

## **CFR FREIGHT – WEEKLY TRADE SUMMARY** **WEEK 33**

### **GENERAL**

#### **Cargo Lead Times and Transit Times**

On all trades, we continue to experience volatile freight rates, carrier capacity constraints, extended transit times, transshipment hub delays and carrier scheduling amendments.

Please be advised that carrier schedules are very erratic at this time, with blanked sailings being announced by shipping lines. Carriers are amending schedules mid voyage, vessels are being phased into and out of services and we are seeing cases of unscheduled container transshipments as a result of vessel schedule amendments. This is impacting all trades.

Carrier capacity is severely limited out of Asia and is expected to worsen through August, September and October. Main ports from Asia are advising that there is very limited, to no capacity into South Africa for the rest of August, with carriers not releasing bookings on already over-committed vessels for the balance of the month.

With the recent disruptions along the South African coast, carriers have amended schedules, port rotation and port omissions have been announced. We recommend close tracking of containers, as we are seeing unscheduled container transshipments, as well as extended delays in transshipment hubs around the globe.

Export capacity out of South Africa is constrained, as carriers work to move backlogged cargo and global equipment shortages are impacting SA exports. Pricing increases and congestion surcharges are being announced by carriers for August and into September.

#### ***Where are the containers? Picking apart the box shortage facing NVOCCs***

*Container shortage not only impacts logistics providers, but also manufacturers and traders.*

**Source: TradeWinds – 17 August 2021, written by Rehan Khan, Managing Director of VMR Lines, a NVOCC based in Karachi**

*Gone are the days when a non-vessel operating common carrier (NVOCC), or box operator, could buy available containers in any region. Today, it is not a piece of cake to find equipment or competitive prices, or to get space on vessels.*

*One of the major reasons for these issues is Covid-19, which we have been confronting since early 2020. Nowadays, container shortages have become a serious problem that not only affects the global shipping industry but also has a negative impact on manufacturers and traders.*

*But the main question still remains: where are the containers and why is no one able to access them easily?*

*If I analyse this situation from the perspective of an NVOCC and based on my practical experience, I understand that in most of the cases the containers are lying at ports and terminals and inland depots, leading to port and depot congestion. The same situation persists for all major transshipment hubs, such as Singapore, Jebel Ali, Hong Kong, Busan, Shanghai and Colombo.*

*Simultaneously, the majority of containers are also onboard vessels for long-haul voyages, especially from China and South East Asia to the US and Europe. Hence, the largest container shortage is in Asia, while Europe and the Mediterranean also face a deficit.*

*Due to these circumstances, vessels started omitting some ports, which is one of the common reasons for vessel delays. Even if containers are lying at port for loading onto vessels, they may not be able to be shifted on board, which leads to a rollover to the next sailing without any assurances, as vessels right now are not being operated according to fixed schedules.*

*This is also the reason why containers are being moved via one or two transshipment ports on an alternative route, which simply turns a short transit time into a longer one. On the other hand, whilst shipping lines were reducing the number of vessels, they were not able to collect empty containers at all.*

### **Prices rise**

*Considering all these current factors and due to limited container access, manufacturers have driven up the prices of new containers, and the traders that sell secondhand containers have also hiked their prices.*

*This is a phenomenon not only in Asia and Europe but almost everywhere. Therefore, cargo-worthy containers that an NVOCC could easily buy in the \$800 to \$1,200 range before 2020, now come in the range of \$2,200 to \$2,800. Likewise, container leasing rates have also skyrocketed by 30% to 50%.*

*Travel and transportation restrictions came into effect, leading sales and global trade to drop drastically.*

*Shipping lines are also trying to secure their profit, which is affecting container shortages, particularly in Asian countries. Carriers prioritise long-haul shipments generally from China to North America and Europe, where they can make more profit, as compared to short-haul shipments within Asia. That is why there are no empty containers in some regions.*

