

## Trade Advisory Briefing Note:

### South Africa's trade exposure to the current Middle East conflict

By Dr Martin Cameron and Sean Cameron, Trade Research Advisory (6 Mar 2026)

Following initial strikes by the US and Israel on Feb. 28<sup>th</sup>, subsequent Iranian retaliation, and the escalation that has ensued to date, the economic impacts of the current conflict in Iran and the rest of the Gulf region are beginning to be felt worldwide.

Immediate effects have included major air traffic disruptions and maritime disruptions due to the Iranian blockade of the Strait of Hormuz, resulting in a global crude oil price hike of over 10%, a two-day closure of the Abu Dhabi Securities Exchange, and ongoing damage to infrastructure in Iran's neighbouring Gulf states like Qatar, Kuwait, Bahrain, Oman, Saudi Arabia, and the United Arab Emirates.

Figure 1: Airspace closures across the Middle East as of March 4<sup>th</sup> 2026



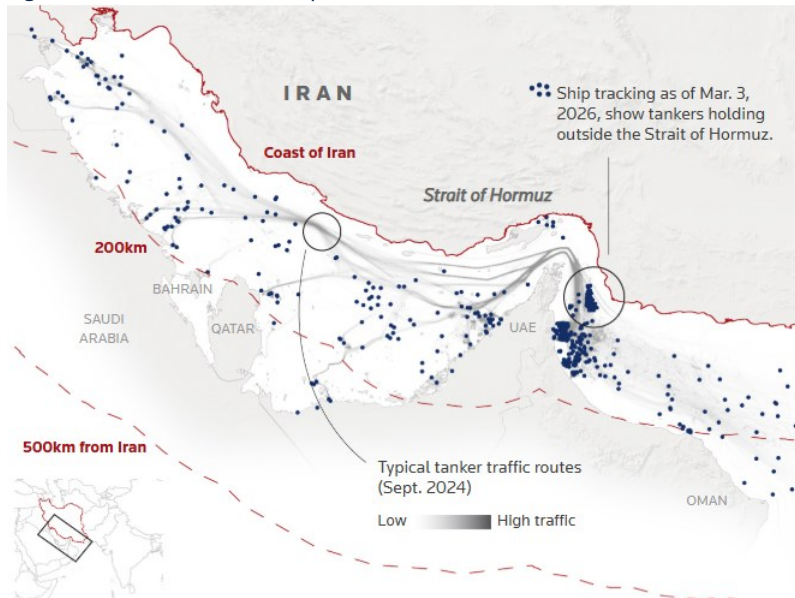
Source: The Guardian<sup>1</sup> representation of data from FlightRadar24. Data as of 11.30 GMT March 4 2026.

Impacts on global air traffic have included threats and disruptions to major international airports like Dubai (UAE) and Hamad (Qatar) as well as airspace closures across much of the region as shown in Figure 1 by the Guardian.

Maritime trade disruptions have been largely due to threats against ships crossing the Strait of Hormuz, which is a major global corridor for the movement of oil out of the Gulf states. The effect on ship congestion is shown in Figure 2 by Reuters.

<sup>1</sup> <https://www.theguardian.com/world/2026/mar/04/how-the-us-israeli-war-on-iran-created-a-massive-hole-in-global-airspace>

Figure 2: Maritime traffic disruptions due to the closure of the Strait of Hormuz



Source: Reuters<sup>2</sup> representation of data from Marinetraffic.com and Global Maritime Traffic. Data as of March 3 2026.

Reuters estimates that Iran’s stockpiles of missiles, drones, and sea mines could allow for disruptions to the Strait lasting for several months.<sup>3</sup> Major shipping companies have implemented emergency measures for their vessels affected by the crisis, with some like MSC shifting the elevated risk and costs onto their clients.<sup>4</sup> Implications for the global maritime logistics network due to immediate service disruptions and the longer-term impacts on fuel prices due to oil supply disruptions will unfold over the coming weeks and months.<sup>5</sup>

The lack of communication from the US and Israel regarding a clear objective or plan to conclude the conflict also suggests that instability in the region may be prolonged, potentially giving rise to longer-term implications for the landscape of global trade.

