

Houthi Militia Ceasing Attacks in Red Sea Would Have Seismic Impact on Container Shipping



From Xeneta

OSLO – Norway, 11 November 2026 – Houthi militia have reportedly ceased attacks on Israel and shipping in the Red

Sea ([source: AP](#)) – the impact would be seismic for global ocean container shipping, but an immediate largescale return to the region will require a series of further assurances, analysts warn.

Peter Sand, Chief Analyst at Xeneta – the ocean and air freight intelligence platform – said: “Details are sketchy and you cannot base the safety of crews, ships and cargo on the word of Houthi militia. Carriers need far more assurance than that and, perhaps more importantly, so do insurance companies.

“Different carriers have different tolerances to risk and we have seen some intermittently testing the water, with the *CMA CGM Zheng He* and *CMA CGM Benjamin Franklin* making voyages through the region in November, but generally the number of container ships transiting the Suez Canal has been trending downwards during 2025.

“Transits may start to increase if there is a perceived lower risk, but we are unlikely to see an imminent return to 2023 levels.”

Longer sailing distances around the Cape of Good Hope in Africa due to the threat of Houthi attacks in the Red Sea region is currently absorbing around 2 million TEU (20ft equivalent container units) of global container shipping capacity and increasing the transport demands on the fleet.

A largescale return to the Red Sea would therefore reduce the transport work required of the fleet and potentially cause freight rates to plummet – unless carriers take drastic measures, such as idling, demolition, slow-steaming and widespread blank sailings.

Sand said: “Average spot rates from Far East to North Europe, Mediterranean and US East Coast – three trades that would ordinarily transit the Red Sea – are all down more than 50% since the start of year. A largescale return of container

ships to the Red Sea would flood the market with capacity and cause freight rates to plunge even lower across trades at a global level, not just those directly impacted by the diversions.

“Carriers are already heading into loss-making territory and freight rates are expected to fall up to -25% globally in 2026, even with no change to the situation in the Red Sea.

“Shippers should be making contingency plans because a largescale return would cause severe disruption across global ocean supply chains as services transiting Suez Canal are reinstated.

“There are still many questions to be answered, but the impact of a largescale return would be seismic for shippers and carriers.”