*Vessel operators are announcing general rate increases for their carrier-owned containers and slots up to twice a month. On some routes, they even apply it on weekly sailings but still do not make any assurance that they will accept bookings and space on a regular basis, which causes the ultimate war of space among NVOCCs that are also compelled to buy the slots on dead freight basis but are still subject to container availability.*

*There is no need to stress the fact that this is one of the toughest times for those internationally engaged in the logistics industry. And nobody knows when this situation will return to smooth-running conditions, as some organisations said they anticipate that it may continue until the end of this year.*

*Nonetheless, we all have to survive and try to sustain our services — especially non-vessel operators and forwarders — by accepting and facing the current situations with realism. At this point, all we can do is to explain the current logistics problems and situations to our customers to get their understanding and do our best by focusing on what we can control, rather than to look at something we are unable to control.*

<https://www.tradewindsnews.com/opinion/where-are-the-containers-picking-apart-the-box-shortage-facing-nvoocs/2-1-1052261>

## SA PORTS

Transnet is publishing regular vessel updates, berthing plans and stack dates for all terminals. These advisories do provide full details of vessel activities and planning for all SA terminals.

Some regions have reported sporadic challenges with Transnet system going on and offline. NAVIS has been problematic.

### **DURBAN**

High traffic volumes continue in the Durban terminals, resulting in delays in container movement. Transnet issued an advisory on Saturday 21<sup>st</sup> August, requesting customers to please hold back the delivery of export containers to Durban MPT (Point Terminal) until further notice. This is due to stack occupancy. Transporters are requested to make necessary appointments to uplift available import containers from Durban MPT (Point Terminal) as soon as possible.

Congestion is high in Durban with the vessel berthing times indicated as follows: Pier 1 at 5-6 days; Pier 2 at 5-6 days; Durban Point at 3 days. High winds have been forecast from 22<sup>nd</sup> through to 29<sup>th</sup> August and may impact operations.

### **CAPE TOWN**

High traffic volumes are still being experienced; however containers are moving.

Cape Town terminal berthing times indicated: CTC at 1-2 days; MPT at 1 day.

Seasonal high winds are expected on 26<sup>th</sup> & 27<sup>th</sup> August.

### **COEGA / PORT ELIZABETH**

Port Elizabeth terminals have been affected by poor weather conditions and winds during the week. There have been some system constraints. Containers are moving, but high traffic volumes are being experienced.

Berthing times in Port Elizabeth are indicated: Coega at 3 days; Port Elizabeth at 0 days.

Seasonal high winds are forecast on 24<sup>th</sup> August and 27<sup>th</sup> to 29<sup>th</sup> August.

## NORAM

Amex (MSC & Maersk)

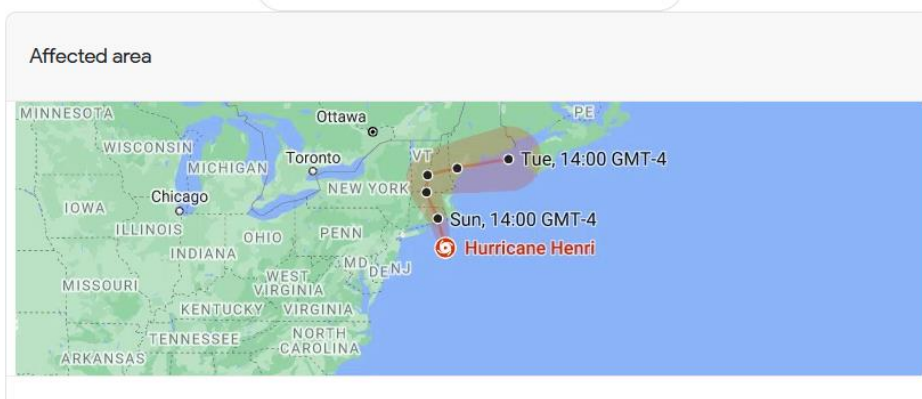
**More than 50 million are under extreme weather warnings as Hurricane Henri closes in on the Northeast**

Source: CNN.com – 22 August 2021

<https://edition.cnn.com/2021/08/22/weather/hurricane-henri-sunday/index.html>

As Hurricane Henri's outer bands began moving over the Northeast Sunday morning, heavy rain had already saturated many areas, posing flooding danger for millions and even some suggestions to evacuate from the storm's path.

