

COVID-19: Cargo movement update¹

Date: 19 November 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)	24 119	33 478	57 597	21 468	31 495	52 963	↑9%
Air Cargo (tons)	4 723	3 118	7 841	5 266	3 291	8 557	↓8%

Monthly Snapshot

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

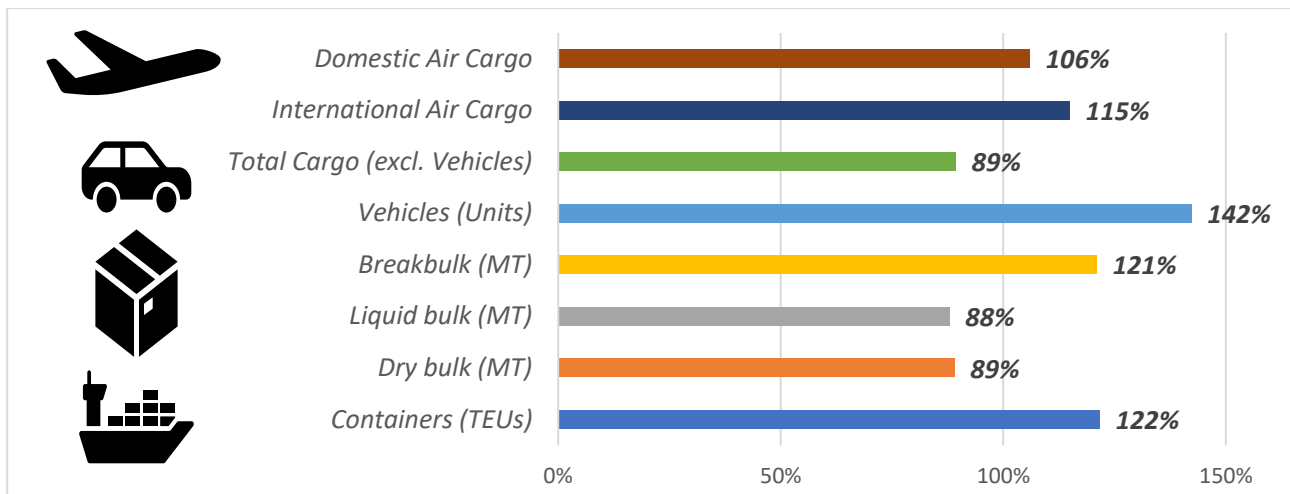


Figure 2 – Global year-to-date flows 2019-2021⁵: ocean, y/y (metric tonnes) & air freight, y/y (kg millions)



Key Notes

- An average of **~8 228 TEUs** was handled per day this week, with **~9 048 TEUs** projected for next week.
- Rail cargo handled out of Durban amounts to **3 770 containers**, **↑58%** compared to last week.
- The "WCI" fell for the fifth straight week, with spot freight rates **↓0,5%** (or **\$47**) to **\$9 146** per 40-ft.
- UNCTAD notes that maritime trade fell by **↓3,8%** in 2020 but is set to rebound to **↑4,3%** in 2021.
- Similarly, the WTO shows that merchandise fell by **↓5,3%** in 2020 but will rise by **↑10,8%** in 2021.
- For the 9th month, African air routes reported the fastest cargo growth, at **↑32,8%** versus 2019 levels.

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 65th 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. For Air: Oct versus Oct, for the rest of the metrics: Sept versus Sept.

⁵ For ocean, total Jan-Sept 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 65th of its kind* – contains a consolidated overview of the South African supply chain and the current state of international trade. There has been an alarming increase in this week's newly reported COVID-19 infections, averaging around **360** per day (**↑31%** from last week's average of **275**). In total, the number of cases recorded in the country now stands at **2,93 million**⁶, with the death toll at **89 555** (up by **103**). Globally, COVID-19 infections total more than **256 million**, with the death toll passing **5,35 million** this week. On the vaccination front, **7,62 billion** vaccine doses have now been administered worldwide⁷. For South Africa, this figure stands at **~24,4 million**, with a daily average of **~110 000** doses administered in the past week.

There has been a significant uptake in vessel movements at CTCT this past week, which is positive. In addition, the industry welcomes the fact that the long-awaited second mobile crane at Cape Town MPT is currently being commissioned. It is hoped that both MHCs will be operational when the next vessel is scheduled to berth on 24 November. Very strong winds and rainy weather posed serious challenges to the port of Durban and Richards Bay this past week. Both waterside and landside operations were affected, causing a spillover effect in volumes and productivity for the following week. Truckers have once again voiced their aggravation with the truck booking system at the Durban container terminal this past week. Furthermore, the ban on diving and angling activities has been lifted in most parts of Durban port except for the Marina area, following the serious sewage leak from the Mahatma Gandhi Sewage pump station a week ago.

In the global economy, the WTO notes that despite the strong rebound of international trade since the pandemic outbreak, COVID-19 highlights a paradox: globalisation has created a world that is both more vulnerable and more resilient to crises. On the one hand, economic integration makes us more dependent on far-flung trade networks and more exposed to cascading risks and shocks. But, on the other hand, economic integration also allows us to diversify suppliers, pool resources, and share information and expertise. As suggested above, it is estimated that merchandise trade will rise by **↑10,8%** in 2021. A further boon during the COVID-19 pandemic has been the growth of global e-commerce retail sales, which showed a **↑28%** growth from 2019, with forecasts indicating the trend to continue in 2021.

Furthermore, UNCTAD records that, as was widely experienced last year, global maritime trade contracted by **↓3,8%** in 2020, reflecting an initial shock, but it rebounded later in the year. As a result, the medium-term outlook for maritime trade remains positive but subject to "mounting risks and uncertainties", including supply chain bottlenecks, elevated freight rates, and significant price rises for consumers. Nevertheless, the industry is projected to increase by **↑4,3%** in 2021. Looking ahead, UNCTAD predicts that annual growth in maritime trade between 2022 and 2026 will slow to **↑2,4%**, compared to **↑2,9** over the past two decades.

In the rest of the ocean economy, the ongoing chronicle of elevated freight rates, capacity shortages, and port omissions and accompanying poor schedule reliability continues. The other significant developments include **(1)** Maersk and Grindrod merging South African container operations, **(2)** another update on global congestion, and **(3)** the dry bulk freight market following the containerised market, and is expected to remain high in 2022 (see the detailed summary [below](#)).

Both South Africa's international (**↓8%**) and domestic (**↓5%**) air cargo sectors registered some decreases in volume this week in the air segment. Nevertheless, 2021 y/t/d volumes remain relatively on par with the pre-pandemic levels of 2019. Operationally, the status quo remains, as further meetings were held between ACSA and the private sector. Several operational issues persist, notably the continued congestion at the cargo terminal entrance at ORTIA. Air cargo continues to reign supreme on the international aviation front, as African

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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routes reported the fastest CTK growth, at **↑32,8%** compared to pre-crisis 2019 levels. Other metrics, such as capacity, load factor, and passenger growth, have also improved in the latest regional analysis.

As we are nearing the end of the year, the holistic picture shows, number-wise, that we are getting close to the pre-pandemic levels of 2019. Nevertheless, as is evident in both the global and national views, a full return to 'normal' remains somewhat distant, as the economic recovery continues to be unevenly spread across countries and industries. Thus, all stakeholders need to continue with the work at hand for the South African supply chain since trade can continue to drive much-needed economic growth.