

Cargo Movement Update #176¹

Date: 8 March 2024

Weekly Snapshot

Table 1 – Port volumes and air cargo flows, week on week

Flows	Current ²			Previous ³			Growth
	Import	Export	Total	Import	Export	Total	
Port Volumes (containers)	24 353	29 929	54 282	28 448	27 708	56 156	↓3%
Air Cargo (tons)	2 942	1 905	4 847	2 765	1 962	4 727	↑3%

Monthly Snapshot

Figure 1 – Monthly⁴ cargo volume, year on year (% growth)

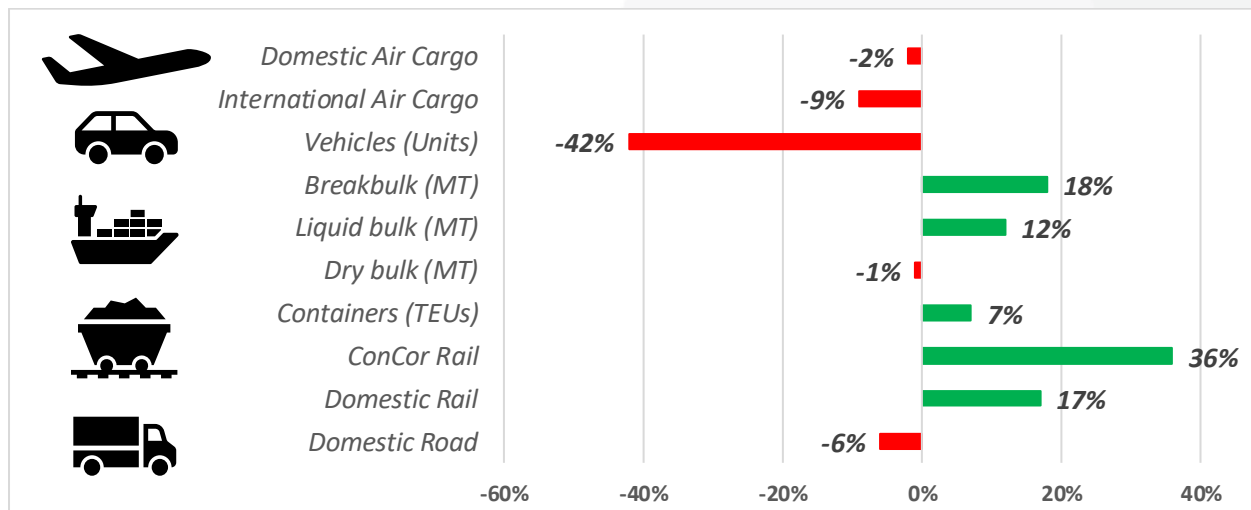
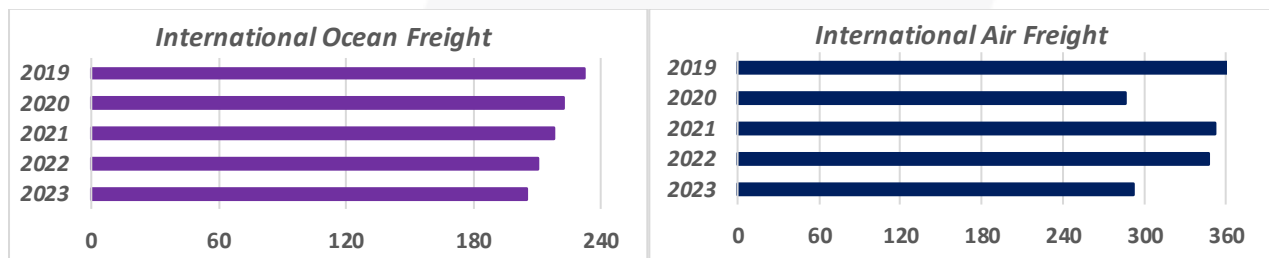


Figure 2 – Global year-to-date flows 2019-2023⁵: ocean, y/y (metric tonnes) & air freight, y/y (kg millions)



Key Notes

- An average of **~7 755 containers** was handled per day, with **~8 411 containers** projected for next week.
- Cross-border queue times were **↓0,3 hours** (w/w), with transit times **↓1,8 hours** (w/w); SA borders decreased by **~2,2 hours**, averaging **~10,5 hours** (**↓17%**); Other SADC borders averaged **~6,8 hours** (**↓20%**).
- Rail cargo handled out of Durban was reported at **2 422 containers**, up by **↑35%** from last week.
- Global freight rates have again decreased this week – by **↓5,9%** (or **\$206**) to **\$3 287** per 40-ft container.
- Global air cargo demand kicked off with a huge **↑18,4%** (y/y) growth in January, according to IATA.

¹ This update contains a combined overview of air, sea, and road freight to and from South Africa in the last week. This report is the 176th update.

² 'Current' means the last seven days (a week's) worth of available data.

³ 'Previous' means the preceding 8-14 days (a week's) worth of available data.

⁴ 'Monthly' means the last months' worth of available data compared to the same month in the previous year. For air and ocean: Jan vs Jan; for domestic road and rail: Dec vs Dec.

⁵ For ocean, total Jan-Dec cargo in metric tonnes, as reported by [Transnet](https://www.transnet.co.za), is used, while for air, Jan-Dec cargo to and from all airports is used.

Executive Summary

This update contains a consolidated overview of the South African supply chain and the current state of international trade. Commercial ports handled an average of **7 755 containers** per day, slightly down from the **7 804** containers last week. Port operations this week were primarily impacted by adverse weather conditions, congestion, and continuous equipment breakdowns and shortages. Strong winds coupled with dense fog ensured operational delays at the Port of Cape Town, while the main operational constraints in Durban stemmed from equipment breakdowns and shortages. More than 21 hours were lost in the Eastern Cape between Tuesday and Wednesday due to poor weather, while similar weather conditions in Richards Bay delayed operations for at least five hours on Tuesday. The latest reports suggest that TNPA is accelerating the execution of port infrastructure development projects to reduce congestion and increase capacity at the ports of Durban and Richards Bay. Furthermore, MSC has opened its first cold storage facility in the world – a **R350 million facility** located 10km from the Durban Port.

In the international maritime industry, The OCEAN Alliance, comprising CMA CGM, COSCO, OOCL, and Evergreen, has extended their cooperation agreement until March 2032. This solidifies their leading position among global carrier alliances, particularly on Transpacific and Asia-Europe routes. Hapag-Lloyd's departure from THE Alliance to join Maersk's Gemini Cooperation in 2025 leaves THE Alliance at a disadvantage, lacking the capacity and market coverage to compete effectively. MSC is driving **↑50%** of Asia-Europe fleet growth, with **↑19%** growth in the past year, partly to maintain weekly sailings via the Cape of Good Hope due to the Red Sea crisis. Port congestion globally affects **~4,8%** of the total fleet, with Durban showing improvement. Idle capacity is at **~0,3%**, with a decrease expected as **300 000 TEU** is set for delivery in March. Other developments included **(1)** three merchant ship crew killed in the latest Houthi missile attacks and **(2)** Rubymar sinks, with a cargo of fertiliser a threat to the Red Sea ecosystem.

In the air cargo industry, the daily average volume of air cargo handled at ORTIA the previous week is up by **↑3%**. Inbound cargo is up by **↑6%**, but outbound cargo decreased by **↓3%** this week (after a decent upward trajectory across the last couple of weeks). Domestically, the average domestic air cargo moved last week was **~53 637 kg** per day, up by **↑2%** compared to the previous week, but remains slightly down compared to last year's level (**~94%**). In the last week, domestic volumes for Cape Town are slightly up versus the 2023 averages (**↑7%**), as both Durban (**↓3%**) and Johannesburg (**↓5%**) are slightly down. Elsewhere, ACSA has allocated a **R21,7 billion investment** for airport infrastructure development, which the industry has welcomed. Internationally, the air cargo industry witnessed significant growth in cargo tonne-kilometers (CTK) during the latest period to January, with a notable **↑3,2%** increase in seasonally-adjusted CTKs. International CTKs notably expanded by **↑19,8%**, with a strong performance in the Middle East and Asia trade routes. Available cargo tonne-kilometers (ACTK) increased by **↑14,6%** (y/y), largely driven by expanded passenger belly-hold capacity. Despite declining air cargo yields by **↓10,4%**, the industry's growth surpassed trade and production figures, partly attributed to easing inflation across major economies. There was no evident pressure from the Red Sea Shipping Crisis on yields.

In regional cross-border road freight trade, average queue times decreased slightly (by around **20 minutes**), while transit times showed a marked decrease of **almost two hours** from last week. The median border crossing times at South African borders decreased by more than **two hours**, averaging **~10,5 hours (↓17%, w/w)** for the week. In contrast, the greater SADC region (excluding South African controlled) decreased by almost the same magnitude (almost **two hours**) and averaged **~6,8 hours (↓20%, w/w)**. On average, three SADC border posts took more than a day to cross, including Kasumbalesa (the worst affected, taking almost a **day and a half** to cross from the DRC side), Kazungula OSBP and Lunga Lunga. Other developments included **(1)** the R49 to Kopfontain was closed, **(2)** Zimra will be rolling out E-tolling, and **(3)** Zimbabwe are

still scanning 100% of Southbound trucks at Beitbridge. Lastly, monthly cross-border road figures for February at key border posts show the following changes: Beitbridge is up by **↑10%**, Skilpadshek is also up by **↑16%**, Ramatlabama is down by a significant **↓56%**, Kopfontein is up by **↑3%**, and Groblersbrug also up by **↑7%** (all m/m).

In summary, the developments in the first two months of the year have given rise to some minor wins in our industry, which must be celebrated. For example, Durban's vessel dwell time has notably improved to approximately five days, signifying enhanced efficiency and the likelihood of clearance of the long-standing backlog. In Cape Town, the port has implemented a fourth shift on Fridays, potentially mitigating congestion and delays. The presence of port equipment OEMs onsite has expedited repair times, bolstering operational reliability. Capital expenditure initiatives are underway to acquire new straddle carriers, hauliers, and reach stackers, essential components for port functionality. Private security measures are now deployed to police main rail lines, enhancing security and averting disruptions. Discussions regarding rail concessions are ongoing, with potential benefits contingent upon Transnet's maintenance of line integrity. These developments collectively reflect positive strides within South Africa's cargo movement landscape, promising improved efficiency and reliability.

Contents

Weekly Snapshot	1
Monthly Snapshot.....	1
Key Notes	1
Executive Summary	2
Contents	4
1. Ports Update.....	5
a. Container flow overview	5
b. Summary of port operations	8
i. Weather and other delays	8
ii. Cape Town.....	8
iii. Durban	9
iv. Richards Bay	11
v. Eastern Cape ports	11
vi. Saldanha Bay	12
vii. Transnet Freight Rail (TFR)	12
2. Air Update	12
a. International air cargo	12
b. Domestic air cargo	13
3. Road and Regional Update	14
a. Cross-border and road freight delays	14
4. International Update.....	17
a. Global shipping industry	17
i. Liner shipping capacity changes	17
ii. Global container summary.....	19
iii. Global container freight rates and carrier profits.....	20
iv. Further developments of note	20
b. Global air cargo industry.....	21

1. Ports Update

This section provides an overview of the flow of containerised cargo through our commercial ports.

a. Container flow overview

The following tables indicate the container flows reported for the last seven days and projections for the next seven days.

