Global Situational
Awareness

GCC Alert – 23 July 2026

Houthi Strike Threatens Saudi Arabia’s Hormuz Bypass

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- The Saudi-flagged oil products tanker Encelia, IMO 9240172, was struck by an unidentified projectile while operating approximately 70 nautical miles southwest of Al Shuqaiq, Saudi Arabia. UKMTO recorded the incident under reference 095-26 and reported that the projectile struck the vessel's starboard side, causing an onboard fire.
- The crew initiated firefighting procedures, while no casualties or environmental impact were initially reported. Authorities are continuing to investigate the incident, and UKMTO has advised vessels operating in the area to exercise caution and report any suspicious activity.
- Encelia is a Saudi-flagged oil products tanker of approximately 109,000 deadweight tonnes. The vessel departed Yanbu on 20 July before proceeding south through the Red Sea.
- The Houthis claimed responsibility for the attack and stated that Encelia had been targeted using missiles and drones as part of a newly declared campaign against Saudi-linked shipping.
- The group also claimed that it attacked the Saudi-flagged VLCC Layla, IMO 9336098, and alleged that the vessel caught fire. However, no separate UKMTO incident report has yet been publicly identified for Layla, and the claimed strike has not been independently confirmed.
- Layla's last publicly reported AIS transmission was on 17 July, leaving its present location, operational status and condition unclear. The vessel should therefore be treated as a claimed second attack rather than a confirmed incident.

Immediate significance

- The attack on Encelia represents more than a renewed Houthi strike in the Red Sea. It directly threatens the western Saudi export route increasingly being used to reduce dependence on the Strait of Hormuz.
- As pressure on shipping through Hormuz has increased, Saudi Arabia has redirected greater volumes of crude through the East–West Pipeline to the Red Sea port of Yanbu. Reported export volumes from Yanbu have risen sharply since the current regional conflict began.
- However, large tankers departing Yanbu for Asian markets must sail south through the Red Sea and pass Bab al-Mandeb. Fully laden VLCCs are generally unable to transit the Suez Canal, leaving the southern Red Sea route as their principal maritime exit.
- The attack therefore threatens the route Saudi Arabia is relying upon to bypass disruption at Hormuz.
- Several tankers that had loaded at Yanbu, or were proceeding towards Saudi Red Sea ports, have reportedly reversed course or altered their planned voyages following the Houthi warning. Continued attacks could persuade additional shipowners, charterers and insurers to avoid the area.
- The developing risk is not necessarily the complete physical closure of both chokepoints. Instead, attacks, naval warnings, insurance restrictions and commercial caution could create a commercially effective restriction across both Hormuz and Bab al-Mandeb.

Operational implications

- The immediate maritime threat is highest for Saudi-flagged, Saudi-owned, Saudi-operated or Saudi cargo-linked vessels. Ships calling at Yanbu, Jeddah and other Saudi Red Sea ports may also face greater scrutiny from owners, insurers and security providers.
- Operators may increasingly suspend voyages, reverse course or delay port calls while they assess whether the Houthi targeting criteria have expanded beyond vessels linked to Israel and the US.
- The attack also increases the vulnerability of Saudi Arabia's alternative energy export route. Disruption at Yanbu or along the southern Red Sea corridor could delay crude and refined-product shipments, tighten tanker availability and place upward pressure on freight and war-risk costs.
- For Asia–Europe shipping, further deterioration could accelerate diversions around the Cape of Good Hope. These voyages would involve longer sailing distances, greater fuel consumption, higher charter costs and increased schedule disruption.
- Vessels already inside the Arabian Gulf would remain dependent on access through the Strait of Hormuz before they could proceed towards the Cape. A Cape diversion cannot provide an immediate alternative for ships unable to exit the Gulf.
- Container and general cargo operators may also face reduced schedule reliability, irregular vessel arrivals and additional congestion at transshipment and bunkering hubs along the southern Africa route.
- Insurance exposure is likely to increase across the Red Sea, Gulf of Aden and Saudi-linked voyages. Underwriters may apply greater scrutiny to vessel ownership, management, chartering arrangements, cargo origin and previous port calls.
- Owners and charterers may also face contractual disputes involving unsafe-port provisions, deviation, force majeure and crew refusal to enter designated high-risk areas.

Recommended actions

- Operators should review vessel ownership, management, chartering and cargo links before entering the Red Sea or Gulf of Aden. Passage planning should account for the possibility that Saudi-linked vessels are now included within the Houthi targeting profile.
- Masters should maintain heightened bridge watchkeeping, review emergency response and firefighting procedures, and maintain regular communication with UKMTO and relevant naval coordination centres.
- AIS use should remain consistent with international obligations, flag-state requirements and company security procedures. Operators should avoid publishing unnecessary commercial or voyage information where this can be lawfully limited.
- Commercial teams should assess Cape of Good Hope alternatives before vessels commit to Red Sea passages. Owners should also review war-risk cover, crew consent requirements, charter-party clauses and diversion costs.

What to watch

- During the next 24 to 72 hours, attention should focus on Encelia's condition and onward movement, as well as any independent evidence confirming or disproving the claimed attack on Layla.
- Further UKMTO incident notices, naval warnings or suspicious-activity reports would indicate whether the Houthis are sustaining an operational campaign rather than conducting a single demonstration attack.
- Additional tanker reversals from Yanbu, reduced vessel arrivals at Saudi Red Sea ports or changes to Bahri operations would provide early evidence of wider commercial disruption.
- Over the next seven to 14 days, the key indicators will be changes in war-risk premiums, chartering restrictions, Yanbu export activity and Cape of Good Hope diversions.

- Any apparent coordination between pressure in the Strait of Hormuz and Houthi attacks in the Red Sea would materially increase the threat to regional energy flows and global shipping.

Assessment

- Bab al-Mandeb has not been physically closed, and the claimed attack against Layla remains unconfirmed. However, the confirmed strike on Encelia demonstrates both intent and capability against Saudi-linked shipping.
- Repeated successful attacks could create a commercially effective restriction if shipowners, charterers, insurers and crews conclude that the risk is unacceptable.
- Combined with continuing pressure in the Strait of Hormuz, the incident raises the possibility that both principal maritime routes around the Arabian Peninsula could become severely constrained at the same time.
- The Cape of Good Hope would then become the primary alternative for vessels positioned outside the Arabian Gulf, with significant consequences for voyage times, freight rates, energy exports and global supply-chain reliability.

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