In light of these developments, we present the following analysis as a preliminary attempt to gauge the extent of South Africa’s potential exposure to the conflict in terms of its trade with partners in the region.

<sup>2</sup> <https://www.reuters.com/business/aerospace-defense/iran-could-disrupt-strait-hormuz-with-drones-months-2026-03-04/>

<sup>3</sup> Ibid.

<sup>4</sup> <https://www.gcca.org/news-announcements/middle-east-conflict-disruption-updates-situation-report-march-4-2026/>

<sup>5</sup> Ibid.

**Key trading partners considered:**

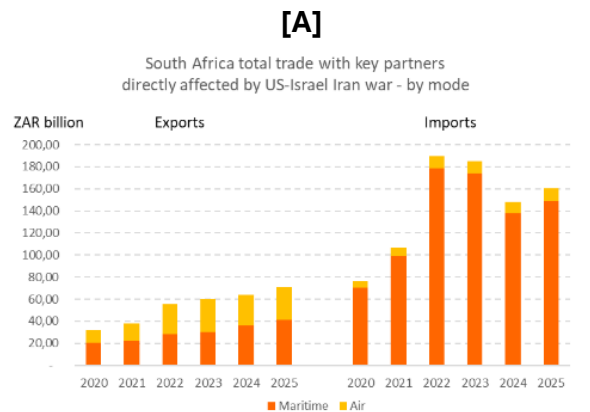
For the purposes of this analysis, we consider South Africa’s trade with this region (in particular Bahrain, Israel, Iran, Iraq, Jordan, Kuwait, Qatar, Saudi Arabia, Syria and the UAE) to be at risk of exposure to the conflict.

In the case of Saudi Arabia the analysis distinguishes between energy exports (crude and petroleum related products) and trade in other goods, as only its exports of oil have so far been directly affected by the closure of the Strait of Hormuz. The Saudi Arabian Gulf port of Ras Tanura is not only the largest oil port in Saudi Arabia but the largest offshore oil loading facility in the world (crude oil, LPG, refined products), and is currently inaccessible due to the Iranian blockade.

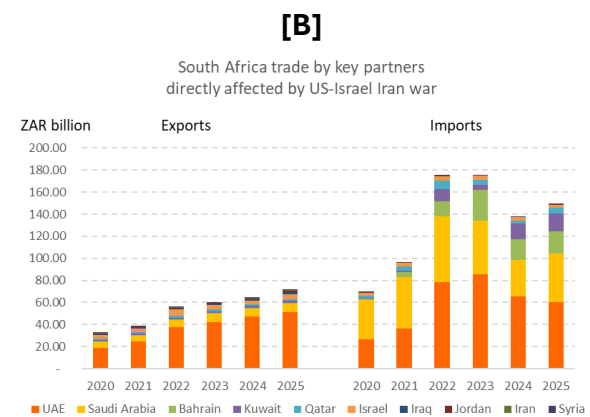
Jeddah Islamic Port, on the other hand, is the primary commercial gateway for the Kingdom, handling approximately 65% of Saudi Arabia’s containerised imports (consumer goods, food, electronics, etc.). Unlike Ras Tanura, Jeddah is accessed via the Red Sea from the Mediterranean as well as the Indian Ocean and has thus yet to be directly affected by the conflict.

There are however concerns over security challenges<sup>6</sup> associated with Yemen’s Houthi movement signalling an imminent return to targeting commercial vessels, casting a shadow over what had been a fragile recovery in one of the world’s most critical maritime corridors.

