
WEEKLY STRATEGIC ASSESSMENT

THE ESTIMATE

THE SITUATION IN LEBANON



CORE GROUP

Date Issued: Friday, 26 June 2026

Prepared By: Core Group — Strategic Analysis Unit

EXECUTIVE SUMMARY

This is the week the direct talks delivered the recognition and withheld the withdrawal, and the format Hezbollah warned would be the concession became the concession. Lebanese and Israeli delegations closed a fifth round of Washington-mediated direct negotiations that ran a fourth day into Friday after an eleven-hour session, and the round produced process and standing rather than a sequenced pull-out: both sides moved toward a declaration of intent, agreed to extend the ceasefire, and agreed in principle to military pilot zones, areas the IDF would vacate for the Lebanese army to enter and clear of weapons. It produced no withdrawal timetable. The withdrawal file stayed the principal sticking point, Lebanon pressing a fixed schedule and Israel tying any pullout to the security threat and insisting the army operate outside the occupation zone on both sides of the Litani. More than ten Lebanese and American pilot-zone proposals were rejected, the security annex linking withdrawal to full disarmament stayed contentious, and the mediators signaled nothing was final. Israel hardened the line underneath all of it: Katz cast the absence of any American withdrawal demand as a diplomatic achievement, and Netanyahu committed to hold the southern security zone for as long as he is prime minister and as long as it is necessary.

The desk's call last week holds and sharpens. We assessed Scenario A, the inert clause and the continued campaign, as most probable at 50 to 65 percent, the talks convening but producing no enforceable withdrawal sequence while Israel held the belt and Hezbollah contested the ground without crossing the border. The record confirms it. The talks convened as direct, delivered recognition without withdrawal, and the campaign ran on, killing its way past four thousand dead and codifying the occupation under a process label. The one correction that matters is that the sequencing deadlock the desk forecast as abstract is now formalized as the contested security annex, Israel's disarmament-first against Lebanon's withdrawal-first, the gap the talks could not close and the seam the next collapse runs through.

The campaign was lethal as the diplomacy advanced. Israeli raids killed eighty-three in a single day on 20 June, the largest one-day toll since the truce, the war's cumulative dead crossed four thousand to reach 4,230, the IDF destroyed the Banque du Liban branch in Nabatieh, and home demolitions spread across Markaba and Ain Arab. Hezbollah held its most consequential restraint, claiming no fire across the border and contesting only the occupying force on Lebanese ground, while Fadlallah warned the talks would not continue if the fire did not stop and the resistance knew how to answer the violations. The line has moved from whether the talks convert the clause, answered no, to whether the framework they produced is a first step toward graduated withdrawal or a label that ratifies the occupation, and whether the disarmament-first against withdrawal-first deadlock fractures the table or the Lebanese consensus first.

The paramount question this cycle is whether the pilot-zone and declaration-of-intent framework converts into a named-position Israeli vacation with Lebanese army deployment inside the horizon, or stalls in the contested security annex and ratifies the occupation under a process label, and whether the now-formalized disarmament-first against withdrawal-first sequencing deadlock fractures the talks or the Lebanese internal consensus first.

CRITICAL QUESTIONS

- ◆ Does any single pilot zone move from agreement in principle to a scheduled Israeli vacation of a named position with Lebanese army entry, or do all proposals stall in the security annex

as the rejected ten did?

- ◆ Does Berri's rejection of pilot zones as a waste of time and Fadlallah's no-withdrawal-no-deal line reach the cabinet as a contest over the negotiating mandate, or stay rhetorical pressure outside it?
- ◆ Does an Israeli strike at the 20 June intensity recur inside the talks window and collapse the declaration of intent before it is signed, or does the lower post-spike tempo hold the table open?

