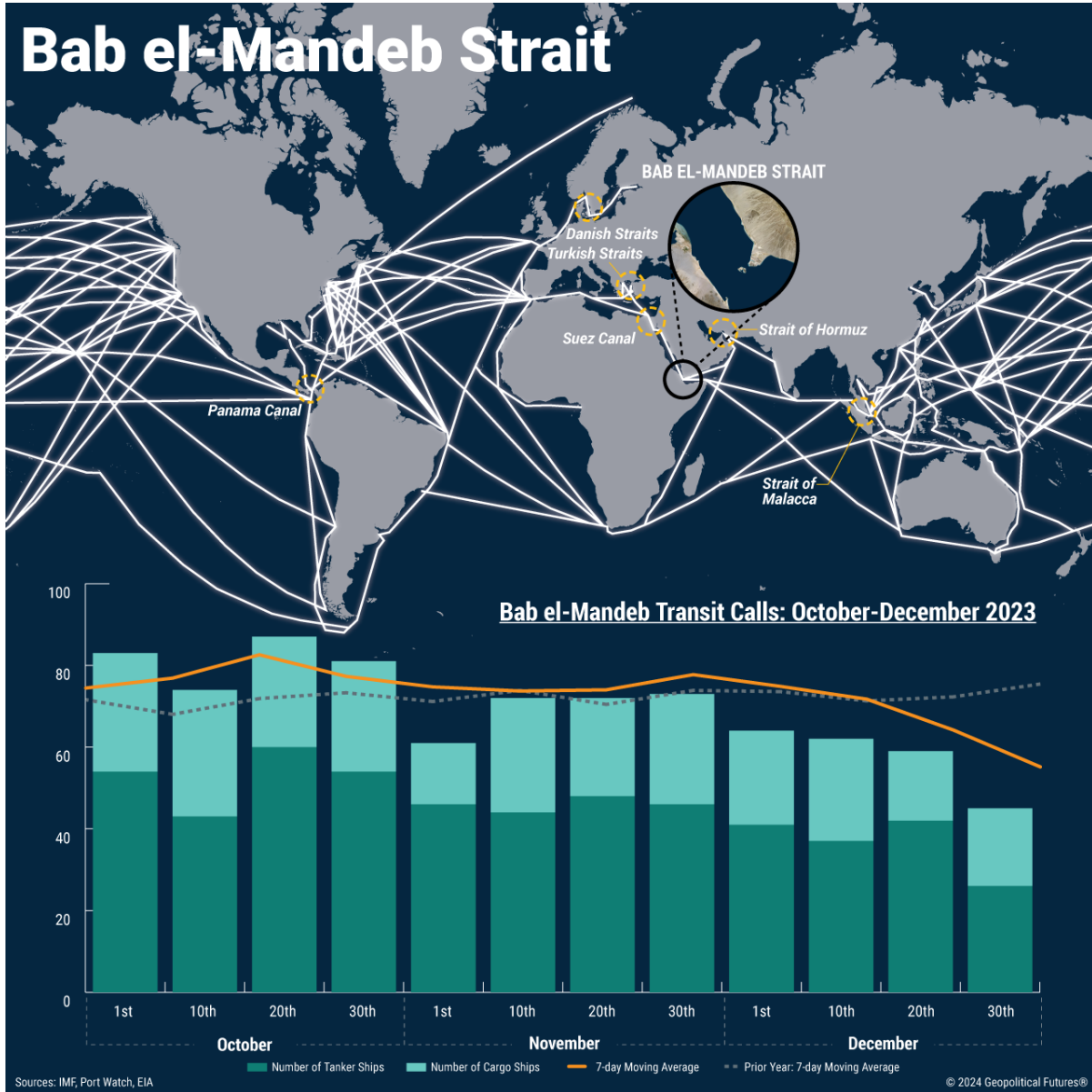


Ships Steer Away From the Red Sea

by Geopolitical Futures - January 5, 2024



[\(click to enlarge\)](#)

Middle East instability often impacts oil prices and disrupts global supply chains. One reason is its potential effect on commercial trade attempting to navigate its multiple geographic chokepoints. The

curtailment of access to the Red Sea, which handles 10-12 percent of global trade, could significantly disrupt the world economy.

Several major shipping companies have halted vessel transits through the Red Sea due to escalating Houthi attacks on commercial ships. This disruption of the shortest shipping route from the Mediterranean to Asia will stretch supply chains, threatening higher prices. Companies must now seek and adapt to costlier, longer routes.

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