Henri's anticipated landfall on Long Island or southern New England late Sunday morning or early in the afternoon is expected to pose risks to much of the surrounding area.



Port Congestion, chassis shortages and vessel delays continue from North American region. Rail congestion and chassis shortages, extended wait times with the terminals and piers continue to negatively impact the movement of cargo and containers within the US. In addition to the already challenging situation, limited driver availability is further impacting delays in cargo movement – FTL, LTL and container movement is being affected.

Our US partners Shipco have advised that juggling cargo readiness dates, with carrier space availability, equipment release, truck and driver availability is essential before cargo moves can be confirmed. Congested CFS facilities, container yards, rail movement and erratic schedules are impacting the efficient and timely movement of cargo and containers.

Schedule integrity on the Amex service, US – SA – US, has been somewhat erratic in the past week, with vessel sailing delays and changes to port rotations affecting planned departure dates, eta's and container bookings. Constantly changing vessel stack dates in the USA and in South Africa are seeing container loading delays and container roll overs at the discretion of the carriers and port authorities.

Carriers have advised of General Rate Increases on this trade, affecting both inbound and outbound services. GRI's will be published in September tariffs.

Overview on the current US situation:

#### **Rail Terminal Updates:**

Extreme chassis shortages are causing delays in pickups and delivery of containers. In addition, we anticipate increased dwell times due to rail car shortages, gate capacity constraints and limited reservations at major rail facilities.

Philadelphia: Severe shortages of available chassis in Philadelphia area result in anticipated delays in pickups, deliveries and drays.

Charleston: Severe shortages of available chassis in Charleston, resulting in delayed pickups, deliveries and drays.

BNSF & UP / LAX/LGB BNSF: Severe congestion. Limited gate capacity, restrictions, rail car shortages and limited reservations continue, causing increased delays on import rail units.

Chicago Rail Ramp: The rail facilities in Chicago are seeing severe congestion because of dwelling containers and chassis shortages.

Chicago: There continue to be chassis shortages, as well as extreme congestion. Anticipated delays in pickups, deliveries and drays.

#### **Terminals:**

##### **US East Coast:**

New York Container Terminals: Vessel waiting time is up to 24-48 hours due to import volume.

Savannah: 6 days vessel waiting time due to high import volume.

Charleston: Vessel wait time is 0-12 hours.

Philadelphia: Vessel waiting time is 8-12 hours due to high import volume.

##### **US West Coast:**

Los Angeles: 8-10 days vessel wait time due to high import dwell and labour shortages

Long Beach: Up to a 6-9 day vessel wait time due to high import dwell and labour shortages.

Seattle: 10 day vessel wait time due to high import volume and labour shortages.

Oakland: 4-6 days vessel wait time due to high import volume and labour shortages.

##### **US Gulf Coast:**

New Orleans: Vessel waiting time is 24 hours.

Houston: Waiting time is 24-72 hours due to high import volume and labour shortages.

#### **Equipment Availability:**

There are continuous chassis shortages in LAX / Long Beach, New York, Philadelphia, Saint Louis, Columbus, Cleveland, Chicago, Memphis, Atlanta, Nashville and Louisville.

On the SA export services; carriers have advised that due to congestion and backlog as caused by recent port disruptions and resultant vessel scheduling changes, a temporary space protection premium has been introduced for all containers on the direct US trade. Carriers have advised the implementation of the surcharge with

immediate effect. A temporary emergency congestion surcharge will be applied to all SA export cargo, with effect shipped on board date 13 August 2021.

Carriers have advised that this service is over-committed. No capacity ex Cape Town to New York until week 36.