I. MILITARY AND SECURITY THEATER

The campaign produced its deadliest day since the truce even as the talks advanced. Israeli raids killed eighty-three people and wounded one hundred forty-one on 20 June, the single largest daily toll since the 2 March escalation, and the cumulative war dead crossed four thousand in the same window to reach 4,230 killed and 12,179 wounded. The intensity fell after the 20 June peak to a lower but still lethal rate, with seven killed in the south between Tuesday and Thursday, a drone strike on the Zawtar-to-Mayfadoun road killing three on Thursday, a Wednesday strike near Kfar Rumman killing two as residents inspected their homes, and two more killed on Tuesday. The tempo change tracks the cost the IDF paid for ground north of the Litani rather than any concession at the table: the army lost a reservist near Rab el-Thalathine in a vehicle incident it called an accident, and it has not converted the airpower that produces the casualty asymmetry into a held advance on the contested high ground. The capability is an army that can kill at will from the air and pays a rising price for every meter it tries to hold on the ground.

Israel widened the target set from Hezbollah to the Lebanese state. The IDF destroyed the Banque du Liban branch in Nabatieh on 20 June, a strike on financial and state infrastructure that sits outside the stated logic of dismantling Hezbollah's military capacity. It burned and bulldozed homes in Markaba in Marjeyoun and in Ain Arab after ordering residents out, hit Beit Yahoun in Bint Jbeil with two raids alongside artillery, struck Nabatieh al-Fawqa, and flew drones over Beirut and the southern suburbs without striking inside the Dahiyeh. The demolition pattern is not collateral to the campaign but its method, converting the belt the ground operation seized into uninhabitable ground that forecloses return. The intent read from the bank strike and the demolitions is consolidation of a depopulated buffer rather than a drive north, the no-time-limit hold Netanyahu restated this week supplying the declared purpose.

Hezbollah held the border and contested the ground. The group claimed no fire onto Israeli soil through the week, holding the long-range restraint that is the single most consequential limit on the board, the fire that would re-internationalize the war kept in reserve. Its operations were defensive engagements against the occupying force inside Lebanon, the drone and anti-armor fight that made the ground north of the Litani expensive in the prior cycle, and its political voice signaled rather than acted: Fadlallah warned that negotiations would not continue if Israeli fire did not stop and that the resistance knew how to confront the violations. The assessed intent is to keep the cost of occupation high while Iran works the withdrawal precondition diplomatically, Hezbollah holding to selective targeting of the force on Lebanese ground as the talks run. A single structured-feed entry tagging cross-border rocket fire on 19 June does not survive the week's reporting, which carries no Hezbollah strike on Israel and Hezbollah's own logging of Israeli breaches against its claimed adherence.

The army absorbed no new strike on its uniformed personnel, and the post-Sabra tripwire held un-

fired for a third window. The standing tripwire set after the 6 June killing of Brigadier General Sabra, a second deliberate Israeli strike on uniformed Lebanese army personnel inside fourteen days, did not fire this week, and the structured feed and the reporting carry no Lebanese army death from Israeli action in the window. The army's role this cycle stayed custodial and diplomatic rather than kinetic: its commander sits inside the negotiating posture, and the pilot-zone mechanism is the institution's principal stake, because the army is the body that would deploy into any position an Israeli withdrawal vacates. The deep-dive ground record holds its two findings into this week, that southern Lebanon now carries two distinct and unreconciled boundaries, Israel's declared Yellow Line and the operator-observed held zone, and that the process is stalled at fortification rather than advancing to a deployment the army could enter.

CRITICAL QUESTIONS

- ◆ Does the IDF resume a 20 June intensity inside the talks window, or hold the lower post-spike tempo that followed the day it lost ground value for casualties taken?
- ◆ Does the strike on the Banque du Liban branch mark a sustained widening to state and financial infrastructure, or stand as a single escalation inside the Hezbollah-targeting frame?
- ◆ Does Hezbollah hold its no-cross-border-fire restraint through a talks collapse or a mass-casualty strike, or does Fadlallah's knows-how-to-answer warning convert into fire onto Israeli soil?
- ◆ Does a second deliberate Israeli strike on uniformed Lebanese army personnel fire inside fourteen days, the standing post-Sabra tripwire that has now held unfired across three windows?

