



Date: 1 December 2023

Key Notes

- An average of **~8 410 containers** was handled per day, with **~8 706 containers** projected for next week.
- Rail cargo handled out of Durban amounted to **2 462** containers, up by **↑1%** from last week.
- SARS merchandise trade (October): exports **↓1,8%** (m/m), imports (**↑13,3%**); YTD surplus: **R28,8 billion**.
- Cross-border queue times were **↓0,7 hours** (w/w), with transit times **↑0,1 hours** (w/w); SA borders increased by **~3,2 hours**, averaging **~17,4 hours** (**↑23%**); Other SADC borders averaged **~6,7 hours** (**↑2%**).
- Global freight rates have stabilised by dropping a mere **↓0,1%** (or **\$2**) to **\$1 382** per 40-ft container.
- Global air data showed a **↓3%** decrease in tonnages and a **↑2%** increase in global average rates.

i. Port operations - General

- Persistent initiatives were undertaken to address the prevailing port backlog, albeit encountering significant operational impediments, notably adverse weather conditions, together with ongoing equipment breakdowns and shortages.
 - Waterside congestion remains a concern at the port of Durban, with a total of 25 container vessels waiting at anchorage on Friday.
 - At the same time, the Port of Cape Town's inefficiencies have resulted in several negative changes concerning the vessel lineup for the coming week.
 - Furthermore, minimal reports were received from TFR this week; however, the latest reports indicate that DCT Pier 2 had 97 over-border units on hand with a dwell time of 26 days and 149 ConCor units on hand on Friday, indicating that there were no positive news from this sector.

ii. Port operations – Performance metrics

- CTCT stack occupancy for GP containers was **33%**, reefers at **18%**, and empties at **53%**.
- CTCT handled **~1 926** (**↑32%**, w/w) containers a day, with a decreased average of **~1 299** projected this week.
- DCT Pier 1: Stack occupancy **67%** for GP containers. During the same period, **2 762 imports** were on hand, with **172 units** having **road stops** and **130 unassigned**.
 - The terminal recorded **1 105 gate moves** on the **landside**, with an undisclosed number of cancelled slots and **142 wasted**.
- DCT Pier 2: Stack occupancy was **59%** for GP containers.
- DCT Pier 1 handled **~1 652** (**↑29%**, w/w) containers a day, with a decreased average of **~1 575** projected this week.
- DCT Pier 2 handled **~2 865** (**↓11%**, w/w) containers a day, with an increased average of **~3 681** projected this week.
- Average TTT for DCT Pier 1 this week: **88 minutes** (**↓7%**, w/w), with a staging time of **70 minutes** (**↓42%**, w/w).
- Average TTT for DCT Pier 2 this week: **94 minutes** (**↓5%**, w/w), with a staging time of **178 minutes** (**↑2%**, w/w).
- In the last week (*25 November to 1 December*), rail cargo handled out of Durban was reported at **2 462** containers, up **↑1%** from the previous week's **2 429** containers.

**iii. SARS Merchandise Trade Stats**

- SARS released its latest "Merchandise Trade Statistics" for October¹, with the headline showing a preliminary monthly trade deficit of **R12,7 billion**.
 - Monthly trade shows that exports decreased from September by **↓1,8%** (m/m), while imports increased by **↑13,3%** (m/m).
 - The YTD figures show a slight trade surplus of **R28,8 billion** but significantly deteriorated from the **R180,8 billion** positive trade balance recorded in 2022.
 - Annually, export flows for October 2023, at **R165,6 billion**, were **↑2,9%** (y/y) higher compared to October 2022, whilst import flows were **↑2,9%** higher compared to 2022, having increased to **R183 billion** in the current period.

iv. Local and cross-border road:

