

SITUATION OVERVIEW

Gulf Disruption Widens as Maritime Risk, Air Alerts and Diplomatic Friction Deepen

Regional pressure intensified overnight as missile threats, maritime disruption and economic strain widened across the Gulf and Levant. In the UAE, authorities handled a drone strike on Thuraya's administrative building in Sharjah and a separate attack on the Kuwaiti tanker *Al-Salmi* in Dubai waters, showing both infrastructure and anchored shipping remain exposed. Kuwait activated air defences against missile and drone threats, while Saudi Arabia stayed central to both deterrence and diplomacy. Israel added further political volatility after parliament passed a controversial death-penalty law targeting Palestinians. Egypt also sharpened the economic warning, with President Sisi urging Trump to stop the war, even as Washington signalled it could end operations without fully reopening Hormuz.

COUNTRY KEY DEVELOPMENTS

Iran

- Still leveraging Hormuz pressure while rejecting easy US endgame terms.

Israel

- Passed controversial death-penalty law targeting Palestinians in military courts.

United Arab Emirates

- Distance learning extended as drone threats and security strain persist.

Saudi Arabia

- Rubio pressure follows Riyadh's defence outreach beyond Washington.

Kuwait

- Air defences activated as tanker strike raises maritime and spill concerns.

Qatar

- Fitch flagged downgrade risk after Ras Laffan strike and LNG disruption.

Oman

- Still backing diplomacy as Gulf states diverge on escalation pathways.

Iraq

- Faces growing overflight and corridor pressure as regional airspace compresses.

Lebanon

- Iran defied Beirut by refusing to withdraw its envoy

Türkiye

- NATO defences intercepted another Iranian missile entering Turkish airspace.

Yemen

- Houthi follow-on strikes suggest pressure is widening beyond symbolic signalling.

Egypt

- President Sisi urged Trump to stop war before fragile economies worsen.

Syria

- Airspace remains exposed as conflict squeezes regional flight corridors further.

RISK INDICATORS

Security Risk: Anchorage areas off Dubai are now exposed, raising spill, insurance and vessel-routing pressure. Missile, drone and cyber threats remain converged against infrastructure, telecoms and regional operations.

Aviation Risk: Air corridor compression is worsening, increasing congestion, rerouting pressure and safety risk.

Maritime Risk: Tanker and port-call risk is rising as Gulf vessel movements become less predictable. Gulf transit volatility is driving rerouting, late departures and higher insurance exposure.

Energy Risk: Oil markets remain highly exposed as Hormuz stays constrained and tanker attacks widen supply shock risk.

SEVERE

HIGH

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HIGH

OPERATIONAL IMPACT

Aviation

- EASA says conflict-driven rerouting is compressing remaining flight corridors, raising congestion and planning pressure over alternative routes via Azerbaijan and Central Asia.
- Airlines are starting to pass through higher fuel costs: Reuters reports fare increases, capacity cuts and fuel surcharges by carriers including United, SAS and Air New Zealand.

Logistics & Supply Chain

- Aramex says it is closely monitoring Middle East disruption as regional logistics risks remain elevated.
- Dubai's role as a humanitarian and aid logistics hub is under strain, with cargo bottlenecks affecting onward relief shipments.
- Industrial supply chains are tightening after strikes hit major Gulf aluminium production.

Maritime

- The Al-Salmi attack shows that even vessels waiting at anchorage near Dubai are now exposed, increasing insurance, firefighting, spill-response and port-risk concerns for operators in UAE waters.
- COSCO has resumed some Gulf bookings and a small number of ships have transited Hormuz, but operators are still using risk-reduction tactics such as night transits and disabled trackers.

Energy Markets

- In Israel, a missile hit a gasoline storage tank and industrial building at Bazan in Haifa, highlighting continued vulnerability around downstream fuel infrastructure.
- Brent hovered around \$115 and WTI above \$105, extending the supply shock as traders price in prolonged Hormuz disruption and fresh maritime attacks.

OUTLOOK (NEXT 72–96 HOURS)

The next 72–96 hours are likely to be shaped by managed instability rather than a clean move towards either de-escalation or decisive war. Trump's reported willingness to end the US campaign even if Hormuz remains largely constrained suggests Washington may now prioritise limiting direct exposure over fully restoring commercial transit, while Rubio's harder messaging keeps pressure on Iran. In practice, that leaves Tehran with continued leverage over access, pricing and maritime risk, creating a de facto toll-booth environment around Gulf shipping. Across the region, the direction of travel still points towards a broader and more layered conflict footprint. Egypt is pressing Washington to stop the war before economic damage deepens, Israel is likely to maintain pressure across linked fronts including Lebanon, and the Houthis remain a live threat to both Israel and Red Sea traffic. Within the GCC, diplomacy and deterrence are still moving in parallel rather than fully aligning. At the same time, cyber activity is likely to intensify alongside missile, drone and shipping pressure, reinforcing telecom, infrastructure and corporate risk. The most likely near-term path is selective transit, repeated disruption and no reliable return yet to normal commercial confidence.

ADVISORY NOTE

Companies operating across the Gulf and wider Middle East should prepare for a period in which disruption remains selective, fast-moving and uneven rather than uniformly paralysing. The immediate risk is no longer limited to a single strike or closure event; it now sits in the interaction between constrained maritime access, airspace compression, higher fuel and freight costs, cyber intrusion risk, and abrupt changes in official guidance. Firms should therefore review trigger points for remote working, staff movement restrictions, voyage and flight approvals, fuel contingency planning, and alternative routing for time-sensitive cargo. Particular attention should be given to telecoms exposure, industrial sites, anchorage risk, and supply-chain dependencies linked to ports, trucking and imported inputs. Cyber hygiene should also be reinforced, especially around phishing, impersonation, spoofed advisories and opportunistic attacks during periods of heightened alerting. Leadership teams should avoid planning on the assumption of imminent normalisation; the more resilient approach is to preserve optionality, shorten decision cycles, and be ready to shift quickly from continuity mode to disruption management.