Table 2 – Container Ports – Weekly flow reported for 2 to 8 March ⁶

7-day flow forecast (02/03/2024 – 08/03/2024)		
TERMINAL	NO. OF CONTAINERS ⁷ TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)
DURBAN CONTAINER TERMINAL PIER 1:	4 609	5 024
DURBAN CONTAINER TERMINAL PIER 2:	9 709	10 496
CAPE TOWN CONTAINER TERMINAL:	4 348	8 312
NGQURA CONTAINER TERMINAL:	4 727	4 132
GQEBERHA CONTAINER TERMINAL:	960	1 965
TOTAL:	24 353	29 929

Source: Transnet, 2024. Updated 08/03/2024.

Table 3 – Container Ports – Weekly flow predicted for 9 to 15 March

7-day flow forecast (09/03/2024 – 15/03/2024)		
TERMINAL	NO. OF CONTAINERS TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)
DURBAN CONTAINER TERMINAL PIER 1:	5 055	5 590
DURBAN CONTAINER TERMINAL PIER 2:	9 620	10 372
CAPE TOWN CONTAINER TERMINAL:	3 513	8 840
NGQURA CONTAINER TERMINAL:	7 356	4 659
GQEBERHA CONTAINER TERMINAL:	370	3 505
TOTAL:	25 914	32 966

Source: Transnet, 2024. Updated 08/03/2024.

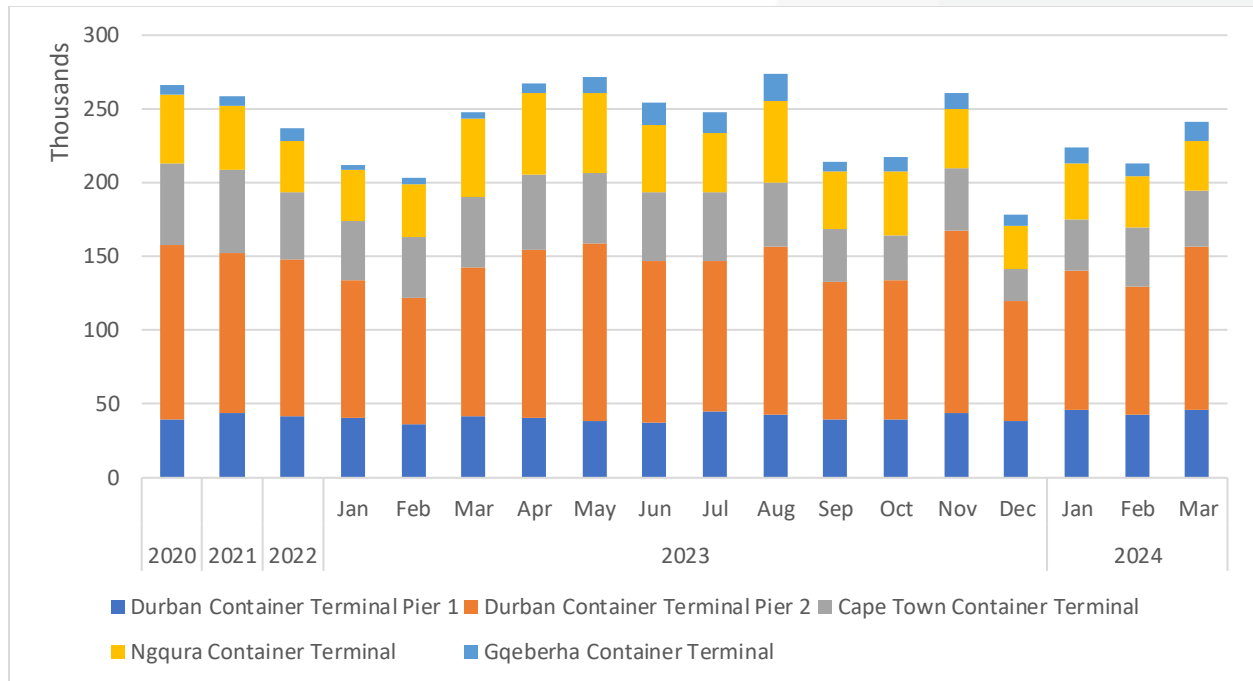
An average of **~7 755** containers (**↓3%**) was handled per day for the last week (24 February to 1 March, Table 2), compared to the projected average of **~8 346** containers (**↓7%** actual versus projected) noted in last week's report. For this week, an increased average of **~8 411** containers (**↑9%**) is predicted to be handled (2 to 8 March, Table 3) in a best-case scenario. Adverse weather conditions, congestion, and ongoing equipment breakdowns and shortages primarily impacted port operations this week.

The following figure illustrates the rolling *monthly* average flow of aggregate containerised cargo passing through our commercial ports since our reporting began during the nationwide lockdown.

⁶ It remains important to note that a large percentage (approximately 35% according to the latest year-to-date TNPA figures) of containers is neither imported nor exported but rather consists of empties and transshipments.

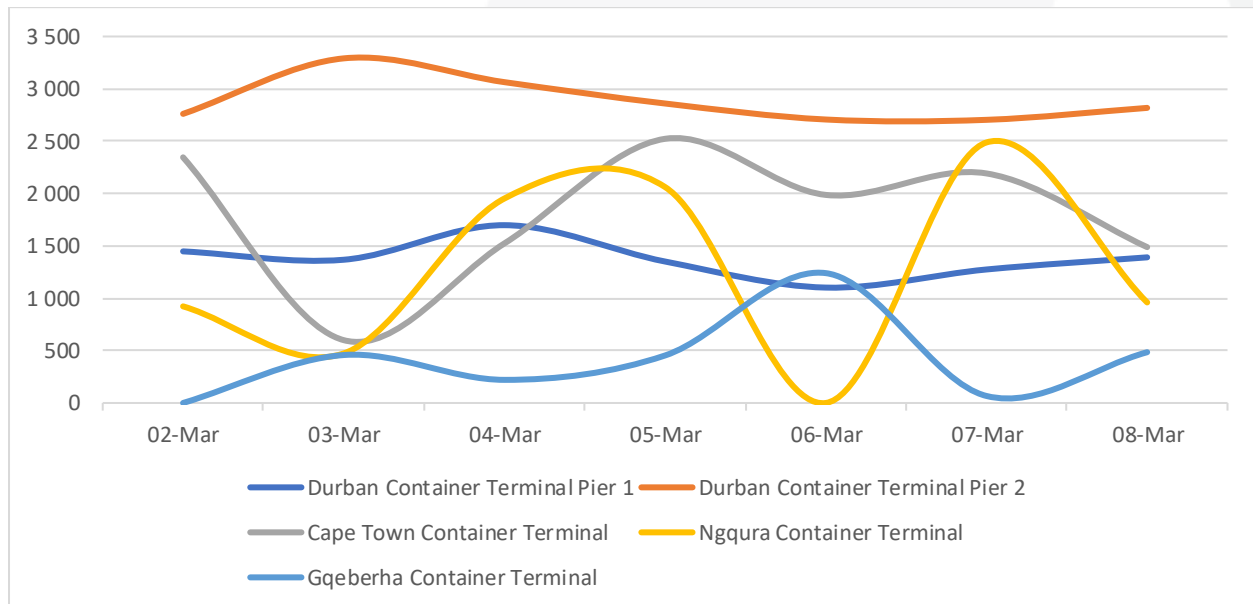
⁷ As mentioned before, the measurement is noted as containers (20' and 40'). Incidentally, Transnet works on a ratio of approximately 1,4 TEUs per container, and this figure will probably increase as the shift towards more 40' containers continues. Elsewhere, the US uses 1,5 to 1,8, depending on the port. The privately operated FPT terminal in Cape Town works on 1,6.

Figure 3 – Monthly flow reported for total container movement (containers April 2020 to present, m/m)



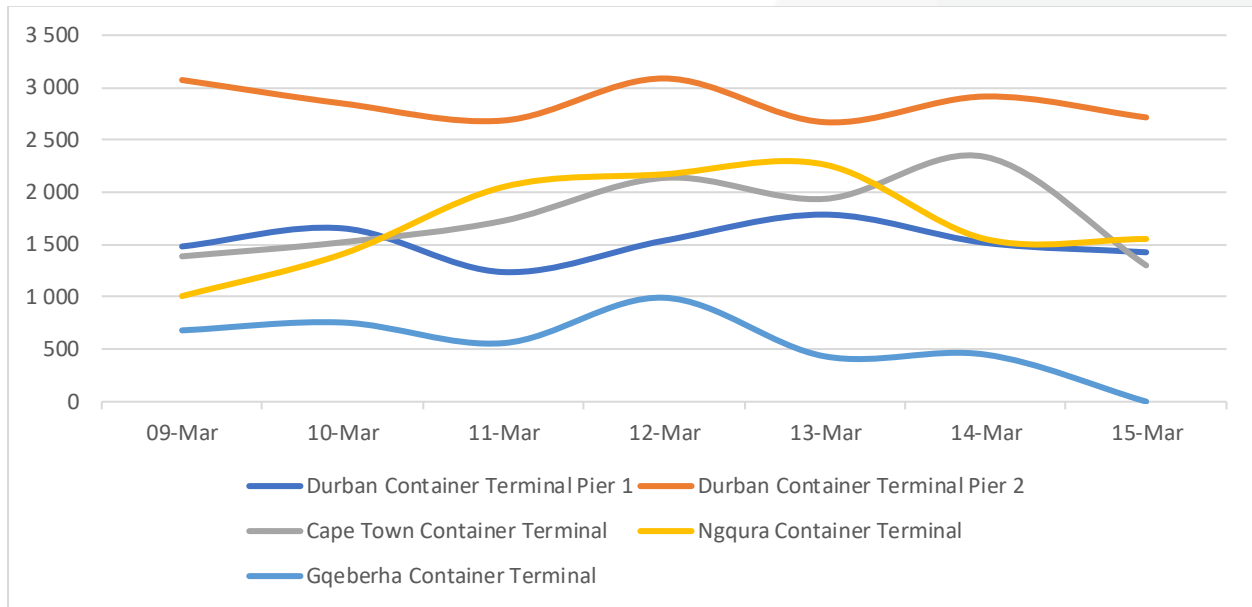
The following figures show the weekly container flows for the last seven days, followed by the projections for the next seven days.

Figure 4 – 7-day flow reported for total container movements (2 to 8 March; per port; day on day)



Source: Calculated using data from Transnet, 2024, and updated 08/03/2024.

