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Saudi Arabia, the Houthis and the Red Sea: Yemen's War in October 2026

By

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Table of Contents

Executive Summary .....Page 3

1 Introduction..... 4

2. Shipping and the Houthis' Targets..... 4

3. Saudi Arabia's Terms and the Ground War..... 5

4. Saudi Arabia's Partners and the Major Powers..... 5

5. Egypt's Stake and Its Mandate..... 6

6. Four Possible Paths..... 6

7. The Verdict..... 6

NOTES 7

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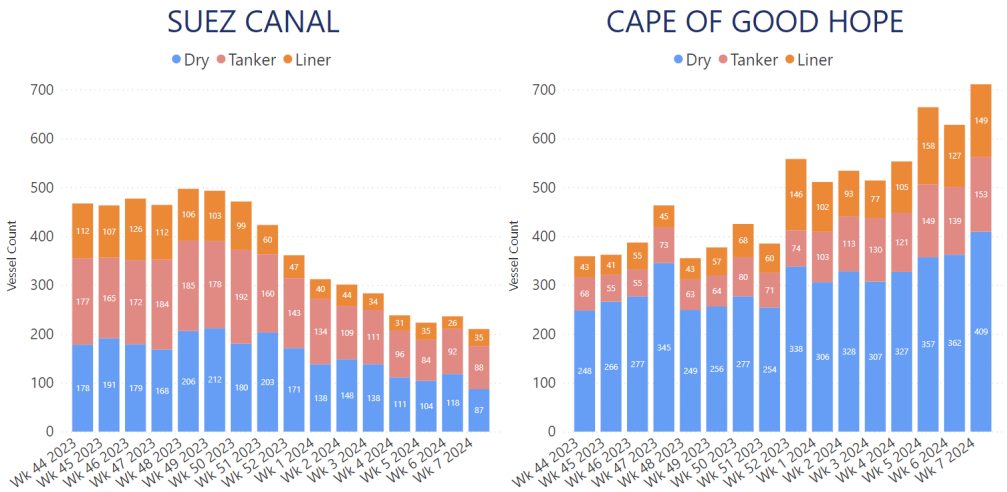
Saudi Arabia, the Houthis and the Red Sea: Yemen's War in October 2026

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Executive Summary

- The relative calm in the shipping lane does not indicate de-escalation of the conflict. Hostilities widened on land and over Saudi Arabia in October, while Suez container capacity surpassed half of its 2023 level.
- Houthi targeting decisions, foreign partners' defensive stance, and declining Saudi-linked shipping partly explain the situation..
- Houthi restraint may encourage container lines' return, though its extent remains uncertain. Of ten ships attacked, seven had Saudi links and two others were alleged to have them.
- ACLED views Houthi restraint as tactical, partly reflecting reduced Saudi-linked shipping. Riyadh's negotiating position remains constrained by Houthi control of Bab el-Mandeb, reinforced by the withdrawal of government forces from Dhubab on 15 November.
- Houthi advances near Bab el-Mandeb have reversed earlier government gains and increased pressure on Aden. Prospects for negotiations remain limited by entrenched differences and the Houthis' rejection of previous Saudi ceasefire proposals.
- The distinction between defending Saudi Arabia and direct involvement in the conflict remains ambiguous. Britain, France, Pakistan, and Egypt all characterise their roles as defensive.
- British refuelling of Saudi jets exemplifies this ambiguity, and Egypt's parliamentary authorisation of its involvement may further challenge this distinction. The US position remains unclear. Riyadh, Islamabad and Ankara have kept a diplomatic channel open to Tehran.
- Of the four scenarios, the November Houthi advances represent a shift in coastal control, challenging the earlier outlook of attrition with shipping lanes open. Wider escalation or a negotiated pause remain possible.
- Signposts to watch are a Saudi request under Egypt's mandate, United States policy after the 3 November midterms and any further US strike on Iran.

Key Picture: Weekly Vessel Traffic: Suez Canal vs. Cape of Good Hope



Source: Signal

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1. Introduction

The war between the Houthis and Saudi Arabia restarted in July. By September the Houthis had declared a blockade of Saudi shipping and had reached the Bab el-Mandeb.[1] In early October, the Saudi-backed government in Yemen launched a counter-offensive; on 10 October, a Houthi strike on Riyadh's main airport resulted in at least 12 deaths.[2] Suez container capacity, however, had passed half its 2023 level in early October.[3] The war expanded on land and over Saudi Arabia whilst the shipping lane remained relatively quiet. That restraint appears to be down to Houthi target selection, the partners' public insistence on a defensive posture and the fact that very few Saudi-linked vessels are still using the strait. The main pressures on those constraints are Riyadh's ground war, Washington's choices after the 3 November midterms and Egypt's new mandate. This article explores some of these tensions. The military situation shifted further in mid-November, when government forces withdrew from positions near Bab el-Mandeb, allowing the Houthis to regain territory around Dhubab and advance towards Aden. These developments have further complicated Riyadh's efforts to regain coastal control.

