

Trump declares end to Red Sea shipping crisis

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The White House



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Donald Trump, the American president, has claimed that after more than 17 months, the Red Sea shipping crisis is coming to a close.

Speaking at the White House yesterday, Trump said Yemen's Houthis have agreed to halt their attacks on shipping and that Washington would in turn stop carrying out strikes on the Iran-backed rebels. Trump's claims have been backed up by Oman's foreign minister, who has been negotiating between the two sides.

"The Houthis have announced... that they don't want to fight anymore. They just don't want to fight. And we will honour that, and we will stop the bombings, and they have capitulated," Trump told reporters at an Oval Office meeting with Canada's new prime minister, Mark Carney.

“They say they will not be blowing up ships anymore, and that’s... the purpose of what we were doing,” the US president said.

“President Trump promised to restore the freedom of navigation in the Red Sea, and he used great American strength to swiftly deliver on that promise,” White House press secretary Karoline Leavitt wrote in a post on X.

Omani foreign minister Badr al-Busaidi confirmed that the US bombing campaign was ending, posting on X that discussions involving the US and Oman, as well as negotiators in Yemen, “have resulted in a ceasefire agreement between the two sides”.

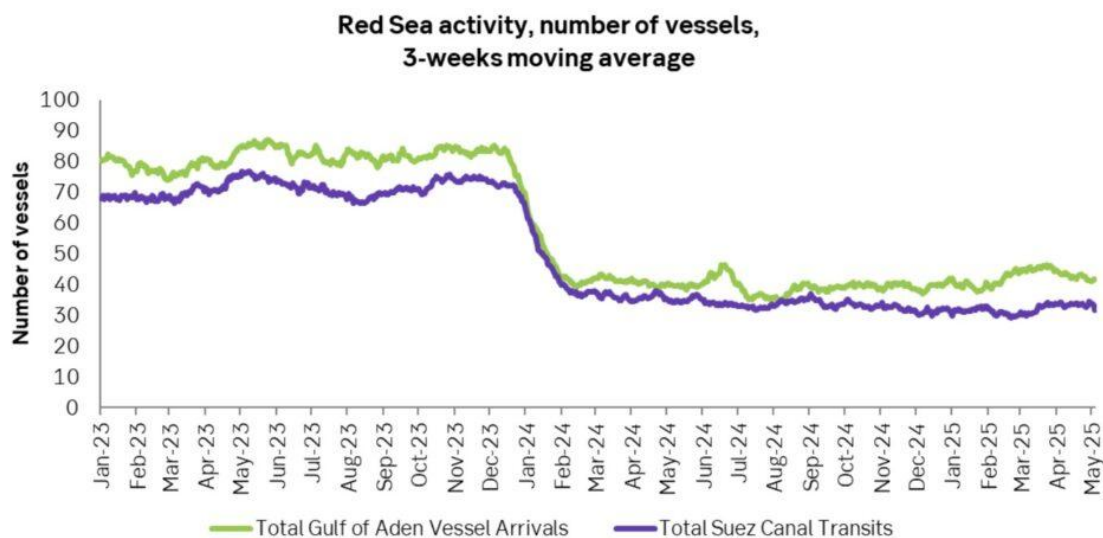
“In the future, neither side will target the other, including American vessels, in the Red Sea and Bab al-Mandab Strait, ensuring freedom of navigation and the smooth flow of international commercial shipping,” he wrote, calling the agreement a “welcome outcome”.

The news comes after a particularly explosive few days for Arab ports on the Red Sea with the Yemeni ports of Ras Issa Oil and Hodeidah as well as Port Sudan all being bombed over the past week.

Shipping volumes in the Red Sea continue to be depressed, currently around 50% lower than 2023 figures, according to data from SEB, a Swedish bank.

“The prospect of a ceasefire agreement and enhanced security suggests a likely resurgence in commercial shipping operations in the region,” shipping analysts at SEB suggested in a note to clients this morning, arguing that car carrier and container markets are projected to experience the most significant rebalancing.

Red Sea activity, number of vessels



Source: SEB, SIN