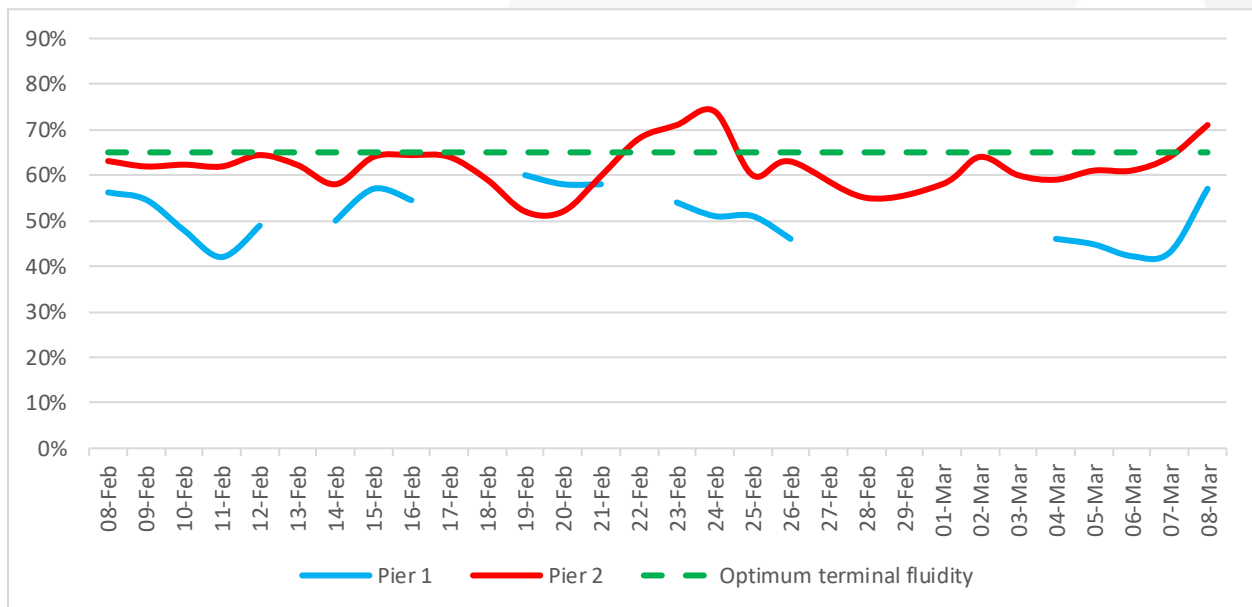
Figure 5 – 7-day forecast reported for total container movements (9 to 15 March; per port; a day on the day)



Source: Calculated using data from Transnet, 2024, and updated 08/03/2024.

The following figure shows daily stack occupancy in both Durban terminals over the last five weeks.

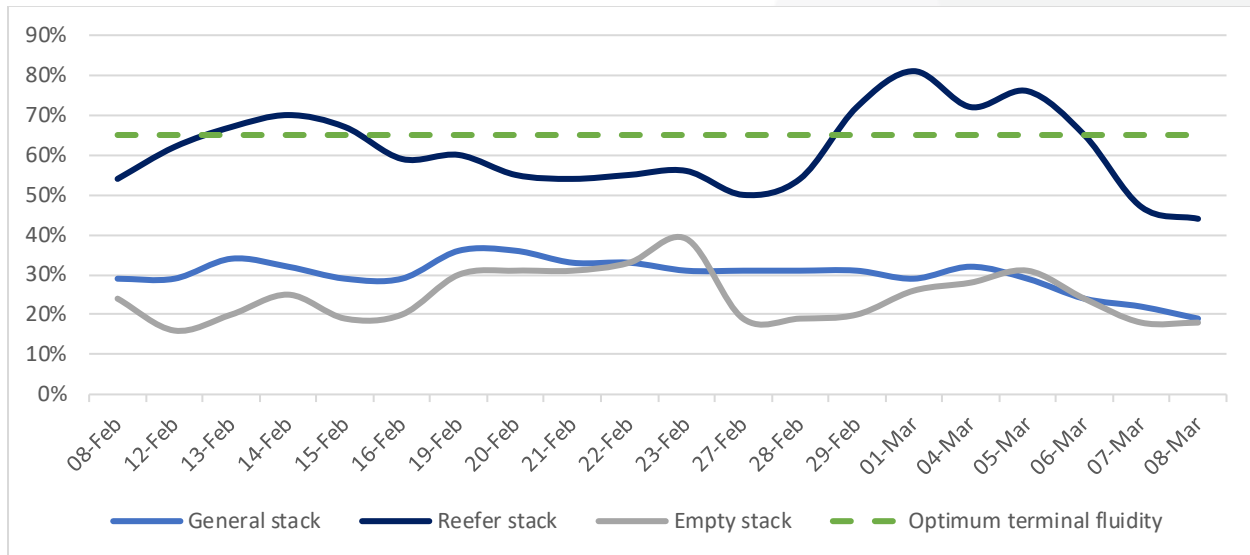
Figure 6 – Stack occupancy in DCT, general-purpose containers (8 February to present; a day on the day)



Source: Calculated using data from Transnet, 2024, and updated 08/03/2024.

The following figure shows daily stack occupancy in Cape Town over a similar period.

Figure 7 – Stack occupancy in CTCT, GP, reefer, and empty stack (8 February to present, day on day)



Source: Calculated using data from Transnet, 2024, and updated 08/03/2024.

b. Summary of port operations

The following sections provide a more detailed picture of the operational performance of our commercial ports over the last seven days.

i. Weather and other delays

- Strong winds coupled with dense fog ensured operational delays at the Port of Cape Town.
- Durban experienced several instances of equipment breakdowns and shortages.
- More than 21 hours were lost in the Eastern Cape due to poor weather.
- Adverse weather in Richards Bay delayed operations for at least five hours on Tuesday.

ii. Cape Town

On Thursday, CTCT recorded two vessels at berth and two at anchor as strong winds and dense fog continued to disrupt operations at the terminal. In the preceding 24 hours, stack occupancy for GP containers was recorded at 22%, reefers at 47%, and empties at 18%. In this period, the terminal managed to move 1 370 containers across the quay. On the landside, 920 trucks were serviced, while 91 rail units were handled. At the start of the week, the terminal went windbound for more than seven hours. Towards the end of the week, the terminal operated with eight STS cranes, 25 RTGs, and 42 hauliers. Crane LC9 remained out of commission after experiencing a trolley fault, which contributed to some extensive berthing and sailing delays. Furthermore, the new shift system at the terminal started this week.

The multi-purpose terminal recorded zero vessels at anchor and one at berth on Wednesday. In the 24 hours leading to Thursday, the terminal managed to service 74 external trucks at an undisclosed truck turnaround time on the landside. During the same period, CTMPT managed to execute 275 moves (383 TEUs) across the quay on the waterside. Stack occupancy was 42% for GP containers, a very low 8% for reefers, and 2% for empties during the same period. The terminal is anticipating the citrus season to kick off in April.

During the week of 26 February to 3 March 2024, the FPT terminal serviced seven vessels comprising four multi-purpose vessels, two dry bulk vessels, and a break bulk refrigerated vessel loading fruit. Berth occupancy during this week was recorded at 57%. During that period, 846 TEUs were handled at ~eight containers per hour, as well as 281 tons of breakbulk at ~45 tons per hour. Additionally, 24 637 tons of dry

bulk was handled at ~165 tons per hour, and 6 069 pallets of fruit were handled at ~25 pallets per hour. FPT planned to handle seven vessels between 04 and 10 March, with another five planned between 11 and 17 March. The late arrival of cargo and transporters – coupled with strong winds – constituted the majority of the delays encountered at the terminal this week.

iii. Durban

On Thursday, the Port of Durban started the morning with four operational tugs but swiftly returned to a complement of five available craft. Unfortunately, the challenges on the helicopters persisted this week, as five operational hours were lost on Wednesday due to intermittent breakdowns. The pilot boat certification is set to be done by SAMSA on Monday which should see the craft return to operations shortly after that. The certification process is anticipated to take about four hours. Furthermore, the technical team discovered some engine problems on the floating crane while doing steelwork. No ETR is available yet. The crane is more than 50 years old, and TNPA will seek a replacement in the next financial year.

MSC has launched its pioneering **R350 million cold storage facility** globally. Strategically located less than 10 km from the Port of Durban at 8 121005 Street, Chesterville, near Harry Gwala Road, the facility boasts 10 000 pallet spaces and caters to the burgeoning cold logistics sector, safeguarding the quality of temperature-sensitive goods during transit.

Pier 1 on Thursday recorded two vessels at berth, operated by five gangs, and one vessel at anchor. Stack occupancy was 43% for GP containers and remained undisclosed for reefers. During the same period, the terminal recorded 1 480 gate moves on the landside, with 236 cancelled slots and the wasted slots remaining undisclosed. On Wednesday, truck turnaround time was recorded at ~101 minutes, with an average staging time of ~116 minutes. Additionally, the terminal had 1 120 imports on hand, with 75 of these units having road stops and 58 units being unassigned. Towards the end of the week, the terminal made all imports available for collection and slightly ramped up both import and export slots to facilitate collection and discharge operations. During this time, the terminal had 12 RTGs available with the 13th crane returning on Thursday.

Pier 2 had three vessels on berth and six at anchorage on Wednesday. In the preceding 24 hours, stack occupancy was 61% for GP containers and undisclosed for reefers. The terminal operated with 11 gangs while moving 2 707 containers across the quay. During the same period, there were 2 589 gate moves on the landside with a truck turnaround time of ~97 minutes and a staging time of ~90 minutes. Additionally, 446 rail containers were on hand, with 354 moved by rail. The terminal had a reported 49 straddles in operation. The current availability of straddle carriers in the terminal stands at approximately **~52%**, which is around **↓36%** below the minimum number required to meet industry demand and achieve acceptable terminal performance. Additionally, South Quay returned to two operational cranes after crane 522 returned to service. Furthermore, the latest reports suggest that Transnet's board has approved the finalisation of the contract to run the terminal, which will be awarded to the preferred bidder, Philippine terminal operator ICTSI. In terms of the deal, ICTSI will partner with TPT in a 25-year joint venture to develop and upgrade the terminal.

