

Middle East Conflict and Its Implications for Feed Supply Chains

As the Middle East conflict enters its third week, global commodity markets are facing increasing uncertainty due to rising energy prices, geopolitical tensions, supply chain disruptions, and higher risk premiums. These developments are beginning to influence the feed market across the Middle East, North Africa, and South Asia (MENASA) region, where livestock, poultry, and aquaculture production systems depend heavily on imported feed ingredients and stable logistics networks.

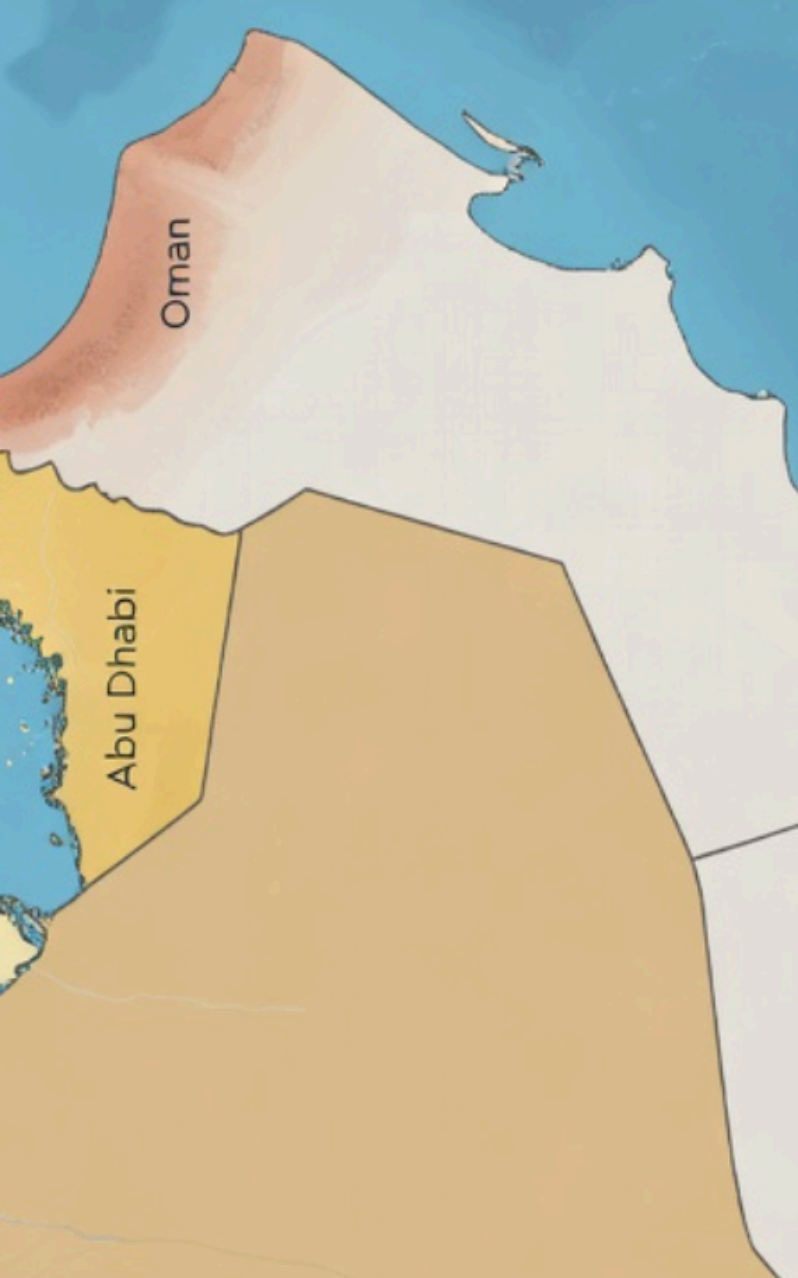
Feed Market Developments

Higher energy prices are raising the cost of transportation, processing, and feed manufacturing, which directly impacts feed producers and livestock integrators. Increased freight rates and shipping uncertainties are creating additional pressure on feed supply chains, particularly for countries that rely on imports of protein meals, grains, and feed additives. In many MENASA countries, feed demand remains strong due to the continued expansion of poultry, dairy, aquaculture, and pet food sectors. However, volatility in global markets may increase feed production costs and tighten profit margins for feed manufacturers.

Regional Implications

Feed industries across the Gulf and South Asia are closely monitoring geopolitical developments because of their potential effects on trade routes, energy supplies, and currency stability. Any disruption in shipping corridors or increases in fuel costs could further elevate feed prices and affect the cost of animal protein production. The poultry and aquaculture sectors are particularly sensitive to feed price changes because feed represents 60–70% of total





production costs. As a result, fluctuations in feed ingredient availability and logistics costs may influence farm profitability and production planning in the region.

Industry Outlook

Despite current market volatility, demand for animal protein in the MENASA region continues to grow due to population growth, urbanization, and increasing consumer demand for poultry, fish, dairy, and eggs. This sustained demand will keep the feed sector active, though producers may need to adopt more efficient feed formulations, alternative ingredients, and improved feed conversion strategies to manage rising costs.

Analysis

The ongoing Middle East conflict is creating uncertainty in the regional feed market through higher energy costs, logistical challenges, and supply chain risks. These factors may increase feed production costs and put pressure on poultry, livestock, and aquaculture sectors across the MENASA region. However, strong demand for animal protein is expected to keep feed demand stable despite market volatility.

Source: USSEC Market Intelligence Report, Vol. 32 (MENASA Region), 2026.