



Date: 18 October 2024

Key Notes

- An average of **~7 051 containers** was handled per day, with **~8 115 containers** projected for next week.
- TNPA stats for September: containers are up by **↑15%** (m/m), **↑20%** (y/y) and **↑9%** versus 2019. Bulk volumes are also up by **↑15%** (m/m) and **↑14%** (y/y). Vehicles are slightly down (**↓5%**, m/m and **↓3%**, y/y).
- Rail cargo handled out of Durban was reported at **2 574** containers, down **↓3%** from last week.
- Cross-border queue: **↑1,8 hrs**; transit: **↑1,5 hrs**; SA borders: **16,3 hrs (↑50%)**; SADC: **5,3 hrs (↑23%)**.
- Global air cargo volumes rose by **↑2%** (w/w), with notable gains in Africa (**↑4%**) and Asia Pacific (**↑6%**).

i. Port operations - General

- Operationally, an average of **7 051 containers** was handled per day, down compared to the **8 396 containers** last week.
 - Port operations were mainly constrained by adverse weather conditions, congestion, equipment breakdowns and shortages.
 - Adverse weather conditions represented the main operational constraint in Cape Town this week, while persisting equipment breakdowns, congestion, and inclement weather ensured operational delays in Durban.
 - Strong winds, high swells, and a vacant berth hampered optimal port performance at our Eastern Cape Ports, while minimal delays were reported at the Port of Richards Bay.
 - This week, Transnet conducted a network upgrade at the three main data centres nationally, which it utilises for its wide area network connectivity.
 - Additionally, minimal reports were received from TFR this week.

ii. TNPA Update: September

- TNPA has released consolidated port statistics for September¹, with a second consecutive improved return for the respective sub-sectors after some decent throughput numbers posted in August.
- Containers increased by a substantial **↑15%** (m/m), with strong increases from Cape Town (**↑41%**), Durban (**↑10%**), and Ngqura (**↑22%**).
- In the bulk sectors (up overall by **↑15%**), dry bulk increased substantially this month (**↑16%**).
 - It was the highest level recorder since December last year, as liquid bulk was similar to August and breakbulk significantly up (**↑67%**).
- Vehicles remained high (but down by **↓5%**).

iii. Port operations – Performance metrics

- CTCT stack occupancy for **GP containers** was recorded at **38%**, **reefers** at **16%**, and **empties** at **26%**.
 - Additionally, the terminal operated with **eight STS cranes**, **25 RTGs**, and **53 hauliers** towards the end of the week.
 - At midday on Friday, there was **one container** vessel at inner anchorage in Cape Town.
- CTCT handled a much reduced **~1 299 (↓75%, w/w)** containers a day. An increased average of **~1 397** is projected this week.
- DCT Pier 1: Stack occupancy was **56%** for **GP containers**.
 - The terminal had **five STS cranes** and an **14 RTGs** for most of the week.
 - Strong winds impacted operations at the terminal significantly this week.

¹ Transnet. 2024. [Port statistics](#).



- DCT Pier 1 handled **~1 411 (↑1%, w/w)** containers a day, with a slightly increased average of **~1 658** projected this week.
 - Average TTT for DCT Pier 1 this week: **93 minutes (↑2%, w/w)**, with staging time also increasing – to **95 minutes (↑61%, w/w)**.
 - The terminal had **five STS** cranes and **14 RTGs** in service at the start of the week.
- DCT Pier 2: Stack occupancy was at **45% for GP containers**.
 - The terminal operated with **ten gangs** on the waterside.
 - The number of available straddle carriers fluctuated widely between **46 and 49** this week.
- DCT Pier 2 handled a decreased average of **~2 677 (↓15%, w/w)** containers a day, with an increased average of **~2 915** projected this week.
 - Average TTT for DCT Pier 2 increased this week: **102 minutes (↑24%, w/w)**, with staging time ballooning to **174 minutes (↑71%, w/w)**.
- At midday on Friday, **four** vessels were waiting for Pier 2, **four** for Pier 1, and **one** for Point terminal, with a current estimation of **at least seven additional days added to the schedules** (similar to last week).
- The Richards Bay Coal Terminal handled an average of around **169 225 tons (↑17%, w/w)** for the week.
- In the last week (*12 to 18 October*), rail cargo handled out of Durban was reported at **2 574** containers, down by **↓3%** from the previous week's **2 666** containers.
- This week, Transnet conducted a network upgrade at the three main data centres nationally, which Transnet uses for its wide-area network connectivity.
- The upgrade took place on 17 October from 18:00 to 23:59 and caused some connectivity disruptions to TPT operational systems, including Navis and GCOS.

iv. Local and cross-border road:

- The median border crossing times at South African borders increased by **more than five hours**, averaging **16,3 hrs (↑50%, w/w)** for the week.
- In contrast, the greater SADC region (excluding South African controlled) increased by around **an hour** and averaged **~5,3 hrs (↑23%, w/w)**.
- **Biometric Identification System:**
 - The controversial Biometric identification system that caused significant delays last week has now been removed.
 - However, transporters are still reporting clearance times of 2-3 days at Groblersbrug.
 - Some drivers are parking their trucks before the border and completing immigration on foot due to vehicles advancing just a few hundred meters per day.
 - Additionally, there are still cleared vehicles queued up. Border officials have attributed these delays to transporters and agents presenting uncleared documentation
- **Weighing of Northbound Trucks at Beitbridge:**
 - On Sunday, all northbound trucks at the Zim side of Beitbridge were being weighed. This process only received attention after complaints were lodged, leading to the rerouting of a Zimra officer to address the issue.
- **Parking Fee Complaints at Likasi By-pass:**
 - There were multiple complaints about parking fees being charged to drivers at the Likasi by-pass, even when they were passing through.
 - Frustrated drivers blocked the road in protest