Durban's MPT terminal recorded one container vessel at berth on Wednesday and three container vessels at outer anchorage while handling 399 TEUs on the waterside. Despite no volumes during this period, stack occupancy for breakbulk was recorded at 20% and 40% for containers. The terminal handled 534 container road slots, while 56 breakbulk road visits containing 1 484 tons were facilitated on the landside. During the same period, three cranes, five reach stackers, one empty handler, seven forklifts, and 19 ERFs were in

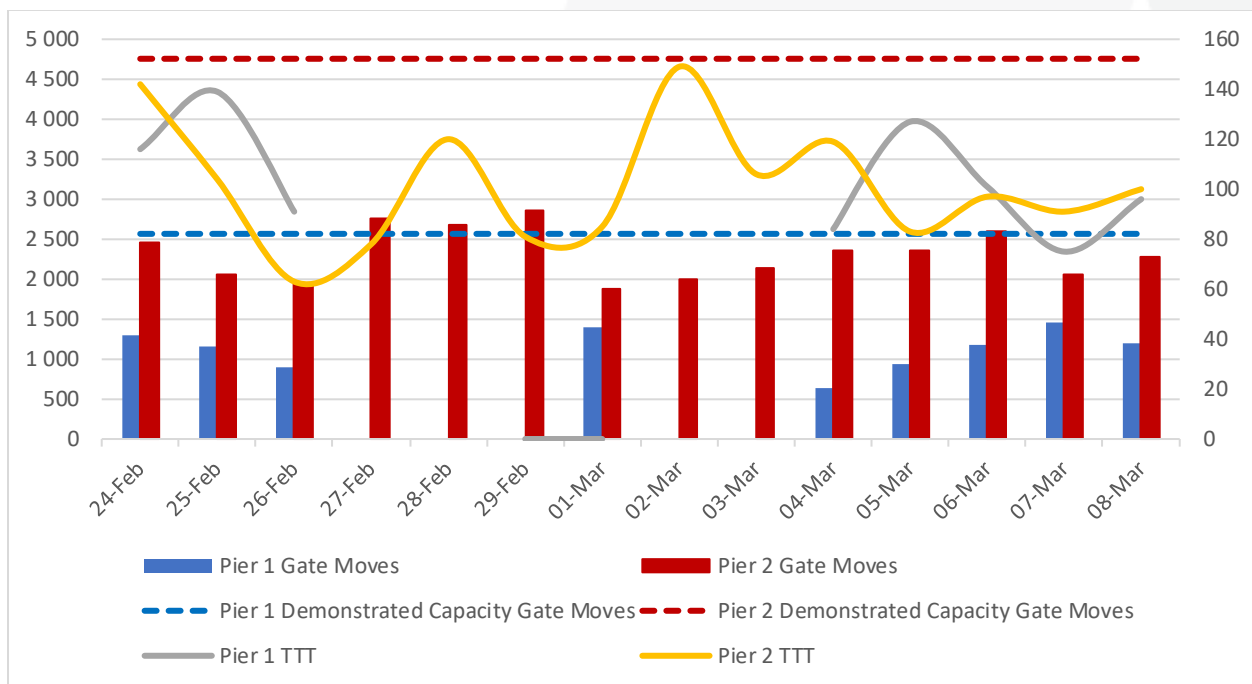
operation. The third crane was used to facilitate training operations throughout the week during the 06:00 – 14:00 shift. Additionally, the revised ETR for the fourth crane is 22 March.

On Wednesday, at the Maydon Wharf MPT, 715 tons were handled on the waterside due to the only vessel on berth completing operations. The terminal also managed to service 13 RMTs containing 463 tons on the landside. At the Agri-bulk facility, 4 960 volumes were moved across the quay on the waterside, while 20 trucks containing 689 tons were handled.

On Tuesday, the Ro-Ro terminal in Durban recorded zero vessels on the berth, with none at anchorage. In the 24 hours leading to Wednesday, the terminal handled 468 road units but no rail units on the landside while handling 1 019 units on the waterside. During the same period, overall stack occupancy was recorded at 38% (comprising 39% exports, 11% imports, and 49% transshipments), Q/R was recorded at 40%, and the G-berth stack was at 10%. The terminal had 254 high-and-heavy (abnormal loads) on hand and despatched 15 of these units.

The following figure summarises the performance of Durban's container terminals for the last two weeks, focusing on gate moves and time spent in the terminals.

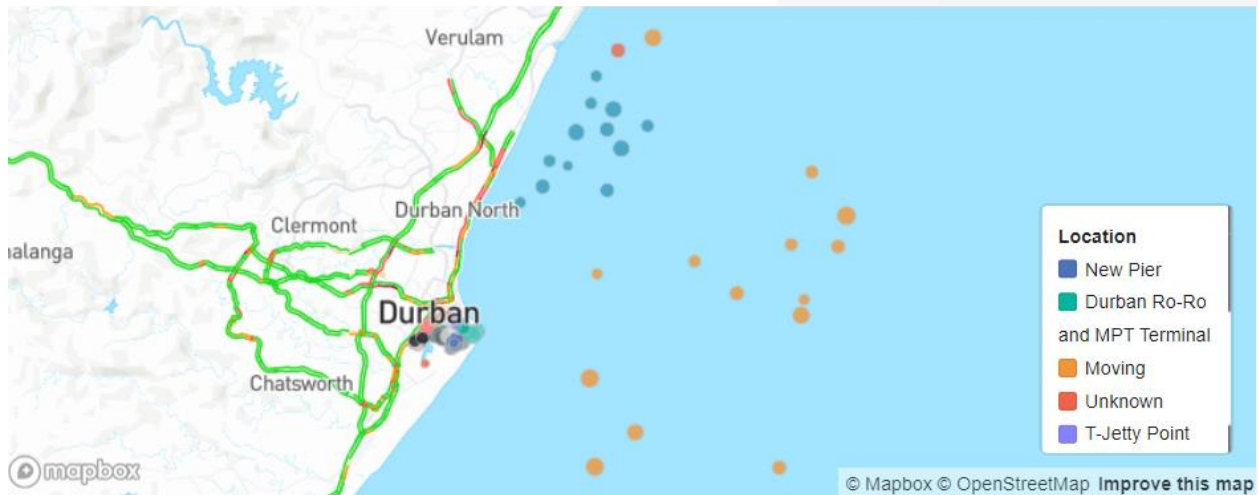
Figure 8 – Gate moves (left axis) and time spent in the terminal (in minutes, right axis)



Source: Calculated using data from Transnet, 2024, and updated 08/03/2024.

The recovery from port congestion continues, as all hands are on deck in an attempt to recover the situation. At midday on Friday, seven vessels were waiting for Pier 2, one vessel for Pier 1, and two for Point terminal, with the following snapshot of the port and vessels waiting to berth:

Figure 9 – Durban vessel view (per vessel group)



Source: Crickmay LMS, 2024. Updated 01/03/2024 at 14:00.

iv. Richards Bay

On Tuesday, Richards Bay recorded nine vessels at anchor, comprising two break bulk vessels, two MPT coal carriers, two dry bulk vessels, and three RBCT coal vessels. A further seven vessels were recorded on the berth, consisting of four at DBT, and three at MPT. Two tugs, one pilot boat, and one helicopter were in operation for marine resources. On Wednesday, the coal terminal had three vessels at anchor and four at berth while handling 130 466 tons on the waterside. On the landside, 19 trains were serviced. Additionally, operations at the port were delayed between Tuesday and Wednesday for at least five hours due to adverse weather. The latest reports suggest that TNPA is accelerating the execution of port infrastructure development projects to reduce congestion and increase capacity at the ports of Durban and Richards Bay.

v. Eastern Cape ports

On Thursday, NCT recorded two vessels on the berth and zero vessels at the outer anchorage, with five vessels drifting. Marine resources of two tugs, one pilot boat, two pilots, and one berthing gang were in operation in the preceding 24 hours. Stack occupancy was 29% for GP containers, 12% for reefers, and 26% for reefer ground slots, as a total of 2 488 TEUs were processed on the waterside. Additionally, 443 trucks were serviced on the landside at a truck turnaround time of ~40 minutes. Cranes 6, 7, and 8 at the terminal all remain out of commission. The ETR for crane 6 is scheduled for 15 March, while the other two cranes are anticipated to return around 22 March. Between Tuesday and Wednesday, the terminal was windbound for the entire 24-hour period.

On Thursday, GCT had one vessel on berth and one at anchor. In the preceding 24 hours, the terminal had two tugs, one pilot boat, two pilots, and one berthing gang in operation. On the landside, 332 trucks were processed at a truck turnaround time of ~38 minutes, while 747 TEUs were handled across the quay on the waterside. Between Tuesday and Wednesday, the terminal went windbound for 21 hours and only managed to handle 75 TEUs. No vessels were serviced at the Ro-Ro terminal this week, with the next vessel set to arrive next week. Stack occupancy at the terminal was recorded at 23% towards the end of the week.

No reports were received for the Port of East London this week.

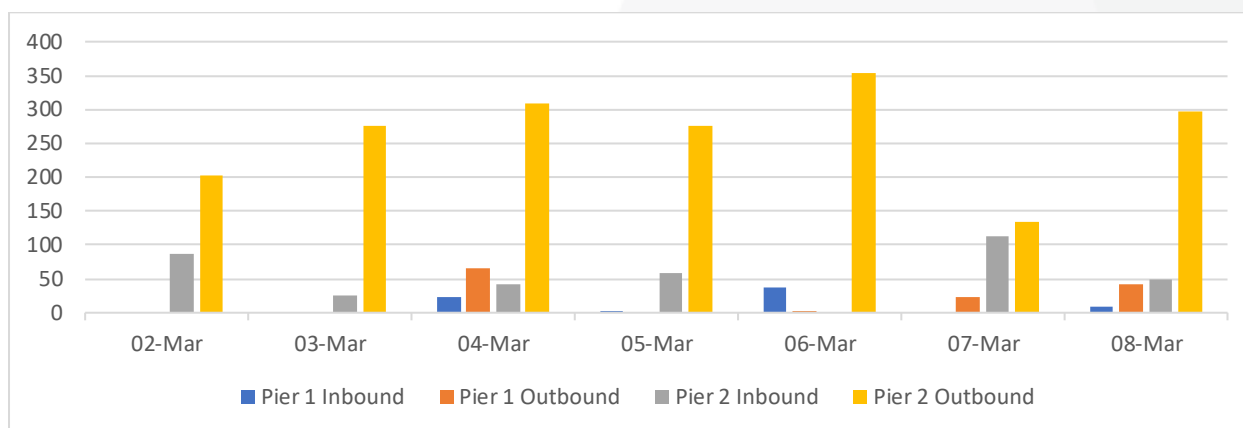
vi. Saldanha Bay

On Thursday, the iron ore terminal had zero vessels at anchorage and one on the berth, while the multi-purpose terminal had one vessel at anchor and three on the berth. The vessels at anchor have been waiting outside for approximately 1-2 days, while the vessels in port have been on the berth for between 1-3 days.

vii. Transnet Freight Rail (TFR)

The latest reports indicate that there were no significant concerns on the ConCor this week. TFR indicated that their team is currently busy with assessments to establish how rail volumes can be ramped up in future. Towards the end of the week, DCT Pier 2 had 214 over-border units on hand with a dwell time of 42 days and 64 ConCor units on hand with a dwell time of 36 hours. Rail containers on hand were split as follows: Pier 1: 44, Pier 2: 287, Point: 36.

Figure 10 – TFR: Rail handled (Pier 1 and Pier 2)



Source: Calculated using data from Transnet, 2024. Updated 01/03/2024.

In the last week (2 to 8 March), rail cargo handled out of Durban was reported at **2 422** containers (although these numbers do not include Pier 1 figures for the first two days), up by **↑35%** from the previous week's **1 788** containers.

