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Escalation by Houthis and Iran Ahead of U.S. Mid-Terms – SITREP #45: October 19, 2026

F-2026-10-19b

Classification: TLP:CLEAR

Criticality: High

Intelligence Requirements: Geopolitics

October 19, 2026

Scope Note

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| Key Findings

- Since October 1, Iran has launched its highest number of attacks against commercial shipping in the Strait of Hormuz (SoH) since the war began in March. Iran is likely escalating its attacks to target a wider array of assets across a broader geographic area.
- This pattern suggests an effort by Iran to sustain elevated oil prices and pressure the United States to abandon its policy to increase SoH transits. There is an unlikely chance that the Iranian escalation triggers a U.S. military response. The probability of such a response increases after the U.S. mid-term elections or if Iranian policy causes a sharp decline in the SoH transits.
- A Saudi Arabian-backed offensive to recapture territory lost to Houthi rebels in Yemen has likely stalled, while Houthi attacks against Saudi Arabia, Presidential Leadership Council territory, and in the Red Sea have increased. These attacks are likely designed to pressure Saudi Arabia into pursuing a political settlement.

- Saudi Arabia is likely pressuring other external actors to join its effort to back the Yemeni government. Further entry by outside actors into the Houthi conflict will likely lead to an escalation in Houthi attacks on Red Sea shipping and against regional states.

| Latest Details

Since October 1, Iran has launched its highest number of drone and anti-ship missile attacks on commercial shipping since the war began in March 2026.

- According to the United Kingdom Maritime Trade Operations (UKMTO), Iran struck 12 commercial vessels between October 5–11—the highest weekly attack count since the conflict began in March.¹ Four tankers sustained damage from unknown projectiles while transiting the SoH in individual incidents on October 11. This represents roughly double the daily average number of attacks in the previous week.² On October 14, two commercial vessels sank in separate attacks near the SoH.³

Significant "dark transits" and ship-to-ship transfers are likely being utilized in the southern corridor of the SoH bordering Oman. These measures, which are almost certainly only possible because of U.S. naval protection, have meaningfully increased energy products transiting through the strait, likely placing a ceiling on energy prices and reducing Iranian leverage.⁴

It remains too early to determine if Iran's increased October attack rate has coincided with reduced transit volumes through the strait. Before these latest escalations, oil flows from across the Middle East had reached approximately 80 percent of pre-war levels, with SoH passages at times even exceeding those benchmarks.⁵

¹ [hXXps://www.argusmedia\[.\]com/en/news-and-insights/latest-market-news/2891959-hormuz-attacks-up-but-many-unreported-ukmto](https://www.argusmedia.com/en/news-and-insights/latest-market-news/2891959-hormuz-attacks-up-but-many-unreported-ukmto)

² [hXXps://www.ukmto\[.\]org/recent-incidents](https://www.ukmto.org/recent-incidents)

³ [hXXps://www.cnn\[.\]com/2026/10/15/middleeast/strait-of-hormuz-ships-sunk-iran-intl-hnk](https://www.cnn.com/2026/10/15/middleeast/strait-of-hormuz-ships-sunk-iran-intl-hnk)

⁴ [hXXps://www.reuters\[.\]com/business/energy/one-third-gulf-oil-is-still-missing-despite-dark-crossings-data-shows-2026-09-09/](https://www.reuters.com/business/energy/one-third-gulf-oil-is-still-missing-despite-dark-crossings-data-shows-2026-09-09/)

⁵ Monthly Geopolitical Report: October 2026, October 2, 2026

- Absent a diplomatic solution, Iran will likely target exports through the SoH, including ship-to-ship transfers. Outgoing vessels from the SoH very likely face the highest risk, although Iran will likely expand the geographic zone of its attacks. There is a roughly even chance Iran expands its targeting outside the immediate SoH to include ship-to-ship transfers in the Gulf of Oman and Arabian Sea.

Yemen

On October 5, the internationally recognized government of Yemen, the Presidential Leadership Council (PLC)—backed by Saudi airpower—launched an offensive to recapture territory lost to Houthi rebels.⁶ This offensive has likely stalled, while Houthi attacks against Saudi Arabia, PLC territory, and the Red Sea have increased. These attacks are likely designed to pressure Saudi Arabia into pursuing a political settlement.