- **MSC Jeanne** – vessel will omit both Norfolk and Baltimore and proceed directly from Philadelphia to Charleston.
- **MSC Lilou** – vessel will omit Philadelphia and proceed directly from Newark to Norfolk.

### **LATAM**

Hapag Lloyd, MSC

Carrier service changes, vessel delays, equipment shortages and capacity constraints have negatively impacted services from Brazil into SA. Vessels are extremely full ex South America at this time and carrier booking releases are constrained. Schedules are erratic from this region at present; and freight rates continue to remain volatile, in line with available capacity.

GRI anticipated for September.

### **UK & NWC**

SAECS (ONE, DAL, Maersk) & MSC

#### **Port congestion in Germany forces 2M Alliance to AE7/Condor service adjustments**

**Source: Container-News.com – 19 August 2021**

*The largest container alliance in the world, 2M Alliance comprising of Maersk Line and MSC has announced changes in its AE7/Condor service on North Europe to Far East network.*

*Maersk said that as a result of high yard density and exceptional waiting time for its vessels in the port of Hamburg, the import call can only be confirmed on a basis of berth availability in Hamburg with alternate contingency to discharge import units in Bremerhaven-NTB.*

*The schedules will be updated with the confirmed import call one week prior to arrival in Germany, according to the Danish carrier.*

*The affected Hamburg export volumes will be served via Bremerhaven and load onto the corresponding vessel/voyage.*

*However, MSC has noted that the Port of Bremerhaven also suffers container congestion and, as a result, it is not a guaranteed alternative to the Port of Hamburg anymore.*

*“Due to the increased waiting time for vessel berthing in Bremerhaven, we may be switching some of the calls back to Hamburg,” stated the Swiss box line.*

*“We will be confirming and updating our schedule one week before the ETA of the vessels in Germany,” added MSC.*

#### **Port congestion double-whammy sinks carriers' schedule recovery hopes**

**Source: The LoadStar – 18 August 2021**

*Alliance networks operating between Asia and North Europe are experiencing delays of up to a month due to worsening port congestion at both ends of the tradelane.*

*Asia-North Europe loops with a pro-forma round-trip transit time of around 75 days are now taking 100 or more, with carriers obliged to juggle schedules at the last minute.*

*According to a Maersk advisory, vessel wait times at Antwerp are already up to 10 days, with lesser – albeit significant – delays impacting all North European hub ports.*

*Alphaliner reports that the maiden voyage of the 23,782 teu newbuild MSC Amelia, deployed on the 2M's AE55/Griffen service, was diverted to Zeebrugge this week due to the congestion at MSC's Antwerp hub.*



*“Originally scheduled to arrive at Antwerp on 28 July, the newbuilding on called at its first North European port, Rotterdam, on 14 August,” said Alphaliner.*

*The consultant said that ULCV’s revised European rotation of Rotterdam, Zeebrugge and Felixstowe would now take 18 days, due to waiting times in both Rotterdam and Felixstowe, compared with its schedule of around six days.*

*According to eeSea data, the AE55/Griffen loop has a pro-forma round trip voyage time of 76 days, of which 62, or 81% are spent at sea, with 14 days allocated to time at port. This is a common ratio for the tradelane but, due to worsening port congestion at Asian and North European terminals, time in port or waiting for berthing windows has increased substantially, to around 40% of the schedule.*

*Indeed, Hapag-Lloyd CEO Rolf Habben Jansen told investors and analysts last week that average voyage delays days had “tripled” in the first half of this year, compared with the same period of 2020. He said container usage days had also increases, by 16% compared with H1 20, due to boxes being stuck on ships or delayed in overwhelmed landside sectors. “That means we need more boxes to ship the same amount of cargo, and more ships which we cannot get, to carry them,” he said.*

*One carrier source told The Loadstar recently his line had “virtually given up” trying to regain schedules. “Delays in North Europe were bad enough, but now we are facing congestion in China the schedules are shot to pieces and, effectively, they have become rolling schedules,” he said.*

*And with the supply chain considerably lengthened and demand remaining strong in the build-up to the holiday season, Maersk advised shippers that should “consider booking your containers at least three to four weeks beforehand”. It added: “If you’re looking to ship promptly and to make sure your cargo arrives at destination in time for the winter holidays this year, follow out suggestion and plan your strategy up front.”*

Erratic schedules, vessel delays, amended port rotations, high volumes, carrier capacity constraints as well as congestion continue for this region.