2. Air Update

a. International air cargo

The following table shows the in- and outbound air cargo flows to and from ORTIA for the week beginning 26 February. For comparative purposes, the average air freight cargo (inbound and outbound) handled at ORTIA in February 2023 averaged **~754 516 kg** per day.

Table 4 – International inbound and outbound cargo from OR Tambo⁸

Flows	26-Feb	27-Feb	28-Feb	29-Feb	01-Mar	02-Mar	03-Mar	Week
Volume inbound	523 706	326 810	323 943	316 018	461 830	293 686	696 258	2 942 251
Volume outbound	243 109	163 606	239 313	187 444	216 142	235 830	619 328	1 904 772
Total	766 815	490 416	563 256	503 462	677 972	529 516	1 315 586	4 847 023

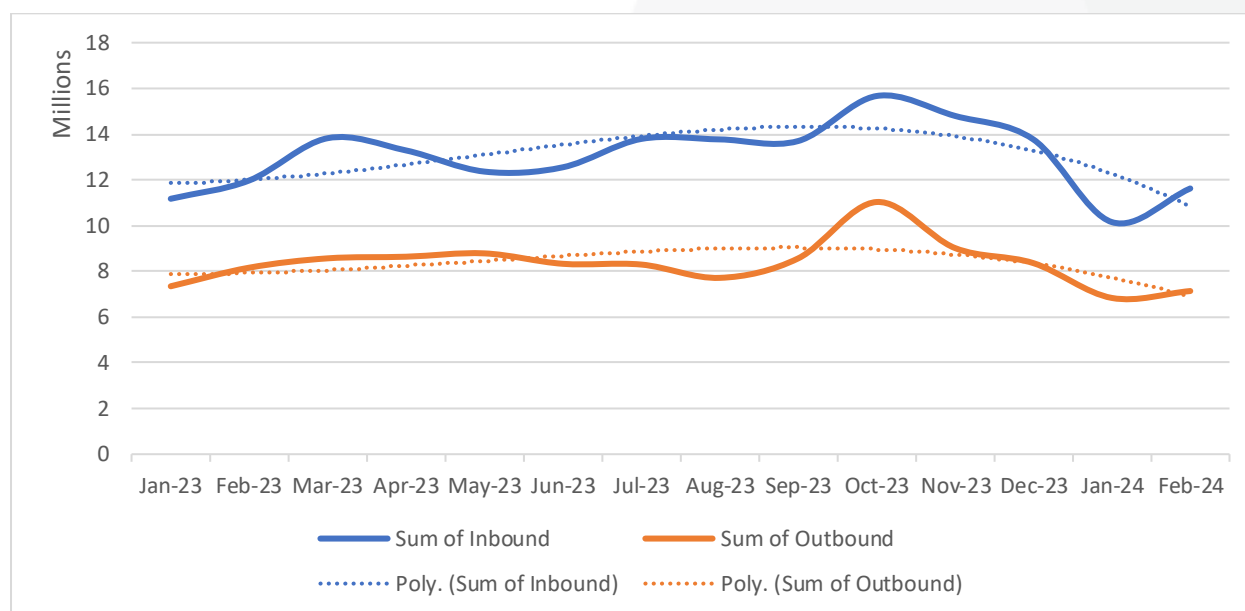
Courtesy of ACOC. Updated: 03/03/2024.

⁸ Only ORTIA's international volumes are shown. ORTIA handles ~87% of international cargo to and from South Africa.

The daily average volume of air cargo handled at ORTIA the previous week amounted to **420 322 kg** inbound (**↑6%**, w/w) and **272 110 kg** outbound (**↓3%**), resulting in an average of **692 432 kg per day**. The industry remains well down on cyclical levels (**↓8%** versus February 2023 and an alarming **↓22%** versus February 2020). However some good news comes from ACSA, as **R21,7 billion investment** has been allocated for airport infrastructure development, focusing on refurbishments, efficiency enhancements, and statutory compliance to improve asset availability, safety, and passenger experiences⁹. Minister of Transport Sindisiwe Chikunga announced this as ACSA's largest capital investment program since the 2010 World Cup preparations during a media briefing on the aviation sector's status.

The following graphs show the movement since January last year for ORTIA, with the recent drop-off noticeable:

Figure 11 – International cargo from OR Tambo – volumes per month (kg millions)



Courtesy of ACOC. Updated: 03/03/2024.

b. Domestic air cargo

The following table shows the domestic inbound and outbound air cargo flows as reported by the industry. For comparison, the average domestic air freight cargo (inbound and outbound) handled in *February 2023* was ~**57 284 kg** per day.

Table 5 – Total domestic inbound and outbound cargo (average daily)

DATE / AIRPORT	CPT	DUR	ELS	JNB	PLZ	OTHERS	TOTAL
2020 Average	22 928	2 514	3 441	21 890	5 818	3 141	59 733
2021 Average	26 852	3 776	3 474	24 379	6 828	3 309	68 619
2022 Average	25 922	3 263	3 232	20 278	6 633	2 909	62 237
2023 Average	22 931	2 791	2 623	15 573	6 302	2 734	52 954
26-Feb	35 420	3 542	4 192	25 541	10 913	4 274	83 881

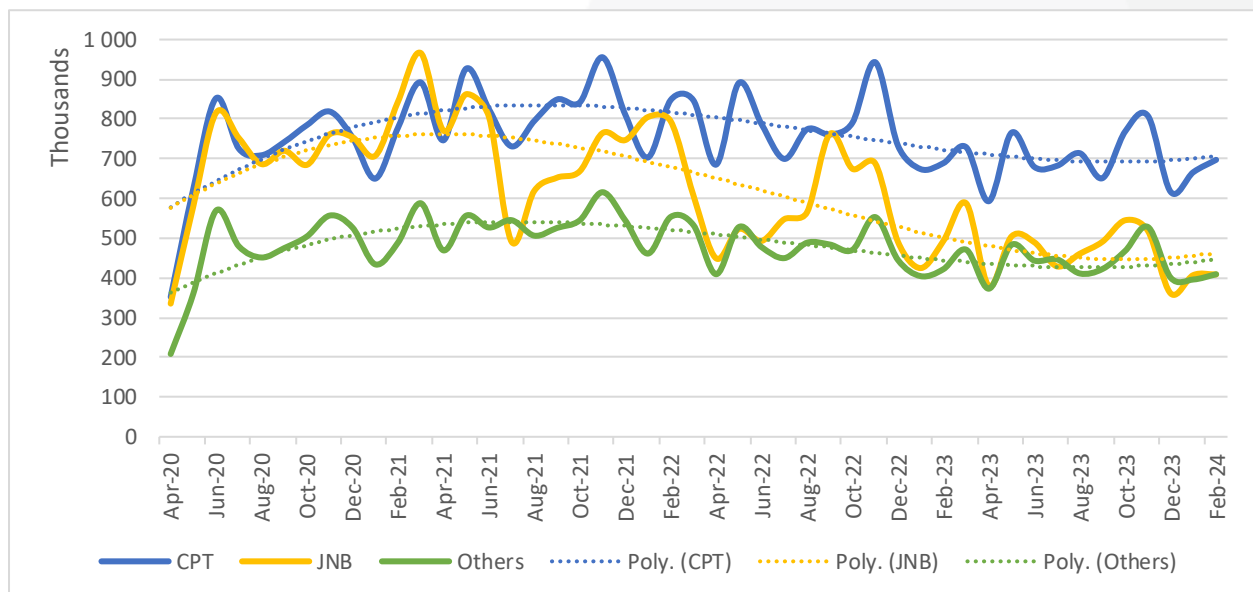
⁹ SA Government News. 05/03/2024. [R21.7 billion allocated for airport infrastructure development.](#)

DATE / AIRPORT	CPT	DUR	ELS	JNB	PLZ	OTHERS	TOTAL
27-Feb	40 216	3 807	4 684	22 894	9 062	4 447	85 109
28-Feb	40 284	3 661	4 219	21 287	8 224	4 914	82 589
29-Feb	35 848	3 452	3 864	20 608	7 848	3 475	75 097
01-Mar	18 002	3 495	1 724	11 970	5 082	2 282	42 556
02-Mar	1 149	625	55	838	422	204	3 294
03-Mar	1 518	355	107	410	453	93	2 936
Total for 2024:	1 462 742	156 259	155 122	878 741	384 401	170 111	3 207 376

Courtesy of ACOC. Updated: 12/02/2024.

The average domestic air cargo moved last week was ~53 637 kg per day, up by ↑2% compared to the previous week, but remains slightly down compared to last year's level (~94%). However, the level is currently trending only at ~53% compared with the same period pre-pandemic in 2019. The following graphs show the domestic movement at our main airports since the pandemic's onset:

Figure 12 – Domestic inbound and outbound cargo (thousands)



Courtesy of ACOC. Updated: 05/03/2024.

3. Road and Regional Update

a. Cross-border and road freight delays

Monthly cross-border road figures for February at key border posts show the following changes:

Table 6 – January cross-border road freight movements – South African borders

Border Post	Northbound	(%, m/m)	Southbound	(%, m/m)	Total	(%, m/m)
Beitbridge	12 846	14%	12 124	7%	24 970	10%
Skilpadshek	6 494	3%	2 444	77%	8 938	16%
Ramatlhabama	5 027	-55%	623	-66%	5 650	-56%
Kopfontein	6 457	2%	634	21%	7 091	3%
Groblersbrug	6 488	17%	5 481	-3%	11 969	7%

Source: TLC, FESARTA, & Crickmay

This week, the following points should be noted in terms of challenges and delays on roads in South Africa and the surroundings in the SADC region.

- The median border crossing times at South African borders decreased by more than **two hours**, averaging **~10,5 hours (↓17%, w/w)** for the week. In contrast, the greater SADC region (excluding South African controlled) decreased by almost the same magnitude (almost **two hours**) and averaged **~6,8 hours (↓20%, w/w)**.
- The R49 to Kopfontein was closed at Mokgola by the community and would be opened again after the outcome of the mayor's address
- The Zimbabwean Herald stated that Zimra would be rolling out E-tolling later this year, with the first pilot to be operational before June this year.
- Zimbabwe is still scanning 100% of all Southbound trucks, empty or not, which is causing long queues, particularly at Beitbridge.
- Transporters, traders, and cargo owners are encouraged to use the non-tariff barrier (NTB) [online tool](#) developed by UNCTAD and the AfCFTA Secretariat. However, given the questionable effectiveness of this platform, transporters are encouraged to contact FESARTA and join their TRANSIST Bureau¹⁰, which arguably provides better and more reliable information.