II. DOMESTIC POLITICAL LANDSCAPE

The presidency's direct-talks gambit produced a thin yield it now has to defend. The fifth round of direct negotiations extended a fourth day into Friday and moved both delegations toward a declaration of intent, a pilot-zone framework, and a ceasefire extension, the most concrete state initiative of the war and one that converts the memorandum's sovereignty language into a negotiating demand. The withdrawal file stayed the principal sticking point. Lebanon pressed for a fixed timetable, Israel tied any pullout to the security threat and insisted the Lebanese army operate outside the occupation zone on both sides of the Litani, and the security annex linking withdrawal to full disarmament stayed contentious as American officials pressed for tangible steps beyond a statement of intent. More than ten Lebanese and American pilot-zone proposals were rejected and the mediators signaled nothing was final, so the framework the presidency carries out of the round is an agreement in principle without a single named position scheduled to change hands.

Aoun staked the file on decoupling the Lebanon track from the regional framework. The president framed the talks as separate from the United States-Iran track and cast the negotiation as Lebanon acting for itself, a bid to keep the withdrawal file inside a bilateral table the state controls rather than inside the Iran-coupled regional accord. The Gulf and American ministers meeting in Manama backed the same line, urging that the talks be preserved without linking them to other conflicts while backing

the full disarmament of non-state groups. The decoupling posture is the presidency's lever against the coupling Hezbollah and Tehran assert, and it carries the same exposure as the direct format: it claims ownership of a withdrawal the state cannot compel and that the talks did not deliver.

The direct table conferred the recognition Hezbollah said it would, and delivered no withdrawal to offset it. The American framing that for the first time in thirty years Lebanon's government negotiated directly with Israel rather than through Hezbollah is precisely the recognition the group warned a direct format would grant Israel, and the round produced it without the withdrawal that would have justified the trade to the bloc. The split inside the Shia leadership is now over substance, not only format. Berri pledged Hezbollah's disarmament south of the Litani but rejected the pilot zones as a waste of time, and Fadlallah rejected any final agreement without a complete Israeli withdrawal and warned the talks would not continue if the fire did not stop. The presidency holds the negotiating mandate in practice, but it holds it over a bloc that can now argue the format was the concession, and the rejection of the pilot-zone mechanism by the Speaker is the first sign that argument is moving from the resistance bloc toward the institutions.

Washington's pressure on Hezbollah's allies ran alongside its public break with Israel. The same week the American vice president attacked Israel's bombing of Beirut civilian infrastructure as undermining the peace effort, the administration held its line that Hezbollah is the obstacle to Lebanon's recovery and backed the full disarmament of non-state groups through the Manama statement. The configuration strengthens the presidency's hand against the bloc on the disarmament question while it weakens the external guarantee behind the withdrawal demand, because the Washington that breaks with Israel rhetorically has still not compelled a halt. The cabinet has not yet taken up the pilot-zone framework or the negotiating mandate as a contested vote, and whether Berri's rejection reaches that table is the week's principal open political question.

CRITICAL QUESTIONS

- ◆ Does the cabinet ratify the pilot-zone framework and the declaration of intent, or does Berri's rejection force the mechanism onto the cabinet table as a contested vote?
- ◆ Does the presidency convert the declaration of intent into a single named-position withdrawal commitment inside the month, or does the framework stay an agreement in principle that Hezbollah's bloc can label a concession?
- ◆ Does the decoupling posture hold, or does the Iran-coupled framing of the withdrawal re-assert and pull the file back into the regional accord?
- ◆ Does any named Hezbollah-aligned minister move against the negotiating mandate inside fourteen days, converting the format fight into a state crisis?

III. DOMESTIC SECTARIAN LANDSCAPE

The Shia community marked Ashoura amid ruins as its leadership absorbed a recognition without a withdrawal. The commemoration ran across the southern towns the campaign has leveled, and the community's institutional actors carried the negotiating posture rather than a mobilization. Hezbollah and Amal accepted the deal and now hold a table that delivered the recognition of a direct Lebanese-

Israeli negotiation and not the withdrawal that would have vindicated the cost, a box the displacement burden tightens, because the caseload concentrated on the Shia south is the community's strongest internal argument for keeping the weapons until the withdrawal is real. The intra-bloc seam is Fadlallah's hard line, no final agreement without a complete withdrawal, against Berri's conditional pledge to disarm south of the Litani while rejecting the pilot zones, and that seam is the one to watch if the format fight reaches the cabinet.