Summer holiday season is starting in Europe, generally from end of July through to beginning of September. Many businesses, including transporters, close for summer vacations. During this time, there is generally restrictions on the movement of heavy trucks throughout Europe. This may impact cargo deliveries and pick ups.

As advised by carriers, with a view to improve vessel schedule integrity and improve overall transit times, we continue to see amendments to vessel schedules, with port omissions and changing rotations continuing both in South African ports, as well as various European ports. These vessel changes may affect container loadings. Every effort is made to secure loading between the two main services into South Africa (MSC’s NWC service or SAECS service) to maintain loading integrity from our European CFS’s.

With poor weather conditions being experienced in SA ports, as well as recent IT and other service disruptions, we are seeing an increase in the number of port omissions and scheduling changes. Please ensure to monitor carrier notifications and Transnet berthing schedules; as vessel port calls and schedule amendments are subject to change. The vessel schedule changes will impact both inbound and outbound services.

- **Santa Cruz** – vessel will omit CPT southbound call and all containers will remain on board for discharge on the northbound call.
- **MSC Athens** – vessel will omit CPT northbound call. All CPT import cargo on the vessel will be connected with the MSC Branka.
- **MSC Julie** – vessel will omit CPT southbound call and proceed directly from Las Palmas to Coega. ETA 27.08.2021
- **Maersk Luz** – vessel will omit CPT southbound call and all containers will remain on board for discharge on the northbound call. ETA 09.09.2021.
- **Cape Tainaro** – vessel will omit Hamburg. Hamburg import cargo to be landed in Las Palmas for t/s on the MSC Vita.
- **Akadimos** - vessel will omit CPT southbound call and all containers will remain on board for discharge on the northbound call. ETA 16.09.2021.

- **Santa Clara** – vessel will omit CPT southbound call and all containers will remain on board for discharge on the northbound call. ETA 23.09.2021.
- **Santa Clara** – vessel will omit Coega southbound call. Call destined cargo will be loaded on Maira XL.
- **Maira XL** – vessel will omit CPT southbound call and all containers will remain on board for discharge on the northbound call. ETA 30.09.2021.
- **Dal Kalahari** – vessel will omit CPT southbound call and all containers will remain on board for discharge on the northbound call. ETA 07.10.2021.

#### Northbound (Exports):

All ports have been severely impacted on the NWC outbound services, with vessel schedule changes. We recommend that schedules, carrier notices and Transnet berthing plans and stack dates be closely monitored. Equipment shortages are being experienced on this trade.

- **MSC Branka NZ132R** – due to delays in Cape Town, MSC Branka will now arrive in Durban after the MSC Athens. As a result of this, **MSC Athens NZ133R** will take the MSC Branka's berthing window in Durban and vice versa. Export bookings for these vessels have been switched:
  - **MSC Branka NZ132R** – bookings have been transferred to the MSC Athens NZ133R – DBN ETD 23.08.2021
  - **MSC Athens NZ133R** – bookings have been transferred to the MSC Branka NZ132R – DBN ETD 27.08.2021.
- **MSC Athens** – vessel will omit CPT northbound voyage and proceed from Coega directly to Las Palmas.
- **MSC Branka** – vessel will omit Coega northbound voyage and proceed from Durban directly to Cape Town and then on to Las Palmas.

#### MEDITERRANEAN

SAECS (ONE, DAL, Maersk) & MSC

These services are subject to container transshipment in either Las Palmas, Algeciras or Sines ports. These transshipment hubs are being impacted by the poor vessel schedule integrity and vessel delays at other ports. Transshipment vessels and connections may be amended or compromised as carriers change vessel schedules and trade services. Increasing congestion is being seen at the ports of Algeciras and Las Palmas. Feeder vessels from the main ports into transshipment hubs are experiencing delays, as well as capacity constraints. Hazardous bookings may be delayed, due to last minute schedule changes by the carriers.