The following table shows the changes in bidirectional flows through South African borders, with the subsequent table showing the consolidated corridor movements:

Table 7 – Delays¹¹ summary – South African borders (both directions)

Border Post	Direction	HGV ¹² Arrivals per day	Queue Time (hours)	Border Time – Best 5% (hours)	Border Time – Median (hours)	Est. HGV Tonnage per day	Weekly HGV Arrivals
Beitbridge	SA-Zimbabwe	459	4,2	6,2	23,5	13 770	3 213
Beitbridge	Zimbabwe-SA	433	5,4	2,4	16,3	12 990	3 031
Groblersbrug	SA-Botswana	232	0,0	6,2	19,0	6 960	1 624
Martins Drift	Botswana-SA	196	1,1	0,5	2,5	5 880	1 372
Kopfontein	SA-Botswana	239	1,5	1,4	7,1	7 170	1 673
Tlokweng	Botswana-SA	23	0,1	0,2	0,4	690	161
Vioolsdrift	SA-Namibia	30	0,1	0,5	4,2	900	210
Noordoewer	Namibia-SA	20	0,0	0,4	2,5	600	140
Nakop	SA-Namibia	30	0,3	1,1	2,6	900	210
Ariamsvlei	Namibia-SA	20	0,2	0,5	2,2	600	140
Skilpadshek	SA-Botswana	241	1,2	2,3	11,6	7 230	1 687
Pioneer Gate	Botswana-SA	91	0,6	1,0	2,2	2 730	637
Lebombo	SA-Mozambique	1 446	1,1	1,2	5,3	43 380	10 122
Ressano Garcia	Mozambique-SA	125	0,4	0,5	9,3	3 750	875
Weighted Average/Sum		3 585	1,2	1,7	7,8	107 550	25 095

Source: TLC, FESARTA, & Crickmay, week ending 03/03/2024.

¹⁰ [FESARTA TRANSIST Bureau](#).

¹¹ It should be noted that the root cause of the reported delays is uncertain at this point. Moreover, the delays may be multiple and widely distributed. Therefore, they cannot be exclusively attributed to a specific common cross-border problem since we do not have a transparent view of the entire border process in granular detail. The causes of these bottlenecks typically include poor infrastructure, road congestion, and a lack of coordination between neighbouring countries and Customs (or OGA) stops, among other trade obstacles—data provided by the LMS (Logistics Monitoring System), which Crickmay produces in collaboration with SAAFF.

¹² Heavy Goods Vehicles. Note: These statistics are rolling averages; therefore, they would not typically change weekly but rather monthly.

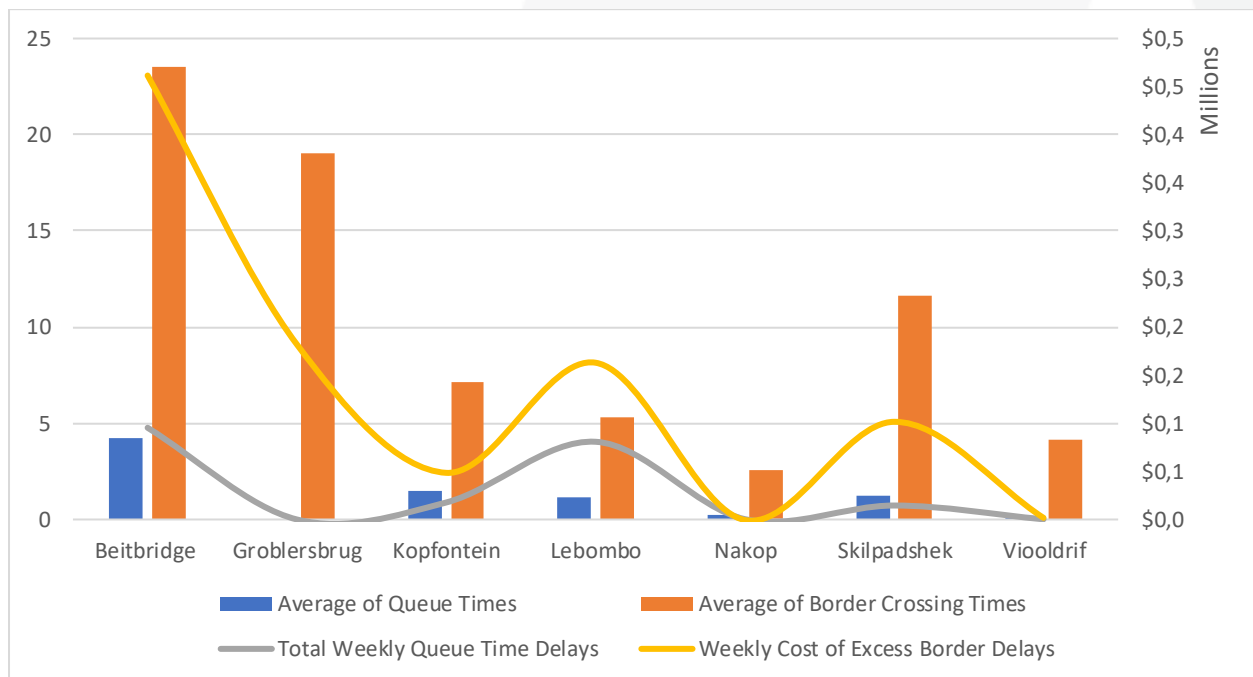
Table 8 – Delays summary – Corridor perspective

Corridor	HGV Arrivals per day	Queue Time	Border Time – Best 5%	Border Time – Median	Est. HGV Tonnage per day	Monthly HGV Arrivals
Beira Corridor	320	3,6	2,1	11,3	9 600	2 240
Central Corridor	798	1,3	1,2	9,3	23 940	5 586
Dar Es Salaam Corridor	1 819	8,9	1,4	11,6	54 570	12 733
Maputo Corridor	1 571	0,8	0,8	7,3	47 130	10 997
Nacala Corridor	127	0,0	0,0	0,0	3 810	889
North/South Corridor	3 654	3,6	1,8	11,7	109 620	25 578
Northern Corridor	2 817	0,1	0,4	2,0	92 520	21 588
Trans Caprivi Corridor	116	0,0	1,3	10,5	3 480	812
Trans Cunene Corridor	100	0,0	0,0	0,0	3 000	700
Trans Kalahari Corridor	362	0,9	1,0	4,4	10 860	2 534
Trans Oranje Corridor	100	0,1	0,6	2,8	3 000	700
Weighted Average/Sum	11 784	2,1	1,1	7,2	361 530	84 357

Source: TLC, FESARTA, & Crickmay, week ending 03/03/2024.

The following graph shows the weekly change in cross-border times and associated estimated costs:

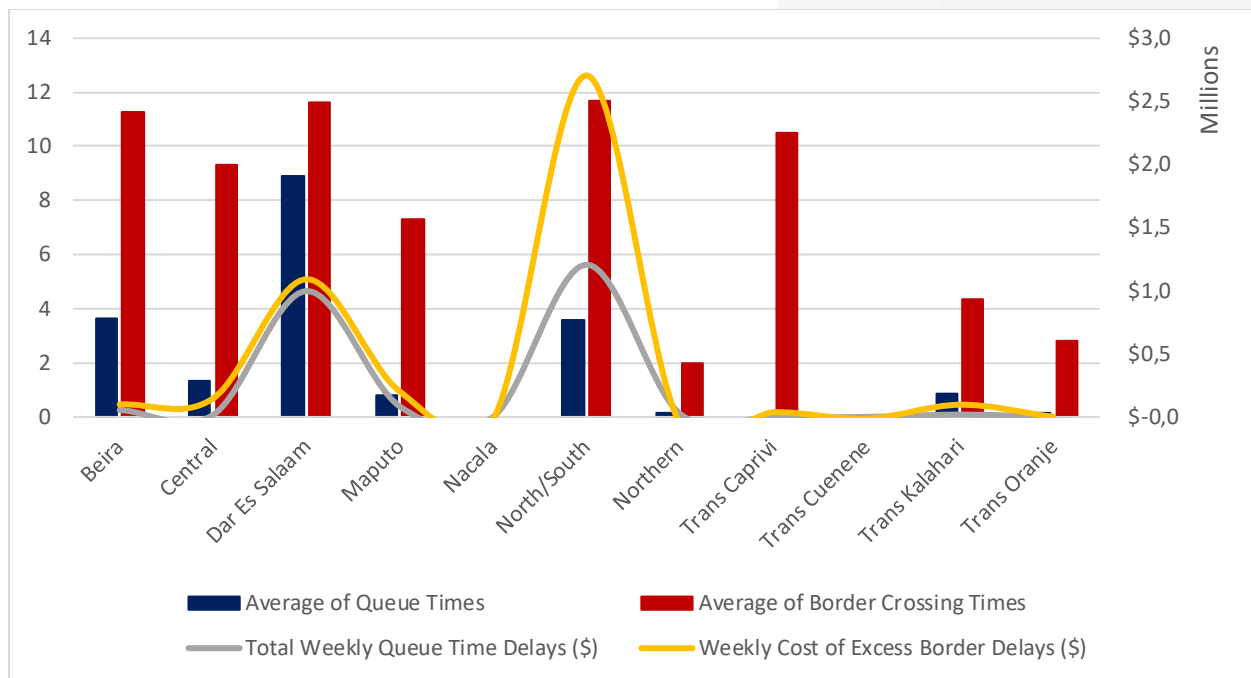
Figure 13 – Weekly cross-border delays & est. cost from a SA border perspective (hours & \$ millions)



TLC, FESARTA, & Crickmay, week ending 03/03/2024.

The following figure echoes those above, this time from a corridor perspective.

Figure 14 – Weekly cross-border delays & est. cost from a corridor perspective (hours & \$ millions)



Source: TLC, FESARTA, & Crickmay, week ending 03/03/2024.

In summary, cross-border queue time averaged **~2,1 hours** (down by **~0,3 hours** from the previous week's **~2,4 hours**), indirectly costing the transport industry an estimated **\$2,4 million (R45 million)**. Furthermore, the week's average cross-border transit times hovered around **~7,2 hours** (down by **~1,8 hours** from the **~8,9 hours** recorded in the previous report), at an indirect cost to the transport industry of **~\$4,3 million (R80 million)**. As a result, the total indirect cost for the week amounts to an estimated **~\$6,7 million (R125 million)**, down by **~R18 million** or **↓12%** from **~R143 million** in the previous report).

4. International Update

The following section provides some context around the global economy and its impact on trade, mainly an update on **(a)** the global shipping industry and **(b)** the global aviation industry.