The Christian sovereigntist camp held its silence, and the silence is the finding. Bkerke and the Patriarchate under al-Rai, the Lebanese Forces under Geagea, and the Free Patriotic Movement under Bassil issued no fresh escalatory move on the negotiating file this week, consistent with their standing posture of pressing the arms question through the presidency and the state rather than the street. The unresolved tension underneath the silence is the Aoun-Tehran thaw carried from the prior cycle, a presidency the sovereigntist camp backs against Hezbollah that is simultaneously the presidency reopening the Tehran channel, and the camp has not yet voiced it. The next sovereigntist signal is the one to watch for the alignment fight's direction, and its absence this week is positioning, not resolution.

The Sunni community kept its stake with the state and the Druze kept their silence into the negotiating round. Salam's government and the presidency carried the Sunni institutional weight into the negotiating posture, and Dar al-Fatwa stayed off the alignment question, the community's wary neutrality anchored by a material stake in the state-rebuilding course. Jumblatt and the Progressive Socialist Party issued no public move while the round ran, the Druze geography keeping the community outside the campaign's axes. The silence remains weight in reserve: the party's swing would matter most if the pilot-zone rejection and the direct-format fight reach the cabinet, where the bloc can move the coalition on the negotiating mandate.

Displacement hardened as a sectarian fact concentrated on the south. The truce returned few of the more than 1.2 million displaced, the burden still falls on the Shia south, and the foreclosure of return is hardening as towns are leveled or sit inside the occupation strip. Beirut's city council is pushing to clear makeshift camps even as the authorities brace for a prolonged crisis, a host-community friction signal that converts the displacement from a southern fact into a cross-confessional one where the displaced have resettled. The demographic argument the displacement feeds now carries the demolition pattern and the bank strike behind it, the community reading the campaign's method as a deliberate foreclosure of the return the talks were meant to enable.

CRITICAL QUESTIONS

- ◆ Does the Fadlallah-Berri split over the pilot zones widen into a public intra-Shia contest, or does the bloc hold its line behind the withdrawal demand?
- ◆ Does the Christian sovereigntist camp break its silence on the Aoun-Tehran thaw with a Bkerke or Lebanese Forces statement, or hold its positioning into the cabinet phase?
- ◆ Does the Progressive Socialist Party break its silence as the negotiating mandate approaches the cabinet, and does its swing favor the direct-talks posture or the indirect-format demand?
- ◆ Does the Beirut camps-clearance push produce a host-community friction incident inside fourteen days, the first cross-confessional flashpoint over the foreclosed return?

IV. DIPLOMATIC AND REGIONAL VECTORS

The fight over who owns the Lebanon withdrawal became the week's central diplomatic axis. Aoun, the Gulf, and Washington push to decouple the Lebanon talks from the United States-Iran framework and hold the withdrawal inside the bilateral table, while Iran and Hezbollah couple them, Ghalibaf casting the end of the Lebanon war as as important as the end of the Iran war and binding the two fronts, and the Iranian-allied reading holding that the memorandum gives Israel sixty days to withdraw for the final accord to take effect. Whether the Lebanon withdrawal belongs to the Washington table the presidency controls or to the Iran-coupled regional framework gates the deal's Lebanon clause, because the coupling gives Tehran a standing pretext to walk on the unenforced provision and the decoupling gives Beirut a bilateral channel that has so far produced recognition and no withdrawal.

