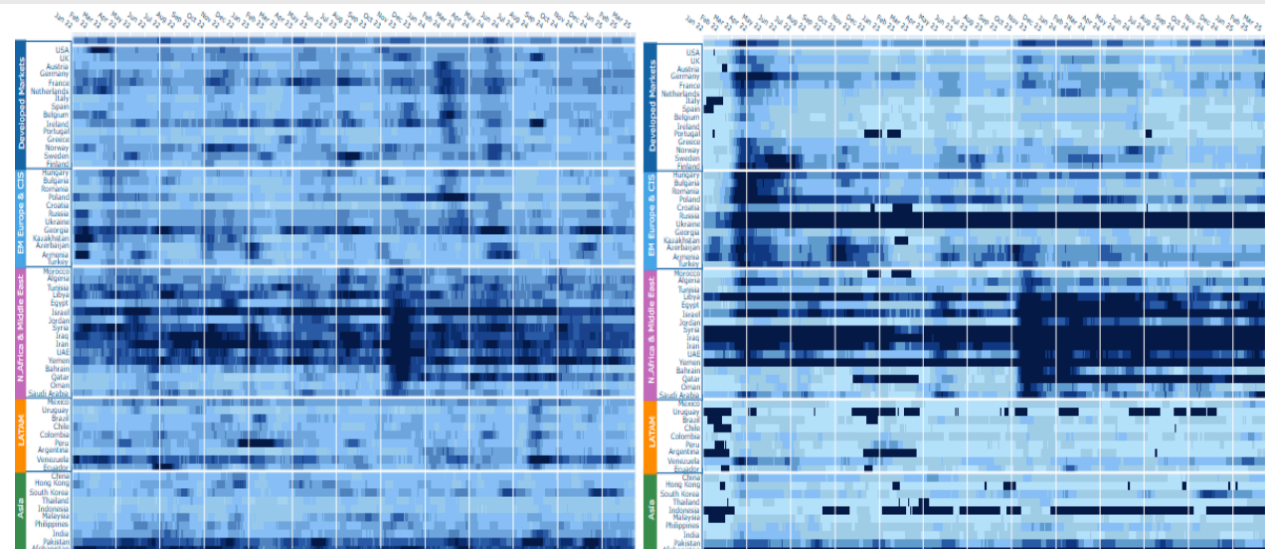
(28-day weighted moving avg, normalized by its own history)



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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