**Turkey** is severely impacted by equipment imbalances and container shortages. The equipment shortage in Turkey is critical. Carriers have announced increase in Equipment Repositioning Surcharge, effective 1 August 2021.

**Spain** is also being affected by the global equipment imbalances. There have been delays with the feeder vessels out of Spain. This may result in bookings being rolled over, but priority loading is in place for all containers.

**Italy** is being affected by the global equipment imbalances, container shortages, port delays and volatile vessel schedules. Delays and shortage of feeder vessels out of Italy into transshipment hubs may have an impact on container loading. Congestion in the terminals in Italy may affect transshipment cargo as cargo moves from import to transshipment handling for loading.

Italy summer holiday - cargo pick-ups and deliveries may be delayed during the holiday period between weeks 32 and 34.

Please take note of the vessel scheduling changes under NWC, as this will affect inbound cargo, which transships onto the South African NWC / SAECS service vessels.

## **MIDDLE EAST**

CMA-CGM, Hagag Lloyd, MSC

Vessel capacity constraints and equipment shortages are having a negative impact on the services out of Jebel Ali. Vessel capacity for both inbound service from Jebel Ali and outbound service to Jebel Ali is severely constrained, with carriers advising that vessels are full.

Load planning is scheduled for first available vessel and carriers may change from week to week subject to availability.

Outbound services have been affected by erratic carrier schedules; however our operations teams will endeavour to maintain loading integrity as carrier schedules allow.

## **INDIAN OCEAN ISLANDS (MAURITIUS)**

MSC

Capacity remains constrained on inbound services and schedule integrity is erratic. We continue to load as carrier schedules allow and we are maintaining our loading integrity.

Export schedules are volatile and amendments to stack dates are prevalent. Our operations team will endeavour to maintain loading integrity as carrier schedules allow.

Our Mauritius office, CAFS, have advised severe capacity constraints for services out of Port Louis into the islands – Reunion, Seychelles and Madagascar, and well as inbound from the islands into Port Louis. Delays are anticipated for all inbound and outbound transshipment cargo.

## **SUB-CONTINENT**

One Line, MSC, Maersk, CMA, GSL

There has been no improvement or change to the services ex the Sub-Continent. Port delays as well as transport delays, high cargo volumes, carrier capacity and equipment challenges continue to impact services in India.

Carrier capacity is severely constrained out of the region. Port omissions and blank sailings are also very prevalent. Our containers may load with different carriers from week to week, as our partners, Teamglobal, endeavour to maintain scheduled loadings and services for this trade. Loadings will be planned as per bookings released by the carriers; this may result in cargo being loaded into another CFS in South Africa; as we endeavour to move cargo on first available sailing.

Many carriers do not have available capacity for majority of August and capacity out of India is at a premium.

Services from Pakistan are severely constrained, with limited capacity available, as well as reduced sailings being published by carriers. Due to high levels of congestion and the capacity constraints, we have been advised that carriers are not releasing bookings for South Africa. Our direct services may be impacted and alternate routings scheduled for bookings. Please liaise with operations teams for amended routings where needed. Rerouting of Karachi service via Singapore is anticipated for September.

Freight rates from India are erratic at this time, with carriers withdrawing contract rates. Freight is being advised on a vessel to vessel basis, as per bookings. We anticipate GRI's to be announced for September.

Recent telephonic communication with carriers relating to services from India provide feedback as follows:

### **MSC**

Currently not offering any sailing out of India, the last sailing was over a month ago.

MSC may only have next sailing in September however, there is a possibility they will have a sailing in the next 10-14 days, but this hasn't been confirmed yet.

### **CMA CGM**

CMA CGM are still offering regular weekly sailings however space is extremely tight.