Washington broke with Israel over Lebanon in public and did not compel a halt. The administration's two top messengers split openly, the vice president attacking Israel's bombing of Beirut civilian infrastructure as undermining the peace effort and the secretary of state defending the Lebanon campaign across his Gulf tour as a justified response to Hezbollah, and the president signaled lost patience with Netanyahu's resistance to the settlement. The break is real and it is rhetorical. The same week it surfaced, Israel killed eighty-three in a day, destroyed a state bank branch, and restated a no-time-limit hold, and no American instrument converted the public criticism into an observable stop. The carried judgment holds: rhetorical pressure is not a withdrawal mechanism, and the breadth of the external convergence behind a Lebanese withdrawal, spanning Washington, the Gulf, and Tehran's precondition, has not acquired an enforcement instrument.

The energy relief that reaches Lebanese fuel costs continued and stayed leased. Crude retraced the entire war premium, Brent falling to a low near 72 dollars and ending the week down close to 7 percent and more than 20 percent on the month as Hormuz traffic doubled toward pre-war levels, which holds down the cost of the fuel Lebanon imports by sea. The relief is leased rather than won. Iran is pressing maritime service fees once the free-transit window lapses and asserted a unilateral approved route through the strait, and the first kinetic breach of the truce came as a projectile struck a cargo ship near Oman, a reminder that the corridor that lowers Lebanese fuel costs runs through a contested chokepoint. No strike hit a Gulf capital or critical facility this week, so the Gulf-as-target axis stayed quiet, but the Hormuz standoff is the live maritime risk that would reprice Lebanese imports if it re-crosses the shock floor.

Syria held to non-interference and kept the eastern seam administrative. Damascus declined the anti-Hezbollah role floated earlier, and the United States-Gulf statement from Manama backed Syrian sovereignty, removing for now the encirclement argument a Syrian role would have handed Hezbollah. Lebanon transferred a second batch of Syrian convicts to Damascus under a standing prisoner agreement, the kind of administrative cooperation that keeps the eastern border a bureaucratic seam rather than a second front. The carried Syrian-intervention scenario stays assessed as declined, a contingency to track rather than a live vector this cycle.

CRITICAL QUESTIONS

- ◆ Does the coupling or the decoupling read win control of the Lebanon withdrawal, and does Tehran spend the unenforced clause as a pretext to walk or hold it as a lever?

- ◆ Does Washington's public break with Israel convert into an observable halt of the southern campaign, or stay rhetorical while the strikes and demolitions run?
- ◆ Does the Hormuz standoff re-cross the shock floor and reprice Lebanese fuel costs, or does the leased relief hold through the free-transit window?
- ◆ Does any Gulf capital attach a named Lebanon commitment, a deposit or a reconstruction pledge, to its diplomacy inside fourteen days?

V. HUMANITARIAN AND INFRASTRUCTURE STRAIN

The displacement caseload held above 1.2 million and the prospect of return darkened. The truce returned few of the more than 1.2 million displaced during the war, and tens of thousands cannot go home because their towns were leveled, sit inside the Israeli-occupied strip, or both. In Tyre, where strikes killed around sixty people, destroyed twenty-six buildings, and damaged some one thousand homes, crews are clearing rubble as residents sift the wreckage. Beirut's city council is pushing to remove makeshift camps even as the authorities brace for a prolonged crisis, and Jordan dispatched a twentieth-truck convoy, its ninth shipment. The number is roughly steady against the prior cycle, but the demolition pattern across Markaba and Ain Arab and the bank strike in Nabatieh convert the caseload further from a population awaiting a ceasefire into one a declared method works to keep out.

The casualty ledger crossed four thousand and the medical attrition runs under the count. The war has killed 4,230 and wounded 12,179 since 2 March, the 20 June raids the spike that pushed the cumulative past four thousand. The structured feed tags zero attacks on protected medical and cultural targets in the window, but that recall is incomplete rather than a finding, the health authorities flagging a systematic pattern of attacks on healthcare workers and the demolition record carrying home destruction the tagger does not capture. The southern medical system that the Tyre evacuation pushed toward failure absorbed continued strikes in the Nabatieh basin, the attrition of facilities and personnel running beneath the negotiating track that held the headlines.