2. Shipping and the Houthis' Targets

Container lines began returning in July, before the blockade. Drewry estimates that Suez saves about $1m per round trip before war-risk premiums, calling the return "a network, capacity and customer-service decision".[4] Commercial incentives help explain why lines came back. Why they kept coming once the blockade began is a separate question worthy of consideration.

ACLED provides some of the answers to this. The Houthis have been concentrating their attacks on vessels which they classify as Saudi-linked, stating that other shipping can pass freely "if governments stay out of the conflict". Of the ten vessels that ACLED has recorded as being attacked since the blockade began, seven were Saudi-flagged or Saudi-owned; the Houthis claimed Saudi links for two further vessels.[5] On 11 August they attacked the Egyptian-owned Tihamah, claiming it was carrying Saudi military equipment, killing four of the crew.[6]

Carriers can therefore differentiate between vessels rather than treat the whole of the Red Sea as being equally exposed. That said, the distinction depends largely on arbitrary Houthi assessment, and the Tihamah suggests that a cargo claimed to be Saudi-linked may be sufficient for attack. ACLED judges that the restraint "appears tactical" and notes that the Houthis "retain the ability to broaden their criteria as political conditions change". The lull since 24 August may also reflect fewer Saudi-linked targets, rerouting, and less visible transits. The International Crisis Group found Saudi crude transit through the strait had dropped to almost zero in August.[7] While targeting accounts for the rationale on who was attacked, the later quiet may also simply reflect how few Saudi-linked vessels are left to test the stated limit.

3. Saudi Arabia's Terms and the Ground War

The International Crisis Group describes Riyadh's preferred approach as encouraging partners to defend the kingdom while leaving the ground war largely to Yemeni forces.[8] The coalition has also conducted its own strikes on Houthi-held areas, including five missile storage tunnels in Sanaa governorate, according to the coalition's own account of 26 October.[9] Riyadh's reported terms for de-escalation depend on that ground war.

Reuters on 2 October (citing Western diplomats and a Gulf official) reported that Riyadh had decided it could not go into any new peace talks while the Houthis retained control of the strait.[10] Control of the coast would therefore be a precondition for negotiations, though that in itself would not guarantee a deal. Critical Threats have pointedly noted the Houthis' "rejections of other Saudi ceasefire proposals in recent months", and the terms themselves are still very far apart.[11]

Although Saudi-backed forces initially retook Dhubab airport near Bab el-Mandeb in October, government forces withdrew from the area on 15 November, allowing the Houthis to regain control. The withdrawal reversed earlier territorial gains and increased pressure on Aden, while Mocha remains Houthi-held and Taiz besieged.

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Ned Whalley of the Sana'a Center observes that since the UAE withdrew from Yemen in January, Riyadh has become the sole supporter of pro-government forces, including the formerly UAE-backed Giants Brigades. April Longley Alley of the Washington Institute, however, considers the UAE to be "arguably Saudi Arabia's most capable local partner".[12] The progress of the offensive along the coast may depend on the state of relations between Riyadh and Abu Dhabi.

A deal would not eliminate all risk. Indeed, a recent attack from Iraq shut the East–West pipeline to Yanbu for 11 days in September.[13] Alley says the Houthis are after "a victor's peace", which would include "lifting all restrictions on Houthi-controlled sea- and airports".[14]

4. Saudi Arabia's Partners and the Major Powers

Britain, France, Pakistan, and Egypt describe their roles as defensive, focusing on protecting Saudi territory. Alley notes that Britain, France, and Pakistan, among others, are "walking a fine line between supporting the kingdom's defense and avoiding direct offensive operations," and adds that "it is unclear how long this distinction will hold."[15] The central issue is how the Houthis interpret participation in the conflict.

Urban Coningham of the Royal United Services Institute states that Britain will also refuel Saudi jets entering Yemeni airspace, which the Houthis may interpret as offensive action.[16] A senior Houthi official has threatened Pakistan and Türkiye with an "iron fist" if they enter the conflict, and warned of a "swift and painful response" should the United States become involved.[17] Direct attacks on Yemen may define the boundary, although British refuelling and Egypt's mandate could test this distinction.

