

Drexel GPS: Geopolitical Update U.S. Navy Warship and 3 Commercial Vessels Attacked in The Red Sea 12/04/23

Today's geopolitical landscape opens on the heels of an escalation in hostilities in the Middle East. On Sunday, Houthi rebels in Yemen attacked three commercial ships along with a U.S. Navy vessel in the Red Sea with ballistic missiles. The attack marks a significant escalation in a series of maritime attacks in the Middle East linked to the Israel-Hamas war. While the Houthis do have a history of taking shots at UAV's (unmanned aerial vehicles) and ships in the region for some time, the additional layering of these acts against the current backdrop of the Israel/Hamas war makes these incidents more noteworthy.

Here is what we know:

The U.S. military has confirmed that a U.S. destroyer, the USS Carney, shot down three drones in self-defense. The destroyer also intercepted two missiles fired at a collection of ships off the coast of Yemen with a combination of Standard Missile 2s and single Evolved Sea Sparrow Missile (ESSM). The attack has raised even more concerns about the safety of commercial shipping in the region and the potential for further escalation of violence.

No casualties or major damage to any of the ships or personnel onboard has been reported. It should be noted that the sheer massive size of these commercial cargo ships requires a substantially large warhead to inflict significant damage. It is unknown what type of missiles the Houthis used in these attacks; no U.S. Naval vessel was struck.

These are the Commercial Ships Attacked on Sunday:

1. The Unity Explorer: Bahamian flagged

Gross Tonnage- 35898

2. Sophie II: Panamanian flagged

Gross Tonnage- 43496

3. **NO.9**: Panamanian flagged Gross Tonnage: 39906

Drexel GPS Assessment:

This attack is widely viewed as an attempt by the Houthi rebels who are an Iranian-backed proxy force to escalate the situation in the region. The U.S. response to the attack is yet to be determined. However, any U.S. military action against the Houthi rebels could have significant geopolitical ramifications.

- The U.S. has been supporting the Saudi-led coalition in Yemen's civil war, which has been fighting against the Houthi rebels since 2015.
- The U.S. involvement and support for Israel in the ongoing conflict between Israel and Hamas is a key factor in how any response must be evaluated.

• Any U.S. military action against the Houthi rebels in Yemen could further complicate the situation in the region and potentially lead to further violence. The situation is still developing, and it remains to be seen how the U.S. will respond to the attack.





The USS Carney Intercepted the Houthi Red Sea Missiles



Red Sea Attacks were Launched from Yemen

London deliginary Cooper Prage Krakow Major Charles Western Major Ch

Drexel GPS will continue to monitor this situation as it develops.

Ben Downing

Director
Cyber & Geopolitical Strategy
110 East 42nd Street | New York, NY 10017
o: +1 646 412-1500 | c: +1 646-412-1500
www.drexelhamilton.com



Information regarding securities products, services, portfolios, markets, etc is not guaranteed as to accuracy, completeness, or fitness to a particular use. This is not an order entry system; please do not convey securities orders via e-mail, as Drexel Hamilton, LLC cannot be responsible for their timely handling. This communication is not intended as a solicitation for any securities transaction, nor as a final confirmation of any transaction. Drexel Hamilton, LLC reserves the right to monitor and disclose to others all e-mail communications, and cannot guarantee the confidentiality of any transmission. The information contained in this transmission is intended solely for the individual or entity to which it is addressed and may contain sensitive material. Any review, storage, re-transmission of, or taking action in reliance upon, this information by persons other than the intended recipient is prohibited. If you have received this email in error please notify the sender and delete the original. Drexel Hamilton, LLC is a member of FINRA/SIPC.