The supply lines held and the macro frame stayed stable on a sticky price floor. The airport, the port, and the Syria crossings stayed operational, and the energy shock that threatened the generator and bakery-diesel chains stayed reversed, with crude back below its pre-war level. The lira held at 89,500 to the dollar, and the Banque du Liban balance sheet stayed stable with gold the anchor at roughly half the total, even as the IDF destroyed the bank's Nabatieh branch, a strike on the institution's physical footprint rather than its reserves. The price floor stayed sticky against the falling oil price, the April inflation print still carrying transport up about 33 percent and housing and energy up about 26 percent year on year, the war premium that rises fast and falls slowly persisting in household costs even as the external shock unwinds. The relief Lebanese importers see this month is leased to the Hormuz free-transit window, and a post-window toll regime is the energy tripwire to carry forward.

CRITICAL QUESTIONS

- ◆ Does the demolition-and-no-return pattern produce a measurable second displacement wave or close a return corridor aid agencies were planning, inside fourteen days?

- ◆ Does a southern hospital suspend operations under continued strikes in the Nabatieh basin, the system-failure threshold carried from the prior cycle?
- ◆ Does the Hormuz free-transit window lapse into a toll regime that reprices Lebanese fuel, or does the leased relief hold and begin to unwind the April premium?
- ◆ Does the destruction of the Banque du Liban branch signal a campaign turn against financial and state infrastructure that raises the reconstruction bill beyond the residential caseload?

VI. INDICATORS AND WARNINGS

Military Indicators

- A single pilot zone moves from agreement in principle to a scheduled Israeli vacation of a named position with Lebanese army entry, or all proposals stall in the security annex as the rejected ten did.
- Israeli daily strikes return to the 20 June intensity inside the talks window, or hold the lower post-spike tempo of seven killed across three days.
- Hezbollah fire crosses onto Israeli soil for the first time since the signature, re-internationalizing the war.
- A second deliberate Israeli strike on uniformed Lebanese army personnel fires inside fourteen days, the standing post-Sabra tripwire now unfired across three windows.
- A second Israeli strike inside the Dahiyeh resumes, beyond the drone overflights logged this week.

Political Indicators

- The cabinet takes up the pilot-zone framework or the negotiating mandate as a contested vote, or Berri's rejection stays rhetorical pressure outside it.
- A written Israeli commitment to vacate a named southern position emerges from the declaration of intent, or the framework stays an agreement in principle.
- A Hezbollah-aligned minister moves against the direct-talks mandate inside fourteen days.
- The decoupling posture holds, or the Iran-coupled framing of the withdrawal reasserts and re-internationalizes the file.

Sectarian Indicators

- The Fadlallah-Berri split over the pilot zones widens into a public intra-Shia contest, or the bloc holds its line.
- A Bkerke or Lebanese Forces statement on the Aoun-Tehran thaw breaks the sovereigntist silence.
- The Progressive Socialist Party breaks its silence as the negotiating mandate approaches the cabinet.
- The Beirut camps-clearance push produces a host-community friction incident.

Diplomatic Indicators

- Washington's public break with Israel converts into an observable halt of the southern campaign, or stays rhetorical.
- A Gulf capital attaches a named Lebanon commitment, a deposit or a reconstruction pledge, to its diplomacy.
- The Hormuz free-transit window lapses into a service-fee regime, the energy tripwire that would reprice Lebanese fuel.
- Tehran spends the unenforced Lebanon clause as a pretext to walk on the sixty-day framework, or holds it as a lever.

Humanitarian Indicators

- A southern hospital suspends operations under continued strikes.
- Lebanese pump or generator prices move on the Hormuz standoff, in either direction.
- A measurable second displacement wave or a closed return corridor confirms the foreclosure.