Figure 3: South Africa total trade with key partners affected by the US-Israel Iran war, by transport mode [A] and by partner [B]



Source: Trade Research Advisory, calculated from South African Revenue Services, Dept. of Customs & Excise Trade Statistics, 27 Feb 2026 release



Source: Trade Research Advisory, calculated from South African Revenue Services, Dept. of Customs & Excise Trade Statistics, 27 Feb 2026 release



<sup>6</sup> <https://gcaptain.com/red-sea-corridor-slips-back-into-crisis-as-houthi-threats-resurface/>

### South African national trade exposure:

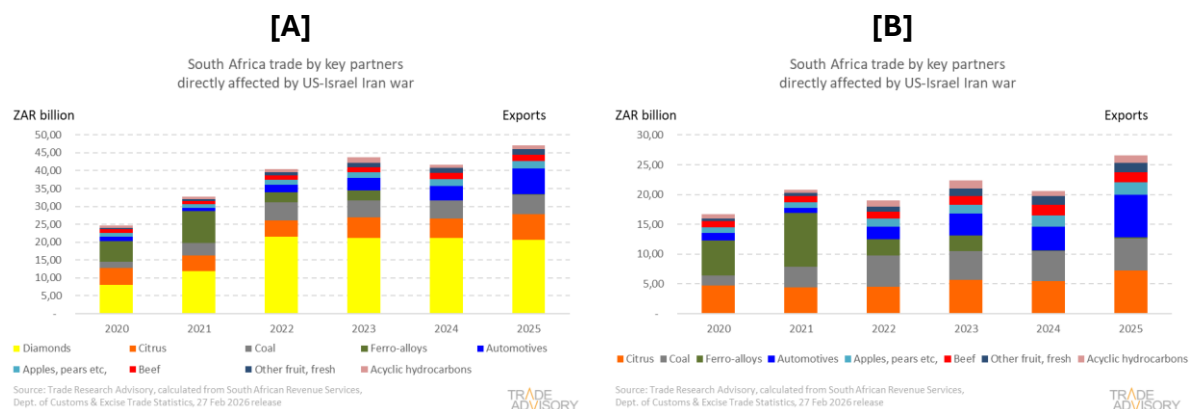
Overall, a relatively small share in value terms (around 0.5% over this period) of South Africa’s overall trade is associated with imports and exports with this region.

In Figure 3 [A], South Africa’s total exports to key affected partners in the region averaged around ZAR 53 billion per annum over the 2020-2025 period, while its imports averaged around ZAR 144 billion per annum. Exports in value terms have tended to be more evenly split across air (45% avg.) and maritime (55% avg.) transport, while imports relied almost entirely on maritime (93% avg.), with air transport making up only a small share of import value (7% avg.). This suggests that longer term disruptions to maritime traffic in the region would have a greater impact on South Africa’s imports from the region, while exports may be able to recover more quickly provided that commercial air access to the region is restored reasonably quickly.

Figure 3 [B] shows that, in value terms, the UAE, Saudi Arabia, and Bahrain are South Africa’s most important trading partners in the region, with the UAE making up a large share of both exports and imports and Saudi Arabia taking up a more significant share of South Africa’s imports than exports.

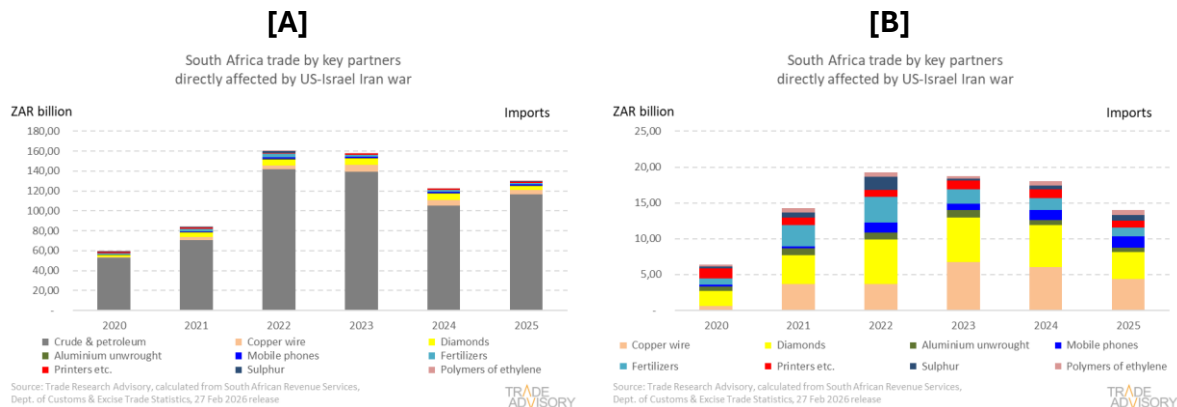
On the export front then, the restoration of commercial air access to the UAE and Saudi Arabia would have a significant impact on South Africa’s exports to the region, while prolonged maritime disruptions would have major implications for imports from those partners.

