

COVID-19: Cargo movement update¹

Date: 25 March 2022

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 (containers)	18 525	19 990	38 515	19 370	19 887	39 257	↓2%
Air Cargo (tons)	4 820	2 987	7 806	4 569	2 792	7 360	↑6%

Monthly Snapshot

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

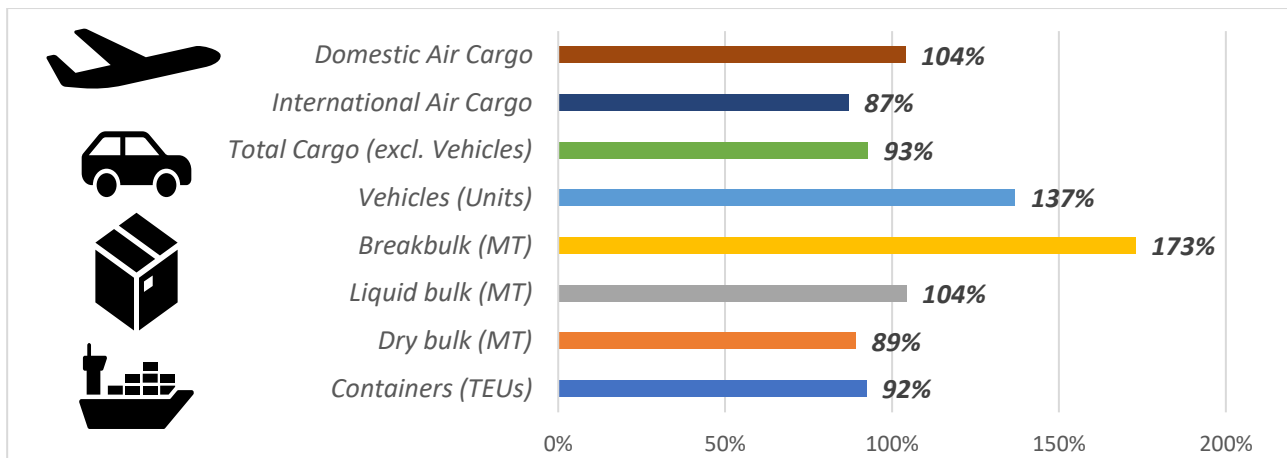
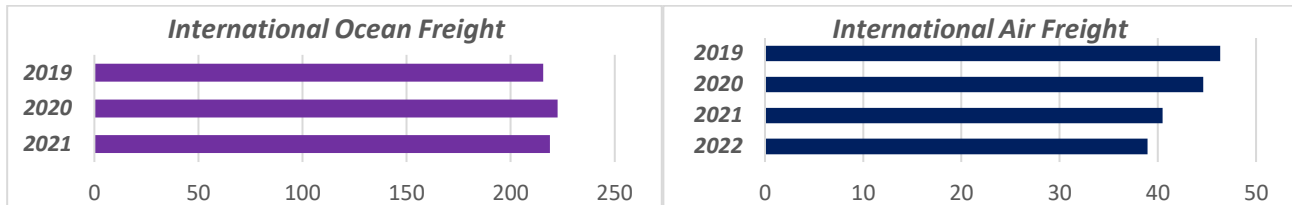


Figure 2 – Global year-to-date flows 2019-2022⁵: ocean, y/y (metric tonnes) & air freight, y/y (kg millions)



Key Notes

- An average of **~5 502 containers** was handled per day, with **~7 635** projected for next week.
- Rail cargo handled out of Durban amounted to **3 728** containers, **↑23%** compared to last week.
- Cross-border queue times is the same as last week (**~16,1 hours**), with transit times **↓0,2 hours**.
- The "WCI" fell again sharply this week, with spot freight rates **↓4,1%** (or **\$361**) to **\$8 471** per 40-ft.
- Global economic growth continues to be stymied by unexpectedly high inflation, soaring commodity prices, supply-chain disruptions, and tight labour markets as the Russia-Ukraine conflict continues.
- Africa continues to lead the way for airfreight, with CTKs rising from **↑4,5%** to **↑22,2%** (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 80th 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 the previous year. For Air, Feb versus Feb; for the rest: Dec versus Dec. This delay originates from the fact that Transnet National Ports Authority has not yet updated its website with the latest statistics.