WEEK-AHEAD STRATEGIC WARNING

The most dangerous convergence of the next seven days runs through the declaration of intent and Israel's conduct around it. The presidency carries a framework that delivered recognition and a pilot-zone agreement in principle without a single named-position withdrawal, and an Israeli strike at the 20 June intensity inside the talks window would both collapse the declaration before it is signed and hand Tehran the pretext to walk on the Lebanon clause it has made its precondition. The inverse danger is a framework that signs and produces nothing, hardening Berri's pilot-zone rejection and Fadlallah's no-withdrawal line into a cabinet contest in which Hezbollah argues the direct format yielded the recognition and not the withdrawal. The quieter risk underneath both is the foreclosed return, where the demolition pattern across Markaba and Ain Arab and the strike on the Nabatieh bank branch convert a displaced population above 1.2 million into a permanent one while attention sits on the table. The decisive test of the week ahead is whether a single pilot zone moves from principle to a scheduled vacation, and whether Israel's fire stays below the 20 June intensity long enough to let the declaration sign.

CRITICAL QUESTIONS

- ◆ Does a single pilot zone cross from agreement in principle to a scheduled Israeli vacation, the threshold that separates a withdrawal framework from a process label?
- ◆ Does an Israeli strike at the 20 June intensity recur inside the talks window, the trigger that would collapse the declaration of intent?

- ◆ Does the disarmament-first against withdrawal-first deadlock fracture the table or the cabinet first, the two seams the framework left open?

VII. SCENARIOS AND RISK ANALYSIS

These scenarios are overlapping layers of one reality, not a partition. They can co-occur, each carries its own falsifiable trigger, and the bands deliberately sum above one hundred percent. Two variables govern them this cycle: whether the pilot-zone and declaration-of-intent framework converts into a named-position Israeli vacation with Lebanese army deployment, or stalls in the contested security annex, and whether the disarmament-first against withdrawal-first deadlock fractures the talks or the Lebanese internal consensus first.

\{\}scenario{Scenario A: Consolidation by Process}{MOST PROBABLE · 50–65\{\}%}{The pilot-zone and declaration-of-intent framework persists, the ceasefire extends, and no pilot zone moves from agreement in principle to a scheduled Israeli vacation inside the horizon, so the occupation hardens under a process label. This is the straight-line extension of the week's record and every actor's stated posture, and it requires no party to change course. The drivers are Israel's no-time-limit hold restated by Netanyahu and Katz, the rejection of more than ten pilot-zone proposals, and a Washington break with Israel that has not become an observable halt. The implication is codification by inertia: the belt hardens behind the Yellow Line, the declaration of intent signs as recognition without withdrawal, and the displacement settles toward permanence while the withdrawal demand waits. Probability assessment: most probable, 50 to 65 percent within the fourteen-day horizon, the world as it stands at the close of the fifth round. Breaking condition: a scheduled Israeli vacation of a named position moves weight to Scenario B, and a talks-collapsing strike or an Iranian walkout moves it to Scenario C.}

\{\}scenario{Scenario B: Graduated Withdrawal Begins}{Unlikely · 15–25\{\}%}{A single pilot zone moves from principle to practice, the IDF vacates a named position, the Lebanese army deploys into it and clears it, and the memorandum's clause starts to operate under the combined Washington, Gulf, and Iranian pressure on the withdrawal. The evidence for the scenario is the breadth of the external convergence and the pilot-zone framework itself as a concrete mechanism the round produced. The evidence against it is heavier and sits in this edition's Sections I and IV: Israel restated a no-time-limit hold during the talks, the security annex linking withdrawal to full disarmament stayed unresolved, and the same Washington that broke with Israel did not compel a halt. Probability assessment: unlikely, 15 to 25 percent within the horizon. This is a live diplomatic channel rated below 30 percent, where the desk's named bias is to under-price exactly these, so the revision indicator is committed in advance and watched: a scheduled Israeli vacation of a named position with Lebanese army entry forces this band up immediately, and an Israeli reaffirmation of the no-time-limit hold inside the talks window collapses it toward 10 percent.}

\{\}scenario{Scenario C: Lebanon Detonates the Window}{Unlikely · 20–35\{\}%, rising over the full window}{The southern front collapses the framework before it institutionalizes. A strike at the 20 June intensity kills the declaration of intent, or Tehran walks on the unenforced Lebanon clause it has made its precondition, and the theater returns to a wider exchange before the sixty-day clock runs out. The drivers are the structural contradiction between the memorandum's Lebanon clause and Israel's declared permanence, the coupling Ghalibaf and Fadlallah assert, and a campaign that produced an eighty-three-killed day inside the negotiating period. The mitigating factors are that Tehran and Washington have banked early wins they are reluctant to forfeit, crude is flowing and the markets have priced de-escalation, and the Gulf mediators have held the parties to the table. Probability assessment: unlikely,