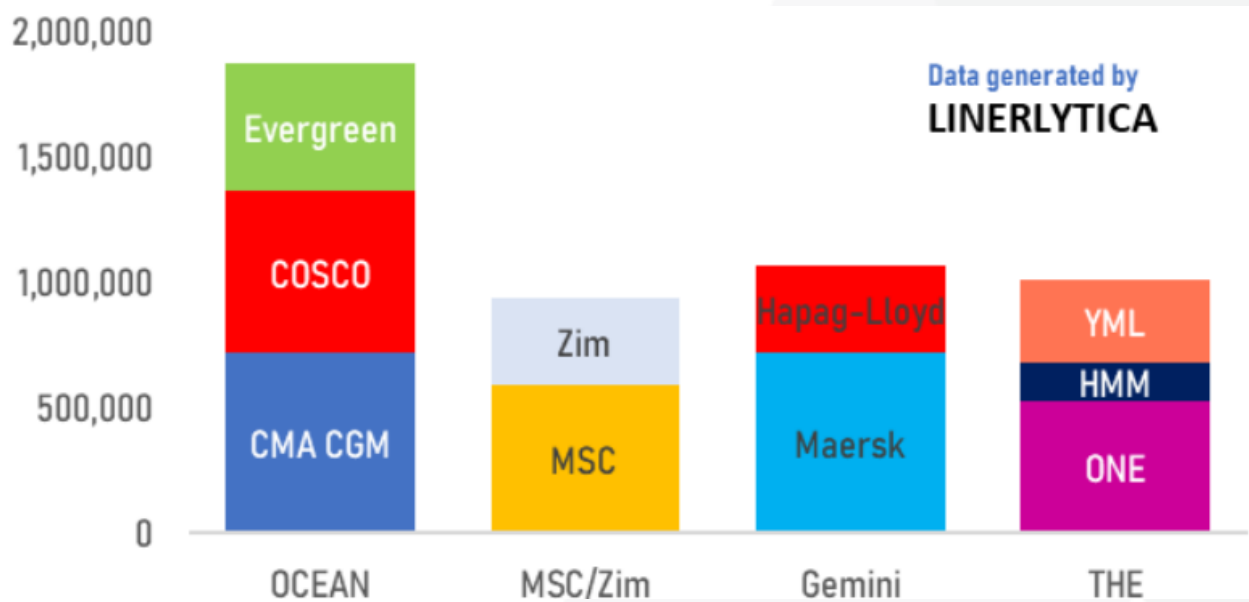
a. Global shipping industry

i. Liner shipping capacity changes

The OCEAN Alliance partners (CMA CGM, COSCO, OOCL and Evergreen) have extended their ten year cooperation agreement that started in April 2017 for five more years until 31 March 2032¹³. The move will cement the group's dominant position as the most prominent global carrier alliance, with a significant lead over their rival alliances on both the Transpacific and Asia-Europe routes:

¹³ Linerlytica. 04/03/2024. [Market Pulse – Week 10](#).

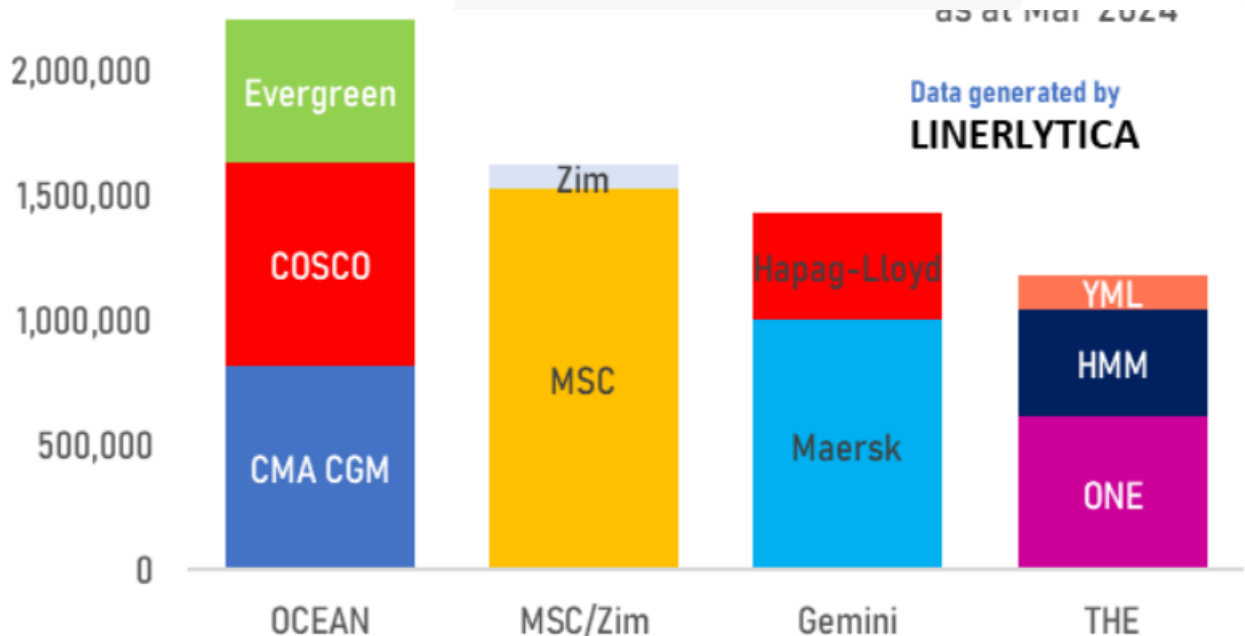
Figure 15 – Transpacific capacity operated by Alliance (TEU, as of March 2024)



Source: Linerlytica

The move also leaves the remaining members of THE Alliance partners stranded as they will not be able to draw one of the OCEAN Alliance members to replace Hapag-Lloyd, who will leave the alliance to join Maersk on the new Gemini Cooperation in 2025. THE Alliance sans Hapag-Lloyd will be the smallest of the four global carrier alliances. It will be particularly weak on the Asia-Europe and Transatlantic routes where they do not have sufficient capacity and market coverage to compete effectively with the rival alliances:

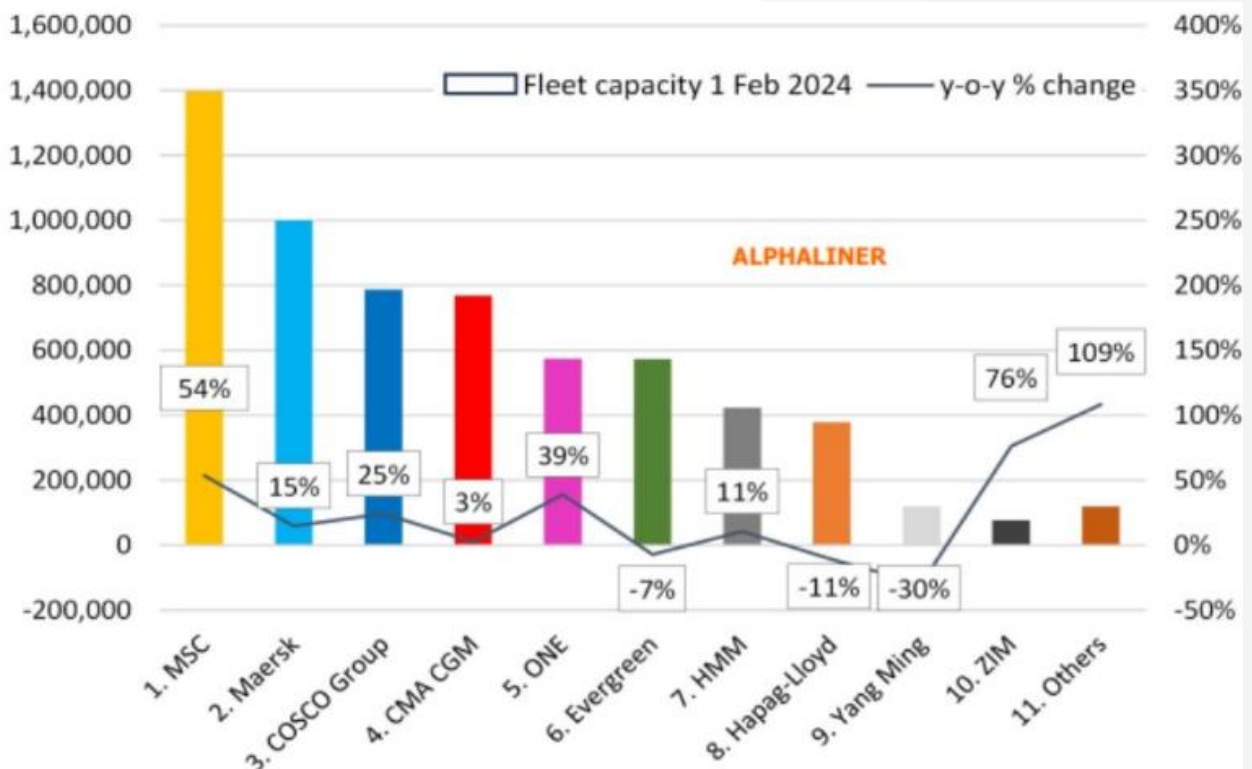
Figure 16 – Asia-Europe capacity operated by Alliance (TEU, as of March 2024)



Source: Linerlytica

Interestingly, Alphaliner this week shows that MSC is behind **↑50%** of the Asia-Europe fleet growth, as the yellow above is set to grow further:

Figure 17 – Asia-Europe capacity operated by carrier (TEU, as of 1 February 2024)



Source: [Alphaliner](https://www.alphaliner.com)

At the start of February, **431 container ships** were trading between Asia and Europe, representing a capacity of **6,33 million TEU** (~22% of the cellular container fleet). During the past 12 months, the Asia-Europe fleet has grown **↑19%**, while volumes on the head haul trade (westbound) rose **↑7,8%** in 2023; the 19% capacity increase on the route is obviously due to the addition of the extra ships, which are needed to maintain a weekly sailing frequency for all the loops that are diverted via the Cape of Good Hope due to the crisis in the Red Sea. Not all the extra needed ships are in place, however, and carriers taking delivery of new buildings are in a better position to maintain a weekly sailing frequency and also grow their market share.

ii. Global container summary

Global port congestion is stable and currently affecting **~4,8%** of the total fleet, with Durban the only South African port featuring on the first page of the *“Port Congestion Watch”* with a queue-to-berth ratio of **0,57**¹⁴ (slightly less than last week and continuing its downward trajectory, which is positive). The idle capacity stands at **~0,3%** of the total fleet, with that number set to drop even lower as some **300 000 TEU** is scheduled for delivery in March (after new ship deliveries fell to just **194 000 TEU** in February due to the holidays in the Far East). Lastly, the *“Cancelled Sailings Tracker”* is stable and is currently trending at around **8%**¹⁵.

