

# COVID-19: Cargo movement update<sup>1</sup>

**Date: 1 October 2021**

## Weekly Snapshot

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

Flows	Current <sup>2</sup>			Previous <sup>3</sup>			Growth
	Import	Export	Total	Import	Export	Total	
Port Volumes (TEUs)	24 548	31 504	<b>56 053</b>	28 957	29 339	<b>58 296</b>	<b>↓4%</b>
Air Cargo (tons)	4 918	3 065	<b>7 983</b>	4 873	3 120	<b>7 993</b>	<b>↓0,1%</b>

## Monthly Snapshot

Figure 1 – Monthly<sup>4</sup> cargo capacity levels, year on year (100% = baseline)

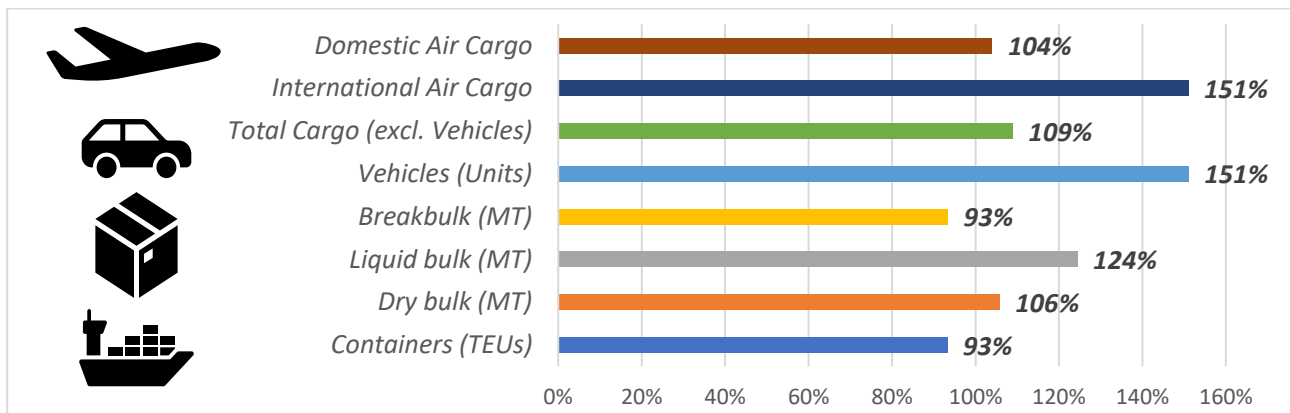


Figure 2 – International year-to-date flows 2019-2021<sup>5</sup>: ocean, y/y (metric tonnes) & air freight, y/y (kg millions)



## Key Notes

- An average of **~8 008 TEUs** was handled per day this week, **↓4%** from last week.
- TNPA released port statistics for August: container throughput is **↓7%** (y/y) and **↓18%** (m/m), other cargo is **↑9%** (y/y) and **↑43%** (m/m), while vehicles trade is **↑51%** (y/y) and **↑67%** (m/m).
- Both cross-border queue times (**↑0,3 hrs**) and transit times (**↑0,6 hrs**) increased (see [below](#)).
- Rail cargo handled out of Durban amounts to **3 068** containers, **↓12%** compared to last week.
- The "WCI" inched down this week, with freight rates **↓0,2%** (or **\$16**) to **\$10 361** per 40-ft.
- UNCTAD's "LSCI" shows Cape Town, Ngqura, and Gqeberha are all up in Q3 2021; Durban (**↓2%**).
- For international air cargo, cargo tonne-kilometres (CTKs) rose by **↑7,7%** versus August 2019.

<sup>1</sup> 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 58<sup>th</sup> update.

<sup>2</sup> 'Current' means the last 7 days' (a week's) worth of available data.

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

<sup>4</sup> 'Monthly' means the last full month's worth of available data compared to the same month in 2020. In all instances, Aug versus Aug.

<sup>5</sup> For ocean, total Jan-Jul cargo in metric tonnes, as reported by [Transnet](#) is used, while for air, Jan-Aug cargo to and from ORTIA is used.

## Executive Summary

This update – *the 58<sup>th</sup> of its kind* – contains a consolidated overview of the South African supply chain and the current state of international trade. On the pandemic, newly reported COVID-19 infections have once again shown a significant decrease, averaging around **1 513** per day (**↓43%** from last week's average of **2 667**). As a result, the country has again moved to an "*adjusted level 1*", with the third wave now something of the past. The number of cases recorded in the country now stands at **2,9 million**<sup>6</sup>, with the death toll at **87 626** (up by **971** – which is another relative reduction over the last couple of months). Globally, COVID-19 infections total more than **234 million**, with the death toll nearing **4,8 million** people. On the vaccination front, more than **6,3 billion** vaccine doses have now been administered worldwide<sup>7</sup>. For South Africa, this figure stands at **~17,5 million**, with a daily average of **~120 000** doses administered in the past seven days.

Operationally, the week was typified by several weather delays, some equipment shortages and breakdowns, and generally high stack occupancy levels putting pressure on operational fluidity between waterside and landside operations. In addition, the ongoing matter of equipment shortage and poor maintenance was discussed this week as TNPA tries to accelerate its procurement process. Fortunately, there appear to be positive advances (discussed [below](#)), which will be crucial if there is any move towards optimal performance.

On the rail cargo front, there was a slight decrease in rail cargo handled out of Durban and a large volume of PRETCON containers awaiting despatch. Fortunately, there has been a welcome reduction in the number of the forever plaguing incidents of cable theft this week. Despite this, as we have highlighted in previous editions, there is a critical need to increase rail cargo volumes, as various stakeholders call for increased rail liftings to take some pressure off the road transport sector. This emphasis is particularly relevant in the light of the various road infrastructure projects taking place on the N3 corridor, as explained by SANRAL in the Durban decongestion meeting on Friday.

Globally, the container market continues to be beleaguered by port congestion, equipment imbalances, and an overall shortage of operational capacity, caused mainly by the sustained high demand for consumer goods in the USA and Europe. The situation can be expected to deteriorate further as China enters its golden week holidays, which will decrease productivity even further. Congestion is indeed spilling over beyond the two major West Coast ports, with issues reported in other US ports this week. To summarise, the roundup of notable developments internationally revolves around **(1)** Chinese port congestion, **(2)** US West Coast port congestion, and **(3)** a continuation of the container industry expansion (see the detailed summary [below](#)).

International volumes have remained steady this week in the aviation sector, while domestic volumes have experienced a slight decline. Internationally, the recent narrative continues, as August was the fourth consecutive month of relative stability in air cargo. Other than the rise in CTks (**↑7,7%**), other monthly metrics include capacity falling by **↓1,6%**, with the international load factor now at **54,2%**. Amongst the key regional routes, Africa-Asia has been showing the fastest expansion, at **↑26,4%** compared to August 2019. Economic indicators remain strong for air cargo. However, the industry is desperate to see a return of passenger flights to boost capacity in a very tight market.

Finally, in concluding this edition, several global economic drivers remain in South Africa's favour. However, as is the case globally, the economic rebound will largely depend on the successful rollout of vaccines and a consequent reconnection to the global marketplace. As an open economy and gateway into Southern and Central Africa, South Africa's supply chains must function optimally. The restrictions in the primary modalities in ocean and air continue to have a detrimental effect on the smooth flow of goods and people.

<sup>6</sup> Johns Hopkins, Coronavirus Resource Centre. [Coronavirus JHU](#).

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