Lightweight containers below 12 tons are being given priority however there is still no guarantee of sailing.

It is suggested that agents try booking early and always the sea priority charge.

Unfortunately, no control here in South Africa to get bookings released, this is all managed at origin.



### Ocean Network Express

ONE only had the one sailing in August ex Mundra.

The next sailing is the first week in September however, this is already fully booked. The next two sailing are only on the 24<sup>th</sup> September and the 28<sup>th</sup> September.

Due to the delays on AIM service especially in West Africa are causing erratic schedules and limited sailings being offered.

Majority of current vessel allocation is being given to West Africa which is causing further space constraints for South Africa cargo.

Hapag Lloyd share this service with ONE thus are having the same issues.

### Maersk

At the moment, majority of vessels are full however they are still having weekly sailings on offer.

The space and rates are always done online and currently space is released on a first come first served basis per sailing.

It is suggested that bookings are to be made at origin as they have better communication with agents as well as quicker turn-around time in securing space when bookings for a specific vessel do open.

### APAC (including OCEANA)

ONE Line, MSC, Maersk, CMA, Evergreen, GSL, Cosco

### **Ningbo-Zhoushan Port Operations**

Phased approach for reopening of the Meishan terminal.

***Please refer to Interim Trade Summary as published on Wednesday 18<sup>th</sup> August – copy attached***

### ***Blank Sailing Plans for “Golden Week” would push shipping rates even higher***

***Source: The LoadStar – 16 August 2021***

*Ocean carriers are reported to be considering a new round of blank sailings from Asia around China’s Golden Week holiday, in the first week of October, to support their massive rate gains of the past year.*

*There has been no sign of any easing of the record high rates on the major transpacific and Asia to Europe tradelanes in the last few weeks, with the current lockdown at Ningbo’s Meishan terminal ensuring space will remain extremely tight right up to the national holiday.*

[Blank sailing plans for 'Golden Week' would push shipping rates even higher - The Loadstar](#)

The situation from Asia remains challenging, with available space / booking capacity with the carriers and soaring freight rates continuing to deteriorate from the region to all areas globally. Vessels are over-committed and carriers are only releasing limited bookings and equipment; with contracted space allocation being disregarded at this time, in favour of “spot” bookings with priority freight rates being applied. Freight rates continue to increase, as capacity constraints become tighter into August. Carrier rate structures and contract rates are not guaranteeing availability, with additional shipping priority rates being introduced.

CFR has published a GRI effective 23<sup>th</sup> August 2021.

As we move into traditional annual peak season, we anticipate that space constraints will become tighter as increase in cargo volumes continues. All cargo is given priority for loading and we endeavour to accommodate all bookings, however we do caution delays at this time, with a view to capacity constraints.

Unscheduled container transshipments are also evident at this time, as carriers are discharging containers in Singapore to reload heavily delayed containers from other vessels.

Vessel schedules remain volatile and we are seeing carriers amending port rotations – please ensure to track your containers, for any changes to these schedules. Carriers are announcing blank sailings from various ports, or we are seeing vessels “sliding” or “cascading”, which results in ETAs and ETDs moving out by a week or more. Poor weather conditions and increasing COVID cases in Asia are adding to the current congestion challenges seen in major Asian ports, further disrupting vessel scheduling and increasing delays. Vessel schedules are becoming increasingly erratic in all major ports and our partners will endeavour to maintain a loading integrity where possible.

CFR and our Asian partners will endeavour to prioritise loading of all cargo on first available vessel, as equipment releases allow. Due to the increasing amount of blank sailings, cascading schedules and ever decreasing booking releases by the carriers; alternative routings may be sourced in a bid to load cargo. This may necessitate the need for cargo to be moved via alternate discharge ports in South Africa; to avoid further delays and backlogs of bookings at our origin hubs. We fully appreciate the urgency of all bookings and the need to “get cargo on the water” and we will continue to prioritise loadings. Scheduling changes are unavoidable at this time, as are amended port rotations and carrier bookings.

