



Date: 9 February 2024

Key Notes

- An average of **~8 724 containers** was handled per day, with **~8 818 containers** projected for next week.
- Rail cargo handled out of Durban amounted to **2 092** containers, down **↓14%** from last week.
- Cross-border queue times were **↑1,1 hours** (w/w), with transit times **↓0,5 hours** (w/w); SA borders decreased by **~0,3 hours**, averaging **~10,6 hours** (↓3%); Other SADC borders averaged **~5,9 hours** (↓6%).
- Global container volume (dry & reefer) is up by **↑3,3%** (m/m) & **↑7,2%** (y/y), but only up by **↑0,3%** YTD.
- Global freight rates have again decreased this week – by **↓1,0%**, or **\$38 to \$3 786** per 40-ft container.
- International air cargo figures reflect a **↑15%** increase in tonnages compared to January 2023.

i. Port operations - General

- Despite some commendable performance by TPT, port operations this week were still constrained by challenges relating to adverse weather conditions, equipment breakdowns and ongoing shortages, as well as union engagements.
 - Dense fog and union engagements were the most prominent operational constraints in Cape Town.
 - At the same time, the Morning Celesta was delayed in Durban for approximately 12 hours due to occupied and unavailable marine resources.
 - TNPA in Richards Bay has announced FFS Tank Terminal (Pty) Ltd as the preferred bidder to develop and operate a liquid bulk terminal specialising in bunker fuels at the port.

ii. Port operations – Performance metrics

- CTCT stack occupancy for GP containers was **32%**, reefers at a high of **73%**, and empties at **28%**.
- CTCT handled **~2 128** (↑49%, w/w) containers a day, with approximately the same average of **~2 129** projected this week.
- DCT Pier 1: Stack occupancy is **48%** for GP containers.
 - **2 263** imports on hand, with **255** having road stops and **247** being unassigned
- DCT Pier 2: Stack occupancy was **48% for GP containers** and undisclosed for reefers.
 - The terminal operated with **11 gangs**.
 - Towards the end of the week, the terminal had about 54 straddles in operation.
- DCT Pier 1 handled **~1 199** (↓11%, w/w) containers a day, with an increased average of **~1 402** projected this week.
- DCT Pier 2 handled **~3 019** (↑6%, w/w) containers a day, with an increased average of **~3 387** projected this week.
- Average TTT for DCT Pier 1 this week: **112 minutes** (↑24%, w/w), with a staging time of **103 minutes** (↑75%, w/w).
- Average TTT for DCT Pier 2 this week: **96 minutes** (↓7%, w/w), with a staging time of **211 minutes** (↑51%, w/w).
- In the last week (3 to 9 February), rail cargo handled out of Durban was reported at **2 092** containers, down by **↓14%** from the previous week's **2 441** containers.

**iii. Local and cross-border road:**

- The median border crossing times at South African borders decreased by **around 20 minutes**, averaging **~10,6 hours (↓3%, w/w)** for the week. In contrast, the greater SADC region (excluding South African controlled) decreased by **nearly half an hour** and averaged **~5,9 hours (↓6%, w/w)**.
- EDI delays were experienced on the SARS platform on Monday; technicians were able to isolate the issue later that day, but that required a complete restart. SARS made upgrades during the week, which appear to be running smoothly.
- Last week, reports of unrest in Tenke led to villagers halting mining operations after a fatal accident.
 - Drivers faced hostility, prompting a directive for transporters to steer clear of the area. FESARTA is coordinating with DRC authorities
 - As of Sunday, the situation in Tenke seems to have calmed.
- Last week, Friday (2 February), Korridor notified that changes to specific payment systems offline have hindered the availability of physical currency at Chirundu, Kazungula, and Kasumbalesa.
 - Updates on the situation will be provided promptly as they become available.
- The Likasi bypass in southeastern DRC was reopened at a fee of \$80.
- In summary, cross-border queue time averaged **~3,4 hours** (up by **~1,1 hours** from the previous week's **~2,3 hours**), indirectly costing the transport industry an estimated **\$3,9 million (R73 million)**. Furthermore, the week's average cross-border transit times hovered around **~6,3 hours** (down by **~0,5 hours** from the **~6,8 hours** recorded in the previous report), at an indirect cost to the transport industry of **~\$4,1 million (R78 million)**. As a result, the total indirect cost for the week amounts to an estimated **~\$8 million (R152 million)**, up by **~R10 million** or **↑6,5%** from **~R142 million** in the previous report).