- The median border crossing times at South African borders increased by **more than three hours**, averaging **~17,4 hours (↑23%, w/w)** for the week. In contrast, the greater SADC region (excluding South African controlled) was essentially **unchanged** and averaged **~6,7 hours (↑2%, w/w)**.
- In the past week, there have been notable changes in border crossing times at various points, reflecting both improvements and challenges. Some significant changes include:
 - Skilpadshek Northbound: Queue times increased sharply from 3,4 hours to 9,4 hours.
 - Tlokweg Northbound: Queue times decreased significantly from 4,1 hours to 43 minutes.
 - Kazungula Southbound: Queue times increased from 1,5 hours to 3,3 hours.
 - Mutukula Southbound: Average crossing times increased from 3,2 hours to 5,5 hours.
 - Kasumbalesa: Average crossing times for Southbound increased from 6,2 to 24 hours, while Northbound decreased from 46 hours to 28 hours.
 - Nakonde Southbound: Crossing times decreased from 13,4 hours to 7 hours.
 - Noordoewer: Maximum crossing times in both directions increased, with Eastbound rising from 11,1 hours to 14,4 hours and Westbound increasing from 11 hours to 17,35 hours.
 - Katima Mulilo: Westbound minimum crossing times increased from 0 to 10,4 hours. Eastbound average crossing times decreased from 26 hours to 7,46 hours, while Westbound average time increased from 0 to 52 hours. Eastbound maximum times decreased from 110 hours to 43 hours, but Westbound maximum times increased from 0 to 94 hours.
 - Groblersbrug Northbound: Minimum crossing times increased from 2,4 hours to 17,2 hours.
- Additionally, there have been reported challenges, such as health officers at Kafue insisting on seeing the original importer's permit on 20 November, a requirement that was previously not in place.
- In summary, cross-border queue time averaged **~4,5 hours** (down by **~0,7 hours** from the previous week's **~5,2 hours**), indirectly costing the transport industry an estimated **\$5,2 million (R97 million)**. Furthermore, the week's average cross-border transit times hovered around **~7,7 hours** (up by **~0,1 hours** from the **~7,6 hours** recorded in the previous report), at an indirect cost to the transport industry of **\$5,5 million (R102 million)**. As a result, the total indirect cost for the week amounts to an estimated **~\$10,6 million (~R199 million, down by ~R62 million or ↓23,6% from ~R261 million in the previous report)**.

¹ SARS. 30/11/2023. [Trade Statistics: October 2023](#).



v. International trade update

- The latest quarterly WTO Goods Trade Barometer issued on 27 November indicates that the volume of global merchandise trade is recovering after its recent slump, with automobile sales and production and electronic components trade driving the recovery².
- In the second quarter of 2023, global merchandise trade volume remained stagnant, showing a slight increase of **↑0,2%** compared to the previous quarter but a **↓0,5%** decrease y/y.

vi. Global shipping industry

- The latest analysis from Alphaliner shows how carriers expanded their fleets regionally during the COVID-19 pandemic, with the most significant changes occurring in Latin America and Africa trade areas.
 - Alphaliner figures show a **↓4,5%** y/y capacity reduction on the Transpacific and an impressive capacity increase for services to/from Latin America (**↑17,5%**) and Africa (**↑21,1%**).
 - Almost **243 000 TEU** slots have been removed from the Asia - North America trades since Nov 2022, reducing the share of this route in terms of global fleet deployment from **20,9%** to **18,5%**, with a further reduction expected as THE Alliance has temporarily closed the 'EC4' loop.
- Elsewhere, global port congestion is currently at around **1,77 million TEU** (~**6,3%** of the global fleet), which is slightly up from last week. There are **187 082 TEU** currently idle, with an additional 34 ships added to the global fleet (some **158 038 TEU**) in the last month.
- Despite the ones mentioned above, there are no further new blank sailings announced (Drewry's "Cancelled Sailings Tracker" is stable and is still trending at a **9% cancellation rate**³).
- This week, average global spot rates were stable, as the "World Container Index" dropped a mere **↓0,1%** (or **\$2**) to **\$1 382** per 40-ft container⁴.
- For charter rates, the Harper Petersen Index (*Harpex*) is currently trending at **833 points**, down by **↓0,1%** (w/w) and **↓38%** (y/y)⁵.
- Incidentally, Maersk is preparing for an early termination of its 2M partnership with MSC by reinforcing its fleet, most recently fixing two **13 100 TEU** charters⁶.

vii. Local air industry

- The daily average volume of air cargo handled at ORTIA the previous week amounted to **509 884 kg** inbound (**↓3%**, w/w) and **278 392 kg** outbound (**↓19%**), resulting in an average of **788 277 kg per day**.
 - After several stellar weeks, these levels have slightly dropped versus last year's cargo volumes (~**93%**) but also the pre-pandemic levels of November 2019 (~**97%**).

viii. International air industry

- Worldwide air cargo demand patterns have continued to broadly follow last year's seasonal trend into the final full week of November, including a significant dip in outbound tonnages from North America linked to last week's Thanksgiving celebrations in the USA, according to the latest weekly figures from World ACD Market Data.
 - Preliminary figures for week 47 show a **↓3%** decrease in tonnages and a **↑2%** increase in global average rates compared with the previous week.

² WTO. 27/11/2023. [Goods barometer shows trade volumes returning to trend amid high uncertainty](#).

³ Drewry. 01/12/2023. [Cancelled Sailings Tracker - 1 December](#).

⁴ Drewry. 29/11/2023. [World Container Index](#).

⁵ Harper Petersen Index. 01/12/2023. [HARPER PETERSEN Charter Rates Index](#).

⁶ Wackett, M. 30/11/2023. [Maersk sails into the charter market as it prepares for independence](#).



- Tonnages have followed a similar pattern as they did this time last year, although the w/w decrease in week 47 last year was significantly more marked (↓8%).
- Global average rates are currently ↓21% lower than last year but remain ↑42% higher than pre-pandemic levels in November 2019, averaging **\$2,59/kg** kilo in week 47.