No foreign partner had conducted strikes on Yemen by 27 October, but Washington's position remains unsettled in part driven by the upcoming US midterms. The United States provides targeting support; following the airport strike, President Trump stated that Washington "may" join Saudi strikes. On 13 October, he remarked regarding the Houthis, "I'll be there after the Elections."[18] A US strike would violate the ceasefire with the Houthis, maintained since May 2025, and could prompt the Houthis to expand their targets.[19]

China and Russia supported the Security Council's 15 October statement affirming Saudi Arabia's right to self-defence. However, the Arab Gulf States Institute, observes that Beijing has notably avoided "direct condemnation of the Houthis."[20] Riyadh, Islamabad, and Ankara also maintain open channels with Tehran; senior officials from all three met with Iranian leaders on 26 October.[21]

5. Egypt's Stake and Its Mandate

Egypt has a significant and sustained interest in containment. The International Crisis Group notes Riyadh's increasing reliance on Cairo, with Saudi oil shipped to Ain Sokhna. Israel's Institute for National Security Studies records loaded tankers sailing "north through the Suez Canal."[22] Egypt benefits from the recovery of container traffic, while a $5.3 billion Saudi deposit at its central bank matured in October.[23] This has left Egypt in a position where it stands to gain more from an end to the conflict, to avoid a wider war that could threaten the canal.

As a result, Egypt's parliament authorised the president to take "the necessary measures to support the Kingdom of Saudi Arabia" in its defence. By 27 October, no formal Saudi request had been announced, but this mandate introduces new uncertainty. On 27 October, a Houthi political bureau member stated that Egypt "declares war against the Republic of Yemen."[24]

The statement may be pressure intended to keep Cairo's mandate on paper, consistent with Houthi warnings to other partners. Alternatively, the Houthis may interpret a defensive mandate alone as making Egypt a party to the conflict, a step Houthi officials have not taken with Pakistan, whose forces are already present in the kingdom.[25] A formal Saudi request would clarify which interpretation prevails with huge implications for new parties surrounding the conflict.

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6. Four Possible Paths

ACLED's scenarios, read alongside Crisis Group and Chatham House analysis, suggest four possible paths. The situation has shifted from attrition towards renewed Houthi territorial gains following the withdrawal of government forces from Bab el-Mandeb on 15 November. Although maritime traffic has not been the principal target of this escalation, the Houthis' strengthened coastal position raises the risks to shipping and Saudi Arabia's military strategy. A Sana'a Center paper questions the prospects of a decisive military outcome.

Escalation could occur if a foreign partner strikes Yemen or if the Houthis attack a vessel without Saudi connections; either event could trigger the other. ACLED identifies “a widening of maritime attacks” as a factor that could shift foreign support “from defensive assistance to direct intervention.”[26] A renewed US strike on Iran is another potential indicator, given reports that the Houthis could target US interests.[27] Egypt’s involvement could expose the Suez Canal and SUMED pipeline to additional risk.

The shift in coastal control has instead favoured the Houthis. Following the government withdrawal from Dhubab, Houthi forces consolidated their position near Bab el-Mandeb and advanced towards Aden, threatening government supply routes. These gains further complicate Riyadh's reported precondition for negotiations and increase the risk of retaliatory escalation against Saudi infrastructure and maritime interests.

A brokered pause would require the Houthis to accept a limited freeze and Riyadh to engage in negotiations before regaining control of the strait, potentially with Iranian encouragement. Chatham House analysts describe negotiation as “the most favourable route towards a lasting settlement,” while noting that “the Houthis believe they are winning.”[28] Mediation through Oman or further talks in Tehran would support this approach. A return of Saudi ships here will be a key moment to understand if this restraint can be maintained sustainably.

7. The Verdict

The quiet in the Bab el-Mandeb depends on two things the Houthis largely control: how they define a legitimate target and how few Saudi-linked ships remain to meet that definition. The Tihamah showed that a claimed Saudi cargo can be enough, and the Saudi-flagged ships that would test the stated limit are the ones Riyadh would have to send back before trade through the strait could return to normal. So the recovery in Suez traffic says more about Houthi discretion than a fundamental change in the conflict itself.

The Houthi advances in mid-November have weakened the earlier outlook of prolonged attrition, exposing the vulnerability of Saudi-backed forces and increasing pressure on Aden. Riyadh's reported condition for negotiations remains unmet, while the Houthis' strengthened position may further reduce their willingness to compromise. The risk of wider escalation has increased, although a decisive military outcome remains uncertain.

Key developments to watch include Washington's response to the Houthi advances, the potential invocation of Egypt's military mandate, and the threat to Aden. A direct foreign intervention could prompt the Houthis to widen their targeting, exposing shipping through Bab el-Mandeb and potentially the Suez Canal and SUMED pipeline to greater risks. The return of Saudi-linked vessels would also test whether Houthi maritime restraint can be sustained.

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