- On October 15, Houthi missiles struck the al-Maashiq palace in Aden, the seat of the PLC government. Two of the prime minister's bodyguards were killed, though the prime minister himself was not present.⁷ This marks the first time the palace has been targeted in this round of the war and likely signals that Houthi forces are increasing pressure to take control of the capital.
- Saudi Arabia's main international airport, King Khalid in the capital Riyadh, was hit around 20 times in the first 11 days of October, killing at least 17 and injuring hundreds.⁸⁹

The Saudi-backed offensive came after Houthis seized nearly all of Yemen's remaining Red Sea coastline from Saudi-backed government forces in an offensive between September 10–11.¹⁰

- Since the offensive has stalled, the Houthis have reportedly rejected offers of salary payments and sharing oil revenues, along with the PLC government. The

⁶ [hXXps://www.longwarjournal.org/archives/2026/10/yemeni-government-forces-launch-saudi-backed-counteroffensive-against-houthis.php](https://www.longwarjournal.org/archives/2026/10/yemeni-government-forces-launch-saudi-backed-counteroffensive-against-houthis.php)

⁷ [hXXps://www.bbc.com/news/articles/cm62y6lp73zdo](https://www.bbc.com/news/articles/cm62y6lp73zdo)

⁸ [hXXps://www.reuters.com/world/middle-east/saudi-warning-system-stayed-silent-before-deadly-airport-attacks-2026-10-12/](https://www.reuters.com/world/middle-east/saudi-warning-system-stayed-silent-before-deadly-airport-attacks-2026-10-12/)

⁹ [hXXps://www.youtube.com/watch?v=U_KeT480wAw](https://www.youtube.com/watch?v=U_KeT480wAw)

¹⁰ [hXXps://www.bbc.com/news/live/cmd683p01ejt](https://www.bbc.com/news/live/cmd683p01ejt)

Houthis likely view relying on PLC institutions as incompatible with their desire for more political and economic autonomy in their areas of control. Furthermore, the Houthis likely view the PLC as a Saudi proxy and prefer to negotiate directly. Continued setbacks for Saudi Arabia and the PLC make it more likely they will move closer to Houthi positions.

Outside Intervention

Saudi Arabia is likely pressuring other external actors to join its effort to back the Yemeni government. Turkey and Pakistan, which recently signed a mutual defense pact with Saudi Arabia,¹¹ are likely participating through intelligence sharing, drone support, and air operations. Saudi Arabia is also likely pressuring additional actors to contribute, including potential ground troops from the United Arab Emirates, Syria, and Egypt.^{12,13} Escalation by the United States or Israel remains possible, especially if Houthi attacks continue to influence oil prices. Further entry by outside actors into the Houthi conflict will likely lead to an escalation in Houthi attacks—both on Red Sea shipping and against regional states.

The Houthis are likely avoiding Saudi energy infrastructure to prevent triggering a larger price spike that would increase the probability of direct U.S. intervention. Should the United States enter the conflict—or should Saudi Arabia expand its military operations elsewhere—the Houthis would very likely respond by broadening their targeting to include Saudi energy facilities and shipping vessels in the Red Sea. Because Houthi attacks have successfully influenced oil prices without directly targeting the energy sector, this very likely demonstrates that further Houthi escalation would impact oil prices even more significantly.

- On October 16, 2026, the price of Brent crude reached USD 110 per barrel, the highest level since May.¹⁴ Similarly, Murban crude, which is produced in Abu Dhabi and is generally more responsive to regional unrest, is at USD 109 per barrel, a three-month high. This has occurred despite oil supply largely remaining intact.