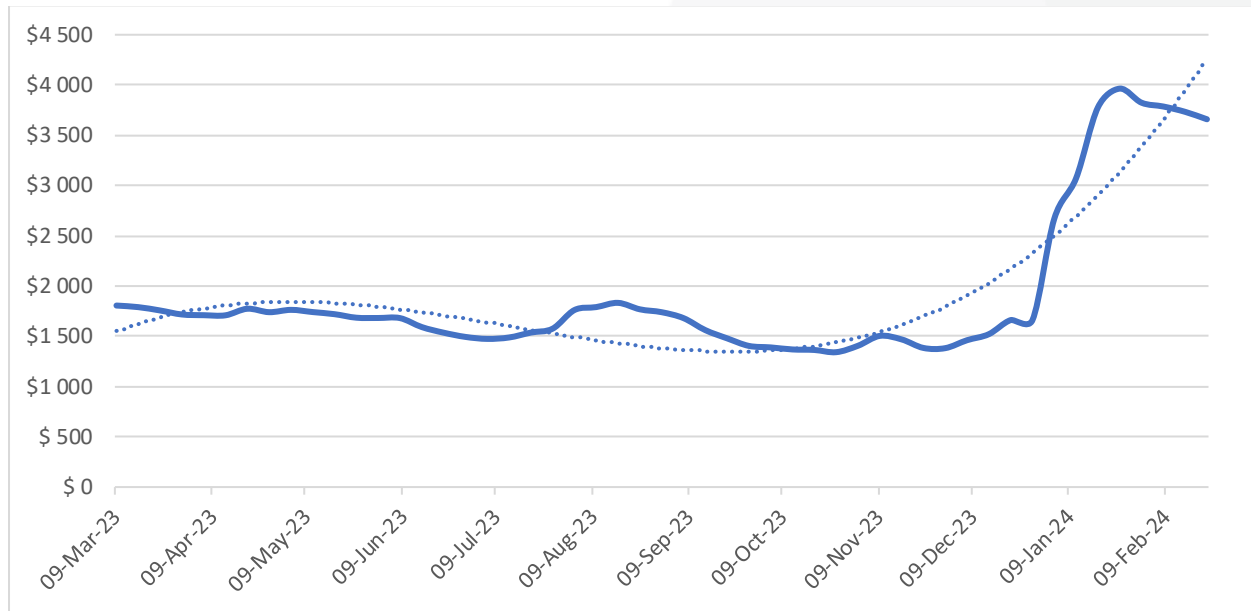
¹⁴ Linerlytica. 08/03/2024. [Port Congestion Watch](https://www.linerlytica.com).

¹⁵ Drewry. 08/03/2024. [Cancelled Sailings Tracker](https://www.drewry.com).

iii. Global container freight rates and carrier profits

Global container rates continued their precipitous fall, as the "World Container Index" is down by another **↓5,9%** (or **\$206**) to **\$3 287** per 40-ft container¹⁶. Despite the weekly change, the composite index remains up by **↑82%** compared to the same week last year and **↑131%** higher than the average 2019 pre-pandemic rates of **\$1 420**. All eight major East-West trades declined this week, with the most significant change occurring on the Shanghai – Rotterdam (**↓7%**) – as last week. The following figure shows the movement of the index in the last year:

Figure 18 – World Container Index assessed by Drewry (last 12 months, \$ per 40 ft. container)



Source: [Compiled from Drewry Ports and Terminal Insights](#)

In the charter market, rates have continued their upward trend, as the Harper Petersen Index (*Harpex*) is currently trending at **1 200 points**, up by **↑1,1%** (w/w) and up by **↑14%** (y/y) versus this time last year¹⁷. Interestingly, Drewry's "Multipurpose Time Charter Index" is above their forecasted value for January of **\$8 821 per day**, and it is now at **\$8 834 per day**, which further highlights the continued strength of the current charter market¹⁸.

iv. Further developments of note

Apart from the overview provided above, there were some additional noteworthy developments this week:

1. Three merchant ship crew killed in latest Houthi missile attacks:

- a. Three seafarers have been killed in the latest attack by Iranian-backed Houthi militia against cargo vessels transiting the Red Sea¹⁹.
- b. US Central Command (Centcom) confirmed a Barbados-flagged bulk carrier, True Confidence, was hit by a ballistic missile (ASBM) at around 11 am on Wednesday, killing three crew members and injuring at least four – three critically.

¹⁶ Drewry. 07/03/2024. [World Container Index](#).

¹⁷ Harper Petersen Index. 08/03/2024. [HARPER PETERSEN Charter Rates Index](#).

¹⁸ Drewry. 05/03/2024. [Multipurpose Time Charter Index](#).

¹⁹ Whiteman, A. 07/03/2024. [Three merchant ship crew killed in latest Houthi missile attacks](#).

2. Rubymar sinks, with a cargo of fertiliser a threat to the Red Sea ecosystem:

- a. The *Rubymar*, a general cargo ship carrying fertiliser, sank in the Red Sea after being hit by a Yemeni anti-ship missile amidst the Israel-Palestine conflict²⁰.
- b. Refused entry to multiple ports due to safety concerns; no salvage efforts were made, with blame placed on the Houthis.
- c. Concerns arise over potential environmental damage from the ship's cargo, particularly affecting Saudi drinking water and the fishing industry in Yemen, highlighting broader global implications beyond the conflict.

b. Global air cargo industry

IATA released its latest “*Air Cargo Market Analysis*” for January²¹, with the following key developments worth noting:

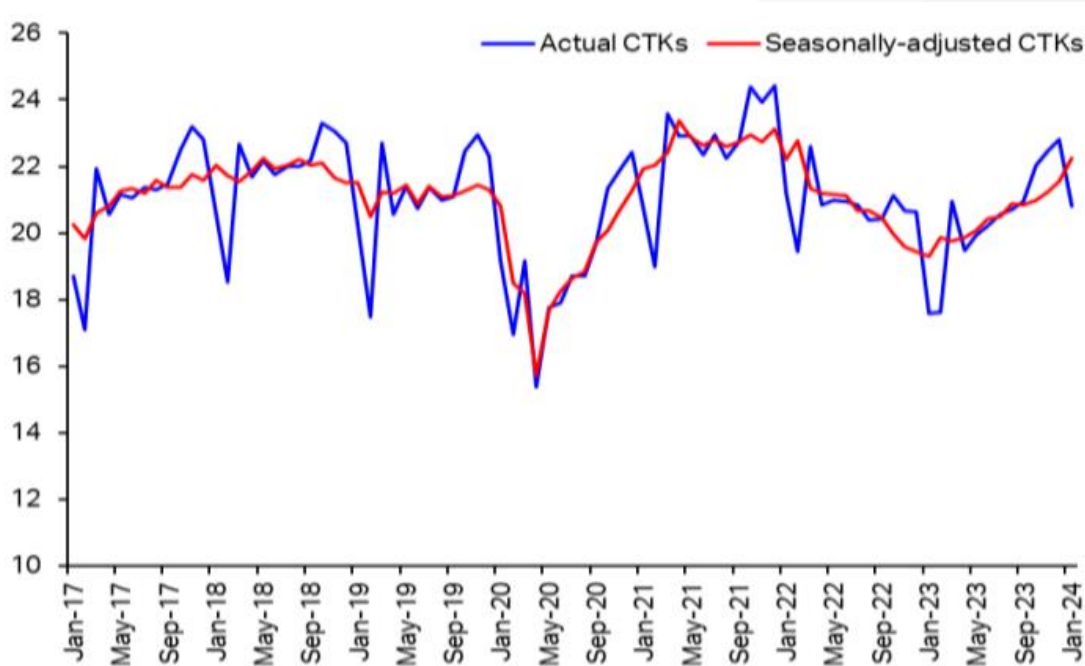
- Global air cargo demand kicked off with an impressive **↑18,4%** (y/y) growth in January. The industry therefore experienced the highest annual growth in cargo tonne-kilometers (CTK) since the 2021 summer season. Seasonally-adjusted (SA) CTKs grew **↑3,2%** (m/m).
- International CTKs expanded annually both globally (**↑19,8%**) and across all major trade lanes. The annual growth was championed by routes and carriers involving the Middle East and Asia.
- On the capacity side, industry-wide available cargo tonne-kilometers (ACTK) rose by **↑14,6%** (y/y) last month, in large part thanks to the continued expansion of international passenger belly-hold capacity.
- The expansion in traffic compared to January 2023 was supported by easing inflation across major economies. It continued to outpace annual growth in trade and production figures.
- Industry-wide air cargo yields declined by **↓10,4%** relative to the previous month, with no apparent upward pressure from the Red Sea Shipping Crisis.

The following figure illustrates the significant upswing in global CTKs, which is evident across the last 12 months:

²⁰ Bartlett, C. 04/03/2024. [Rubymar sinks, with cargo of fertiliser a threat to Red Sea ecosystem.](#)

²¹ IATA. 05/03/2024. [Air Cargo Market Analysis – January 2024.](#)

Figure 19 – Global CTKs (millions per month)



Source: IATA

In the high-frequency metrics, World ACD confirms the analysis from IATA, as global air cargo demand was up by **↑13%** in the first two months of this year, compared with the equivalent period last year. Notably, demand is continuing to surge from Middle East and South Asia (MESA) origins, and tonnages are recovering from the normal Lunar New Year (LNY) seasonal dip. The following summary shows the regional changes when comparing the last five weeks with the five weeks before:

Figure 20 – Capacity, chargeable weight and rates (5w/5w)

Origin Regions
last 2 to 5 weeks



	Capacity ¹			Chargeable weight ¹			Rate ¹		
	Last 5 wks	2Wo2W	YoY	Last 5 wks	2Wo2W	YoY	Last 5 wks	2Wo2W	YoY
Africa		-4%	+5%		-5%	+5%		-0%	-2%
Asia Pacific		+3%	+14%		+15%	+3%		-12%	-12%
C. & S. America		-4%	+14%		-2%	+2%		-1%	-8%
Europe		+1%	+6%		+6%	-0%		-2%	-29%
M. East & S. Asia		+1%	+8%		+3%	+22%		+7%	+13%
North America		+3%	+8%		+2%	-4%		-1%	-20%
Worldwide		+1%	+9%		+7%	+3%		-4%	-16%

Source: World ACD

Preliminary data for February indicates an **↑8%** (y/y) increase in air cargo tonnages, with the first 28 days of the month up by **↑4%** compared to 2023. January saw a **↑17%** rise in tonnages, but the Lunar New Year (LNY) timing complicates single-month comparisons. Combined January and February 2024 show a **↑13%** increase in tonnages, or **↑11%** excluding the leap-year day. Patterns mirror last year's, delayed by three weeks due to LNY, with demand stronger this year. Post-LNY, demand recovered, especially from the Asia

Pacific region. Week 9 saw a **↑2%** rise in total worldwide tonnages compared to the previous week, following a **↑13%** rebound in week 8 after declines of **↓11%** and **↓10%** in the two weeks surrounding LNY.

In week 9, global average air cargo rates traded at **\$2,27 per kg** are **↓16%** lower than the previous year, with rates dropping by **↓29%** ex-Europe, **↓20%** ex-North America, and **↓12%** ex-Asia, while rates ex-MESA rose by **↑13%**. Compared to the previous two weeks, rates ex-MESA increased by **↑7%**. Despite the decline, global rates are still **↑27%** higher than in February 2019, and worldwide air cargo capacity remains significantly higher than last year, particularly ex-Asia Pacific and ex-Central and South America, both at **↑14%**.

ENDS²²

²²**ACKNOWLEDGEMENT:**

*This initiative – **The Cargo Movement Update** – was developed collectively by Business at large to provide visibility of the movement of goods during the COVID-19 pandemic. The report is authored by the South African Association of Freight Forwards (SAAFF) and distributed by Business Unity South Africa (BUSA). SAAFF acknowledges the input of several key business partners in compiling these reports, which have become a weekly industry staple.*