Figure 4: South Africa top exports to key partners affected by the US-Israel Iran war, including diamonds [A] and excluding diamonds [B]



The importance of air transport for South Africa’s exports to the region is explained by the selection of key product groups shown in Figure 4 [A] and [B]. Low-volume, high-value products like diamonds, as well as fresh fruit including citrus, rely heavily on air delivery to the region, while other major exports like coal, automotives, and ferro-alloys rely more on maritime transport.

Figure 5: South Africa top imports from key partners affected by the US-Israel Iran war, including diamonds [A] and excluding diamonds [B]



Unsurprisingly, on the imports front, oil is by far the most important product traded with these partners and relies on maritime access. Figure 5 [A] shows the value of South Africa’s oil imports compared to other major product groups over the period, while Figure 5 [B] shows the values of the other top products excluding oil. Trade in diamonds also makes up a large share of South African import value from the region, which also makes it the largest import product group reliant primarily on commercial air access.

Figure 6: South Africa top sources of crude imports

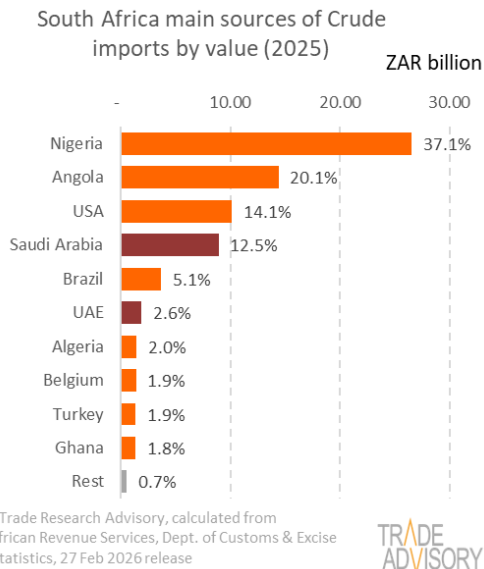
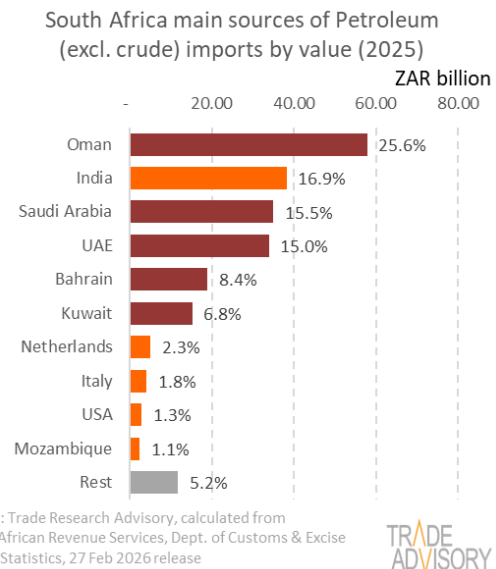