- In summary, cross-border queue time averaged **~6,8 hours** (up by **~1,8 hours** from the previous week's **~5,1 hours**), indirectly costing the transport industry an estimated **\$7 million (R124 million)**. Furthermore, the week's average cross-border transit times hovered around **~6,5 hours** (up by **~1,5 hours** from the **~5,0 hours** recorded in the previous report), at an indirect cost to the transport industry of **\$5,5 million (R96 million)**. As a result, the total indirect cost for the week amounts to an estimated **~\$12,5 million (R220 million)**, up by **~R59 million** or **↑36,7%** from **~R161 million** in the previous report.

v. Global shipping industry

- Demand for additional tonnage shows no signs of cooling down, with carriers snapping up all tonnage coming open on the charter market in the next two months.²
 - The idle fleet remains unusually low at this time of the year, while scrap sales for the full year remains well short of **100 000 TEU** as carriers set the stage for a fresh battle for market share ahead of the 2025 alliance reshuffling.³
- However, carriers have failed to adjust Asia-North Europe capacity to match the reduction in cargo demand with scheduled capacity from Asia expected to rebound by over **↑25%** in the coming weeks.
- Apart from selective void sailings, none of the carriers on the Asia-Europe route are planning any winter capacity reductions.
 - This would jeopardise their efforts to arrest the decline in freight rates despite plans to hike rates by **\$1 000 to 2 000** per FEU on 1 November after the SCFIS have already slipped by **↓62%** since July.
- Global congestion has cooled and accounts for around **2,18 million TEU**, which is around **7% of the global fleet**.
 - In South Africa, port congestion at the Port of Durban continues to see-saw but decreased this week, with some **20 000 TEU** currently outside anchorage.
 - As such, the queue-to-berth ratio at Durban was **0,61**.⁴
- Lastly, Alphaliner this week showed that LNG orders have significantly surpassed methanol in 2024, reflecting concerns over green methanol's availability.⁵
 - Methanol-powered ships represent only **21%** of new capacity, down from **51%** in 2023.
- Freight rates have continued their decline⁶ with the slack season now in full swing.⁶
 - This week, Drewry's "*World Container Index*" recorded another similar drop this week. Half of the major East-West routes had declines, with the other half staying put.
 - The composite index is down by **↓4,0%** (or **\$133**), trading at **\$3 216 per 40-ft container**.⁷
 - Meanwhile, charter rates saw an unexpected rally this week, as the *Harper Petersen Index* (Harpex) traded around **1 966 points** (**↑1,5%**, w/w) on Friday.
- Other developments included **(1)** Panama Canal transits were down by **↓29%** and **(2)** DP World buys **47 000 TEU of containers**.

vi. International air industry – South Africa

- The daily average of air cargo handled at ORTIA in the previous week amounted to **598 169 kg** inbound (**↑12%**, w/w) and **438 655 kg** outbound (**↑2%**), resulting in an average of **1 036 824 kg**.

² Linerlytica. 18/10/2024. [Market Pulse – Week 42](#).

³ Li, M. 15/10/2024. [Carriers battle for market share as demand falls and alliance shuffle looms](#).

⁴ Linerlytica. 18/10/2024. [Port Congestion Watch](#).

⁵ Alphaliner. 16/10/2024. [LNG orders significantly overshadow methanol in 2024](#).

⁶ Linerlytica. 18/10/2024. [Market Pulse – Week 42](#).

⁷ Drewry. 17/10/2024. [World Container Index](#).



- After last week's drop- in air cargo volumes, this week's increase again sees the average cargo handled again slightly above the figures registered last year (**↑10%** versus October 2023) and above pre-pandemic (**↑10%** versus October 2019).

vii. International air industry

- World ACD's weekly air cargo trends for week 41 show that global air cargo tonnages have only partially rebounded after China's Golden Week holiday.
 - Air cargo volumes rose by **↑2%** (w/w), with notable gains in Africa (**↑4%**) and Asia Pacific (**↑6%**).
 - Notably, China-USA traffic remains weak, with only a **↑1%** (w/w) increase following a **↓20%** drop in week 40, significantly below last year's recovery levels.
- On the pricing front, average worldwide rates held steady at **\$2,58 per kilogram**, **↑12%** above last year's levels (and hitting peaks in some regions⁸), while spot rates from China to the USA increased by **↑8%** (w/w) to **\$5,28/kg**.
- The China-Europe market saw a modest **↑5%** recovery in tonnages, while Hong Kong-Europe tonnages remained robust, up **↑26%** (y/y).
- In other air cargo developments, according to IATA's "*Chart of the Week*", Africa faces the highest average into-wing jet fuel prices globally, mainly due to limited supply competition, government or monopoly control over pricing, and logistical challenges.
- Finally, e-commerce platforms, especially Chinese ones like Temu and Shein, are adapting to tighter US regulations on de minimis shipments by shifting towards domestic US models, such as requiring third-party sellers to store products locally to avoid scrutiny.

⁸ Lennane, A. 18/10/2024. [Air cargo spot rates hit 2024 peak, while Vietnam becomes a hotspot.](#)