⁵ For ocean, total Jan-Dec (2019-2021) cargo in metric tonnes, as reported by [Transnet](#) is used, while for air, Jan-Feb cargo to and from ORTIA is used.

Executive Summary

This update – *the 80th of its kind* – contains a consolidated overview of the South African supply chain and the current state of international trade. Newly reported COVID-19 infections continued to decrease and averaged approximately **1 246** per day (↓**13%** from last week's average of **1 430**). South Africa has recorded **3,71 million⁶** positive cases, with **99 932** recorded deaths (up by **103**). Although COVID-19 is not yet a thing of the past, positive cases (and positive rates, currently ~**5%**) and deaths have subsided in recent weeks. Globally, the case tally stands at **477 million** infected by COVID-19, with **6,11 million** deaths recorded. Around **11,14 billion** vaccine doses have been administered globally⁷, with the South African count at **33,11 million**.

Port operations in Cape Town were slowed down by adverse weather conditions, mainly strong winds stopping operations intermittently. As a result, CTCT was windbound periodically on Monday, Tuesday, and Wednesday. In addition, CTCT managed to bring one of the two cranes back into operation. On the other side of the coast, Durban experienced various challenges due to power outages and system-related issues on Wednesday. As a consequence, transporters were complaining about congestion at landside operations. In the Eastern Cape, the Ports of Gqeberha and Ngqura were experiencing extensive system related issues on Monday affecting throughput. A revised Transnet Port expansion plan was shared with the Executive Committee on Tuesday, including new plans to grow the Port of Durban to more than four times its current capacity. The report finally proposed that Transnet and the municipality work jointly to develop areas of common interest and resolve misalignments (see the detailed summary [below](#)).

The global shipping industry and Russia's invasion of Ukraine continue to impact international transport routes and infrastructure, especially on the Black Sea and the Sea of Azov. However, the most important story from the global container industry comes in another significant reduction in spot freight rates. The major determinants have been the continuation of a drop in demand, as poor reliability, increased fuel prices, and deep mistrust of shippers have spilt over into the spot prices. The changes come after a significant drop in the conclusion of longer-term contracts, as the industry is seemingly moderating. We wait with interest to see how global container throughput has been impacted, as most international metrics are due to be published next week. Additional significant developments include **(1)** Suez Canal fees set for another increase, and **(2)** US West Coast port congestion starts to ease (see the detailed summary [below](#)).

South Africa's international air cargo sector volumes increased marginally this week (**↑6%**), with domestic air cargo also up (**↑5%**). Internationally, IATA provided an update on the impact of the conflict between Russia and Ukraine on aviation. Both passenger and air cargo have been affected, although the effects remain regional for now. In 2021, Russia accounted for **2,5%** of dedicated cargo flights globally, which provides some perspective on the current situation.

In concluding the 80th edition, our attention goes to a recent article by Transnet Group CEO Portia Derby, in which she shared her thoughts on how Transnet plans could get "*back on track*", as she conceded that performance remains suboptimal on many parts of the extended network. However, Ms Derby provided some optimism in noting that Transnet (and partners) are working to improve reliability and volume throughput. Furthermore, complementing the opinions often shared in these reports, she noted that Transnet Port Terminals (TPT) is keenly attuned to the need to improve port operations and equipment maintenance. To this end, TPT is overhauling its operating model but does require the assistance of the shipping lines and logistics community for these interventions to reach their full potential. Nevertheless, from the private sector's point of view, there appears to be a clear commitment to collaborate and focus our attention on solving problems instead of complaining about the day-to-day operational issues.

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

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