¹¹ ZeroFox Intelligence Flash Report: Turkey, Saudi Arabia, and Pakistan Defense Pact Reorders Middle East Security, August 11, 2026

¹² [hXXps://www.i24news\[.\]tv/en/news/middle-east/the-gulf/artc-uae-to-resume-funding-anti-houthi-forces-in-southern-yemen-saudi-arabia-to-provide-air-cover](https://www.i24news[.]tv/en/news/middle-east/the-gulf/artc-uae-to-resume-funding-anti-houthi-forces-in-southern-yemen-saudi-arabia-to-provide-air-cover)

¹³ [hXXps://foreignpolicy\[.\]com/2026/10/16/syria-yemen-saudi-arabia-iran-houthis-sharaa/](https://foreignpolicy[.]com/2026/10/16/syria-yemen-saudi-arabia-iran-houthis-sharaa/)

¹⁴ [hXXps://tradingeconomics\[.\]com/commodity/brent-crude-oil](https://tradingeconomics[.]com/commodity/brent-crude-oil)

Conclusion

On October 18, 2026, Iran reportedly proposed that it would reopen the SoH within seven days if the United States ended its military operations across regional conflict zones. Iran made no commitments regarding its nuclear program,¹⁵ but the deal on offer would very likely reduce energy prices—not by increasing oil supply from the region, which remains robust, but by removing a key source of escalation.

- Oil prices have largely remained elevated, despite increased Middle East oil supplies. This is likely a reflection of multiple factors, including the high cost of refining energy products and added shipping costs; however, it is also most likely a reflection that Iran and its allies will escalate through other avenues to achieve the same aims. This includes striking stationary targets such as ports, pipelines, and oil fields in Gulf countries, which have largely been spared so far, and expanding the war to commercial shipping in the Red Sea.
- In this instance, the core Houthi aim likely overlaps with Iranian interests: mainly to maintain upward pressure on oil prices to achieve political concessions. Therefore, a de-escalation in the U.S.–Iran conflict or Houthi losses would likely strengthen Saudi Arabia’s position. Conversely, a political solution between Saudi Arabia and the Houthis that lowers oil prices would likely weaken Iran’s position.

Iran’s offer would come into effect before the U.S. mid-term elections. U.S. President Donald Trump has consistently stated he would not escalate the war before the elections but may do so afterwards.¹⁶ By accepting Iran’s offer ahead of the elections, the Trump administration would very likely remove the key inflationary trigger for oil prices while avoiding renewed conflict when structural obstacles to a U.S. victory in Iran are almost certain to persist.

¹⁵ <https://www.reuters.com/world/middle-east/iran-urges-us-accept-proposal-reopen-strait-hormuz-2026-10-18/>

¹⁶ <https://www.politico.com/news/2026/10/08/trump-iran-strikes-midterm-election-01111997>

| Appendix A: Traffic Light Protocol for Information Dissemination

	Red	Amber
WHEN SHOULD IT BE USED?	Sources may use TLP:RED when information cannot be effectively acted upon by additional parties and could lead to impacts on a party's privacy, reputation, or operations if misused.	Sources may use TLP:AMBER when information requires support to be effectively acted upon but carries risks to privacy, reputation, or operations if shared outside of the organizations involved.
HOW MAY IT BE SHARED?	Recipients may NOT share TLP:RED with any parties outside of the specific exchange, meeting, or conversation in which it is originally disclosed.	Recipients may ONLY share TLP:AMBER information with members of their own organization and its clients, but only on a need-to-know basis to protect their organization and its clients and prevent further harm. Note that TLP:AMBER+STRICT restricts sharing to the organization only.
	Green	Clear
WHEN SHOULD IT BE USED?	Sources may use TLP:GREEN when information is useful for the awareness of all participating organizations, as well as with peers within the broader community or sector.	Sources may use TLP:CLEAR when information carries minimal or no risk of misuse in accordance with applicable rules and procedures for public release.
HOW MAY IT BE SHARED?	Recipients may share TLP:GREEN information with peers and partner organizations within their sector or community but not via publicly accessible channels.	Recipients may share TLP:CLEAR information without restriction, subject to copyright controls.

| Appendix B: ZeroFox Intelligence Probability Scale

All ZeroFox intelligence products leverage probabilistic assessment language in analytic judgments. Qualitative statements used in these judgments refer to associated probability ranges, which state the likelihood of occurrence of an event or development. Ranges are used to avoid a false impression of accuracy. This scale is a standard that aligns with how readers should interpret such terms.

Almost No Chance	Very Unlikely	Unlikely	Roughly Even Chance	Likely	Very Likely	Almost Certain
1-5%	5-20%	20-45%	45-55%	55-80%	80-95%	95-99%