

COVID-19: Cargo movement update¹

Date: 18 June 2021

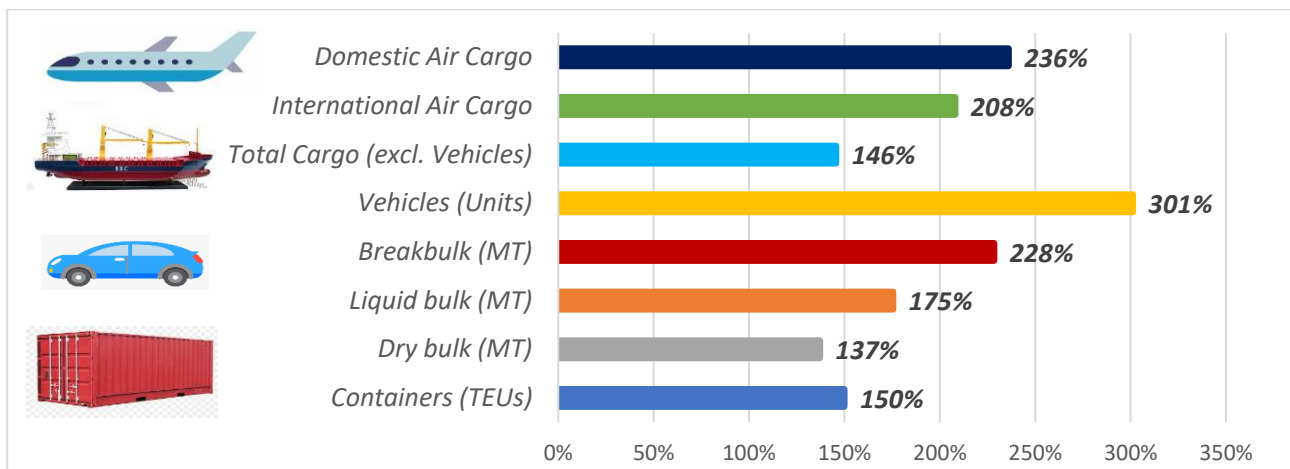
Weekly Snapshot

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 (TEUs)	29 242	37 862	67 104	30 056	34 513	64 569	↑4%
Air Cargo (tons)	4 568	3 140	7 707	4 410	3 225	7 635	↑1%

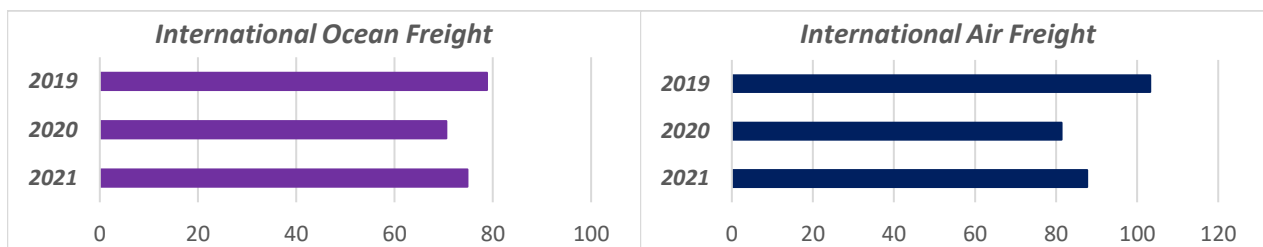
Monthly Snapshot

Figure 1 – Monthly⁴ cargo flows, year on year



Year-to-date Tracker

Figure 2 – International year-to-date flows 2019-2021⁵: ocean, y/y (metric tonnes) & air freight, y/y (kg millions)



Key Notes

- An average of **~9 586 TEUs** per day was handled last week, **↑4%** from the previous week.
- Cross-border queue (**~4,1 hrs**) and transit (**~22,8 hrs**) times cost **R254 million** (**↓2%**) this week.
- Global freight rates saw *another* increase this week, with the "WCI" **↑3,4%** to **\$6 957** per 40-ft.
- International air increased slightly (**↑1%**), while domestic air cargo decreased (**↓3%**).