Both Singapore and Tanjung Pelepas are seeing transshipment delays – these delays vary from one to five weeks. Vessel waiting delays in Singapore and Hong Kong are at 2 to 3 days. Our partners in Singapore advise that their CFS is at capacity, however they are successfully handling transshipment cargo through the hub within standard 1 week period from arrival at the CFS.

Australia is seeing severe congestion and delays; vessel berthing waiting periods at approximately 9 days in Sydney and 4 days in Melbourne. Carrier capacity constraints are a concern, with shipping priority surcharges being applied by most carriers.

***More misery for Australian shippers forced into spot buying as D&D fees rise***

**Source: The LoadStar – 18 August 2021**

*As scarce shipping capacity forces more Australian shippers onto the spot market, rising container detention costs are piling more pressure on supply chains.*

*According to the Container Transport Alliance Australia (CTAA), cargo owners are already dealing with shipment delays, rolled cargo, equipment shortages and unprecedented freight rates. Now, as the industry heads into peak season, CTAA says, one “insidious consequence” of the capacity squeeze is container detention costs imposed by the shipping lines.*

[More misery for Australian shippers forced into spot buying as D&D fees rise - The Loadstar](#)

Restrictions of certain commodities ex China into Hong Kong remain.

Shenzhen CFS unable to handle IMDG cargo. Any IMDG cargo from this region will need to be shipped FOB Hong Kong and subject to carrier acceptance; this includes lithium batteries classified as DG cargo. All carriers are heavily committed and container bookings / releases subject to carrier acceptance.

**SA Exports**

Our export loadings to Far East (Singapore) are being subjected to erratic carrier schedules and changing stack dates. However, Singapore port and our Singapore CFS remain heavily congested and this, together with equipment shortages may delay transshipments from Singapore.

Vessel schedule integrity and export stack dates remain volatile at present, due to vessels being delayed in inbound voyages, as well as along SA coastline.

Due to blank sailings in Asia, our Port Elizabeth Singapore service has experienced some delays, due to no vessels being available for booking. Alternate loadings may be required via either our Cape Town or Durban hubs for the weeks where there are no available Port Elizabeth carriers.

**AFRICA EXPORT SERVICES**

MSC, ONE Line, Hapag Lloyd

Vessel schedules remain erratic, with volatile SA port stack dates.

Destination ports continue to experience port congestion and resultant vessel berthing delays. Transport problems and container transfer delays continue to impact on these services.

All containers to be closely tracked and monitored.

Capacity for Africa exports from South Africa is constrained, with carriers advising that vessels calling SA ports, mainly from the Far East are at capacity and therefore export bookings from South Africa are not being released, as the vessels are over-committed. Our operations teams continue to liaise with carriers and will endeavour to maintain loading integrity where possible.

General rate increases have been announced by carriers and these will be reflected in September rate sheets.

## **EAST AFRICA**

There are severe carrier delays to the entire East African region; NB to note that carrier options for groupage cargo is limited and therefore our services are reliant on carrier schedules.

Port congestion and delays are evident on these services. Delays in vessel schedules has seen bookings being rolled over; our operations teams will plan to load on first available.

**Dar Es Salaam** service continues to see vessels omitting Dar Es Salaam and containers being transhipped in Mombasa. This trade remains congested and negative impacts the Mombasa and Maputo services as well.

**Mombasa** service continues to experience erratic vessel schedules.

**Maputo** service is severely constrained, with no capacity being released by carriers. At this stage, next available loading is only end of August.

## **WEST AFRICA**

**Nigeria** berthing and terminal delays remain critical. Carriers are over committed, with ONE advising capacity may only become available towards end of October or possibly only November. MSC capacity is also constrained, and indications of general rate increases being announced on this trade.

**Tema** direct service has seen carrier change and this has resulted in improved schedule integrity.

Thank you for your continued support and should you require any further information, please do not hesitate to contact us.

**CFR FREIGHT  
TRADE TEAM**