iv. Global shipping industry

- The latest container throughput figures for December from Container Trade Statistics (CTS) – an online statistics portal measuring global containerised trade – show that container volume has increased by **↑3,3%** (m/m) after global volume decreased in November (by a revised **↓2,6%**). Annual figures indicate that throughput is up by a considerable **↑7,2%** (y/y) versus December 2023.
 - However, for the entire year, 2023 volumes were very similar to 2022 levels (up by a mere **↑0,3%**), reaffirming the subdued nature of global trade in general and the global containerised industry in particular in 2023.
 - Concerning freight rates, the price index (reefer and dry) finally picked up in December (**↑2,9%**, m/m) after 17 consecutive months of declines.
 - Nevertheless, compared to this time last year, rates are still down by a considerable **↓41,3%** (y/y) versus a year ago.
 - Geographically, all seven regions registered slight increases in both imports and exports (ranging from **↑0,4%** to **↑12,6%**), with the exception of the Far East (which was approximately the same as in November).
 - Europe registered the most significant increase in imports at **↑11,3%**, whereas South and Central America registered the most significant increase in exports at **↑12,6%**.
- As with the overall trade, yearly SSA trade shows that imports continue to grow substantially (**↑10,0%**, y/y), while exports are also significantly up versus December 2022 (by **↑15,6%**).
 - However, the glaring issue is that's portion of regional trade is steadily dropping, consequently diminishing our role as the leading maritime entry point to Africa.
 - South Africa accounted for **22%** of SSA imports and **55%** of SSA exports in December when measuring these versus TNPA figures.



- These respective shares are significantly less than the highs of **35%** in February 2022 for imports and **82%** in September 2022 for exports – coincidentally, right before the October union strikes.
- Global port congestion remains stable this week and is currently affecting **~5,3%** of the total fleet, as both Durban and Cape Town remain on the first page of the “*Port Congestion Watch*” – albeit both with queue-to-berth ratios of **less than one**¹, which is a far cry from the height of the congestion and backlog around October/November of last year.
- The “*Cancelled Sailings Tracker*” has also remained elevated, currently trending at around **15%**².
- Despite wide-ranging capacity numbers quoted throughout the crisis, *Sea Intelligence* this week showed that the actual figure is not as significant as some sources say when investigating the cumulative change in capacity from mid-December to the present for the four main trade routes³:
 - Notably, the Transpacific trade experienced the most significant contraction, with the Asia-North America East Coast down by **↓7,5%** and the West Coast by **↓6,9%**.
 - Meanwhile the Asia-North Europe trade decreased by **↓4,9%**, and the Asia-Mediterranean by only **↓1,4%**.
- A milestone in terms of new capacity was reached with the introduction to the service of the Ane Maersk – the world’s first methanol-powered main-line container carrier.
 - Tuesday, 6 February 2024, will be remembered as a historical day in container shipping as the **16 592 TEU vessel** started her maiden voyage in Ningbo.
- Continuing from last week’s decrease, global container rates dropped again, as the “*World Container Index*” is down by **↓1,0%** (or **\$38**) to **\$3 786** per 40-ft container⁴.
 - The composite index remains up by **↑90%** higher compared to the same week last year and **↑167%** higher than the average 2019 pre-pandemic rates of **\$1 420**. Drewry expects rates to remain stable next week due to the CNY holidays.
 - Charter rates continue to rapidly catch up, as the Harper Petersen Index (*Harpex*) is currently trending at **1 097 points**, up by **↑3,4%** (w/w) and getting closer to 2023 levels (**↓1%**)⁵.

v. International air industry – South Africa

- The daily average volume of air cargo handled at ORTIA the previous week amounted to **426 352 kg** inbound (**↑9%**, w/w) and **231 037 kg** outbound (**↓10%**), resulting in an average of **657 389 kg per day**.
 - The industry remains slightly down on historical levels (in fact, both inbound and outbound cargo are **↓9%** versus January 2023).
 - Moreover, the levels remain down on the pre-pandemic levels of February 2020 (**~74%**).
- The average domestic air cargo moved last week was **~57 284 kg** per day, up by **↑4%** compared to the previous week and remains slightly down compared to last year's level (**~96%**).
 - However, the level is currently trending only at **~54%** compared with the same period pre-pandemic in 2019.

vi. International air industry

- In the high-frequency data, air cargo rates from China have surged in the final whole week ahead of the Lunar New Year (LNY) on 10 February, according to the latest figures from World ACD Market Data, as

¹ Linerlytica. 07/02/2024. [Port Congestion Watch](#).

² Drewry. 09/02/2024. [Cancelled Sailings Tracker](#).

³ Murphy, A. 08/02/2024. [Red Sea: Only modest capacity change](#).

⁴ Drewry. 08/02/2024. [World Container Index](#).

⁵ Harper Petersen Index. 09/02/2024. [HARPER PETERSEN Charter Rates Index](#).



shippers rush to get goods shipped before the holiday period (overall rates are currently trending at **\$2,35 per kg**).

- Fresh analysis this week by World ACD reveals that rates for air cargo shipments from China to North America rose by **↑14%** (w/w) in week 5 (29 January to 4 February).
- However, rates are still well below their level in early December. Similarly, China to Europe rates rose by **↑8%**, although rates on this lane are also still well below their fourth-quarter peak levels in early December.