20 to 35 percent within the fourteen-day horizon, rising over the full sixty-day window as the free-transit clause lapses and the unenforced clause ages. Breaking condition: an Israeli strike at the 20 June intensity during the talks window, or an Iranian refusal to proceed citing the Lebanon campaign, either of which converts this scenario from contingency to countdown.}

\scenario{Scenario D: Internal Mechanism Rupture}{Unlikely · 15–25\%, rising if recognition holds without withdrawal}{The direct-format and pilot-zone fight hardens into a state crisis. Berri's rejection of the pilot zones and Fadlallah's no-withdrawal line reach the cabinet, a Hezbollah-aligned minister moves against the negotiating mandate, and the Aoun-Tehran thaw complicates the sovereigntist camp's support for the presidency. The drivers are the recognition the direct table conferred that Hezbollah cannot concede, the Speaker's rejection of the mechanism the presidency carries, and a framework that delivered standing without the withdrawal that would justify it to the bloc. The restraint is that the internal actors converged on the deal and the withdrawal demand even as they split on the instrument, and that the cabinet has not yet taken up the format as a contested vote. Probability assessment: unlikely, 15 to 25 percent within the horizon, rising to 30 to 45 percent if the declaration of intent signs and locks the recognition without a withdrawal, the sequence that lets Hezbollah argue the format was the concession. Breaking condition: a Hezbollah-aligned ministerial move against the mandate, or a cabinet vote on the negotiating framework.}

\scenario{Scenario E: Foreclosed Return and Humanitarian Entrenchment}{Roughly even · 40–55\%}{The displacement converts from a wartime flow into a permanent one. The demolition pattern across Markaba and Ain Arab, the strike on the Nabatieh bank branch, the Yellow Line, and the mined border belt foreclose return across the caseload above 1.2 million, the southern medical system continues to attrit under strikes, and the household price floor stays sticky even as crude falls. The cascade risk recedes because the energy-shock leg stayed reversed with Hormuz reopened, and the entrenchment risk rises because Israel has put a method behind the no-return pattern. Probability assessment: roughly even, 40 to 55 percent within the horizon for the entrenchment, the band held there rather than higher because the foreclosure is a pattern a withdrawal in the talks could still reverse. Breaking condition: a measurable second displacement wave or a closed return corridor confirms entrenchment, and a scheduled withdrawal from Scenario B reverses it.}

The decisive variable for the next seven days is whether a single pilot zone crosses from agreement in principle to a scheduled Israeli vacation of a named position. A scheduled vacation pulls the field toward Scenario B and drains A and C. A declaration of intent that signs and yields only recognition locks Scenario A's codification and arms Scenario D's internal sequence behind it. A strike at the 20 June intensity that kills the talks puts Scenario C's countdown on the sixty-day clock. The two observables that resolve it first are whether Israel's fire stays below the 20 June intensity long enough to let the declaration sign, and whether the Speaker's rejection of the pilot zones reaches the cabinet as a contested vote or stays pressure outside it.



CORE GROUP

ABOUT CORE GROUP

Core Group is a Beirut-based strategic foresight house. We produce decision-ready analysis and advisory for governments, diplomatic institutions, and strategic investors navigating Middle Eastern complexity. Our work integrates structured analytical products, applied strategic advisory, and analysis-informed mediation; delivered on daily and weekly cycles calibrated to the speed at which the situation changes.

We are based in Beirut. In environments where official data is systematically unreliable and remote analysis inherits every distortion in its source material, physical proximity is not a logistical convenience but an epistemological foundation of our methodology. We verify what others can only estimate.

Date Issued: Friday, 26 June 2026

Prepared By: Core Group — Strategic
Analysis Unit