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 43rd update.

² 'Current' means the last 7 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 full month's worth of available data compared to the same month in 2020. In this case, April 2021, and April 2020.

⁵ For ocean, total Jan-Apr cargo in metric tonnes, as reported by [Transnet](#) is used, whereas for air, Jan-Apr cargo to and from ORTIA is used (see [below](#)).

Executive Summary

On the pandemic front, this week's newly reported COVID-19 infections in South Africa have increased rapidly once more to a very disturbing **9 142** infections per day this week (**↑53%** from last week's average of **5 960**). Consequently, the total number of cases recorded in the country now stands at **~1,78 million**⁶, with a death toll of **58 323** (up by **913**). Besides the unprecedented surge in new cases caused by the third wave, an even more distressing figure is the total number of active cases. Active cases are now numbering more than **100 000**, and the number of new cases exceeding the number of recoveries by a large margin as the third wave takes hold.

In absolute terms, South Africa has remained at the same spot, **19th** place globally. Worldwide, more than **178 million** cases have now been recorded, with a total of **3,8 million** people losing their lives to the virus. In addition, a total of **2,5 billion** vaccine doses have now been administered worldwide⁷, whereas South Africa continues to lag at some **~1,87 million** vaccine doses. Although the daily vaccination rate has increased significantly, it is still nowhere near the ambitious targets set, so the backlog continues to grow. In essence, as emphasized in preceding reports, the country urgently needs to increase the rollout programme. This week the South African Health Products Regulatory Authority (SAHPRA) refused to release 2 million units of J&J vaccine ingredients that arrived in Gqeberha, Eastern Cape, for processing. These ingredients were contaminated in a US Baltimore facility and needed further testing by SAHPRA. However, the United States Food and Drug Administration released an additional 300 000 doses of vaccines that arrived in South Africa this week. These additional vaccines will be specifically targeted at teachers throughout the country.

South Africa's commercial ports are trying to keep up with the demand posed by the increased refrigerated outbound volumes and equipment limitations. Durban's container terminal especially has been feeling the heat, so much so that Transnet advised that the number of free days allowed for imported General Purpose containers will be extended temporarily from 3,25 days to 4,25 days. Hopefully, this initiative will help ease some congestion on the water and landside operations of the port. In addition, the disruptions caused by the lack of Port Health Officials at border posts seems to be easing this week compared to last week, although several border posts have still been closed since yesterday until further notice. Internationally in the global maritime industry, consumers are expected to feel the effects of vessels not cancelling their Yantian calls, threatening to cause knock-on effects significantly worse than were seen during March's Suez Canal blockage. California already stated that they are "getting ready" for Yantian import surges when that port and its neighbours can return to normal handling rates. However, looking at the rising "World Container Index", it seems highly unlikely that container shippers will see any easing of rates before 2022.

Currently, the average domestic air cargo moved during the last week was **~72 614** kg per day, showing a decrease of **↓3%** compared with the previous week. Nevertheless, the volume handled amounts to approximately **~123%** compared to the same week in 2020. There have been some issues voiced regarding ORTIA delays due to ACSA taking control over cargo security within the designated cargo precinct. Despite strong pleas from cargo owners and their agents, imports accumulate storage and handling costs while exports miss their flights. Internationally, the aviation industry is sturdily post-pandemic, with various industry sectors performing much better in April 2021 than in April 2019. Growth of **↑13%** in international cargo-ton-kilometres (CTK) was measured in April 2021 from April 2019. Africa and North America grew the most while Latin America remains the underperformer.

In conclusion, this week, we have seen increased demand with fragile transportation infrastructure and equipment taking their toll on some areas of South Africa's supply chains, while others are booming right in the middle of the third wave of COVID-19. Although we are recording problems and shortcomings every week, we should not ignore the evidence of recovery and growth, which can be seen in some areas.

⁶ Johns Hopkins, Coronavirus Resource Centre. [Coronavirus JHU](#).

⁷ Our World in Data, Coronavirus (COVID-19) Vaccinations. [Our World in Data](#)