Figure 7: South Africa top sources of petroleum imports

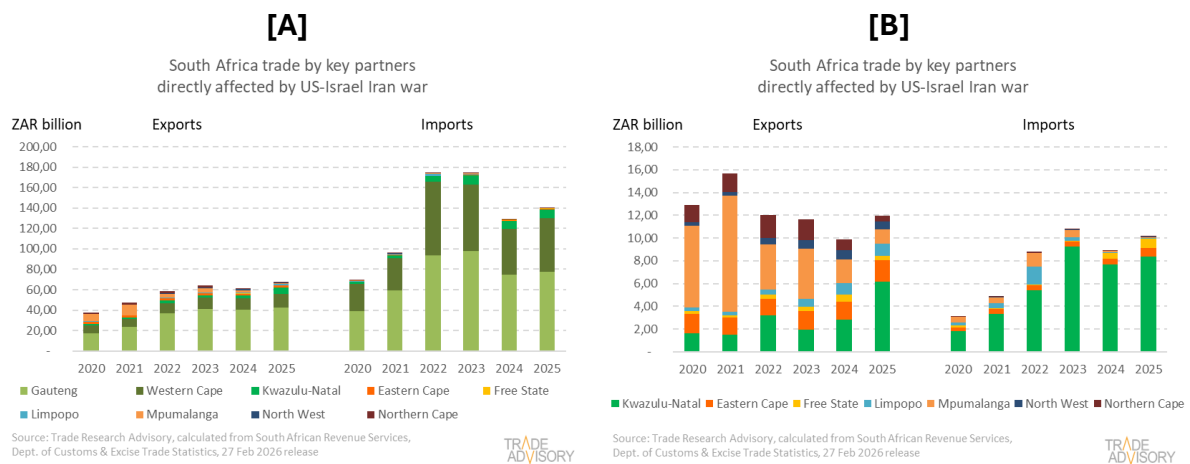


The main sources of South Africa’s imports of crude oil and petroleum products in value terms are shown in Figure 6. Evident is that in 2025 just more than 15% of the value of crude imports came from Saudi Arabia and the UAE. Iran does not appear to be a major source for this commodity according to recent trade data. For more processed petroleum products (including petrol and diesel fuels) Figure 7 shows that more than 70% of South Africa’s imports in value terms are from countries impacted by the conflict. Reduced availability of refined products under a prolonged conflict scenario will therefore have significant effects on the South African economy.

## South African sub-national (provincial) trade exposure

At the provincial level<sup>7</sup>, Gauteng and the Western Cape recorded the largest shares of trade with the region. Gauteng’s exports to affected regional partners averaged around R41 billion over the last 3 years, while its imports averaged around R83 billion. The Western Cape’s exports averaged around R12 billion, and its imports around R54 billion. Combined export values from the remaining provinces averaged R11 billion and imports averaged R10 billion.

Figure 8: Provincial shares of trade to key partners affected by the US-Israel Iran war, including Gauteng and the Western Cape [A] and excluding Gauteng and the Western Cape [B]



### Summary observations:

The present conflict in the Middle East will likely have an immediate negative impact on South Africa’s trade with the region, both at the provincial and national level. The relatively small share (around 0.5% only) of South Africa’s overall trade represented by this region masks a strategic risk. Over the short-term, maritime crude and petroleum product imports as well as key air exports of products (including fresh fruit and diamonds) are likely to be impacted significantly. At individual company level these developments could be devastating in the shorter term for exporters with portfolios that are concentrated in these markets.

Disruptions to global supply chains and to maritime and air traffic coupled with the wide-ranging impacts of the spike in oil prices mean that the conflict will furthermore impact South Africa’s trade in many indirect ways in the coming weeks and months, especially under a prolonged conflict scenario. Under these conditions the potential implications will be felt more generally by all companies and households in South Africa.

<sup>7</sup> Note that data from the South African Revenue Services (SARS) is collected and geographic distribution reported is based on the postal codes used to complete export and import declarations, hence can show ‘administrative’ as opposed to ‘physical’ locations for reported trade statistics subject to differences in physical activity location versus postal codes reflected on customs documentation.