

COVID-19: Cargo movement update¹

Date: 15 October 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)	24 604	28 610	53 214	24 102	29 500	53 602	↓1%
Air Cargo (tons)	4 776	3 049	7 825	4 934	2 998	7 932	↓1%

Monthly Snapshot

Figure 1 – Monthly⁴ cargo capacity levels, year on year (100% = baseline)

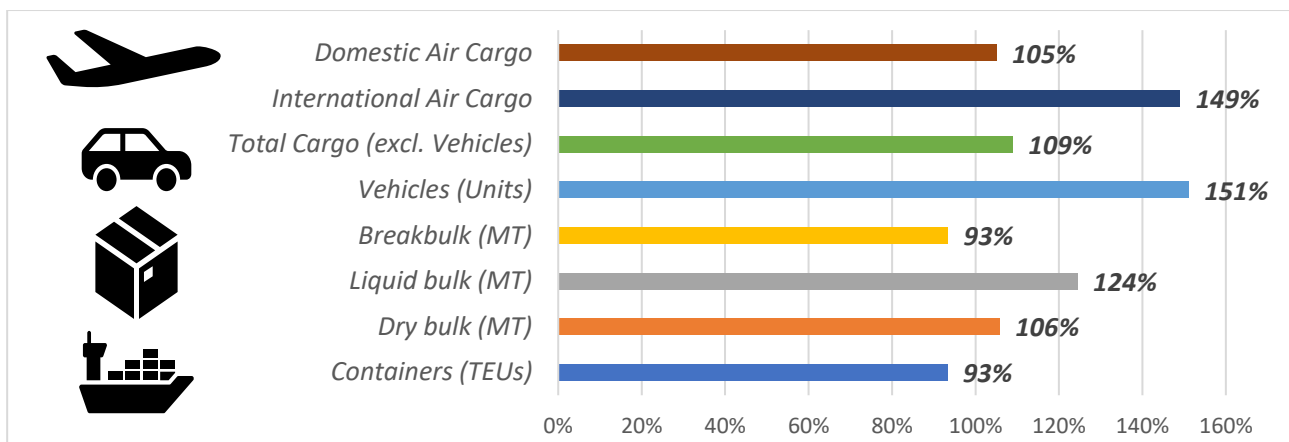


Figure 2 – Global year-to-date flows 2019-2021⁵: ocean, y/y (metric tonnes) & air freight, y/y (kg millions)



Key Notes

- An average of ~7 657 TEUs was handled per day this week, with ~7 602 TEUs projected for next week.
- This week, cross-border queue times are ↑4,1 hrs, with transit times ↓3,3 hrs (see [below](#)).
- Rail cargo handled out of Durban amounts to 3 456 containers, ↓1% compared to last week.
- The "WCI" decreased again this week, with freight rates ↓2,3% (or \$230) to \$9 900 per 40-ft.
- Global liner schedule reliability drops to an all-time low of 33,6% in August 2021.
- Strong air cargo yields and near-record load factors are keeping the airline industry financially afloat.
- The IMF predicts global output at ↑5.9% this year (↓0.1% from July's prediction), after the ↓3.1% contraction of 2020. South Africa is expected at ↑5,0% in 2021 (up from ↑4,0%), and ↑2,2% in 2022.

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 60th 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. Ocean: Aug versus Aug; Air: Sept versus Sept.

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

Executive Summary

This update – *the 60th 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 **724** per day (**↓28%** from last week's average of **1 012**). In total, the number of cases recorded in the country now stands at **2,91 million**⁶, with the death toll at **88 506** (up by **402**, which is another considerable drop from recent weeks). Globally, COVID-19 infections total more than **239 million**, with the death toll nearing **4,9 million** people. On the vaccination front, more than **6,61 billion** vaccine doses have now been administered worldwide⁷. For South Africa, this figure stands at **~19,83 million**, with a daily average of **~147 000** doses administered in the past seven days.

Globally, the IMF expressed concern that the global economic recovery has lost momentum and become increasingly divided, even as it stuck by its prediction for a robust rebound from the COVID-19 recession. In the latest "*World Economic Outlook*", the headline figure shows that global output is expected at **↑5.9%** worldwide this year, **↓0.1%** from what is anticipated in July and a bounce from the **↓3.1%** contraction of 2020. For South Africa, the message is somewhat better, as the IMF revised our GDP to grow upwards by **↑1%** despite July's insurrection. The projections show just how favourable the global economic indicators are, despite the ongoing humanitarian crisis.

Operationally, container port throughput levels remain relatively low, as has been the case in the last six weeks or so (see [Error! Reference source not found.](#)). In fact, on Thursday, the Port of Cape Town was empty of any ships at the major terminals. Equipment issues this week revolved around the lack of available mobile harbour cranes in Durban and Cape Town, with Durban also operating with a sub-optimal number of straddle carriers. Furthermore, the issue with a lack of tugs at our Eastern Cape ports also persists. Also, adverse weather resulted in minor delays across the country. On the rail cargo front, throughput remains steady, despite another derailment on the North-Coast line. Furthermore, productivity was slowed due to equipment failure and further incidents of cable theft.

Globally, the status quo of elevated rates, limited capacity, and port congestion remains, as uneven distribution of containers at major ports worldwide due to pandemic-related lockdowns and port suspensions persist. Indeed, the topic of equipment repositioning continues. For example, since the middle of last year, most shipping containers sent from Asia to North America and Europe have not been returned because of logistics disruptions and a lack of goods to stock them. In addition, the pent-up demand in the US remains, which, at elevated levels, keeps heaping pressure on the global system resulting in record-low schedule reliability and ongoing capacity constraints globally. Other notable developments internationally revolve around **(1)** an update on global port congestion, **(2)** global schedule reliability, and **(3)** European ports at near capacity (see the detailed summary [below](#)).

Concerning airfreight, South Africa's international – and domestic cargo volume is **↓1%** compared to last week. Internationally, the volumes are at **~83%** compared with the same period in 2019, with domestic volumes around similar levels to last year this time. Internationally, the airline industry is recovering gradually from COVID-19, being led by strong cargo growth (**~37%** of total revenue) amid elevated yields (**~\$3,40** per kilo) and near-record load factors. Unfortunately, the passenger market is still estimated to be only **~40%** of pre-crisis levels in 2021. As a result, although vaccines will allow some governments to relax restrictions further to support global travel, the industry is forecast to make net losses of **\$52 billion** this year, cutting these losses to **\$12 billion** in 2022.

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

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

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In conclusion, the welcome upward revision of the IMF continues to promote economic optimism despite the plethora of problems currently facing the country. Furthermore, with the third wave now truly behind us, there seems to be genuine hope that the upcoming summer holidays will be more festive than last year. However, we first need to successfully navigate the forthcoming election, which is set to pose some serious challenges. Nonetheless, as we have often shown throughout the reporting of our supply chain, South Africa remains as resilient as ever despite our many shortcomings.