



Date: 10 November 2024

Key Notes

- An average of **~10 177 TEUs** was handled per day, with **~11 302 TEUs** projected for next week.
- Rail cargo handled out of Durban was reported at **3 276** containers, up **↑1%** from last week.
- Cross-border queue: **↓1,7 hrs**; transit: **↓1,4 hrs**; SA borders: **9,1 hrs (↓35%)**; SADC: **3,5 hrs (↓22%)**.

i. Port operations - General

- In our container terminals, an average of **10 177 TEUs** was handled per day, down from **11 046 TEUs** last week.
- Port operations were mainly construed by inclement weather, vacant berths, equipment breakdowns and shortages.
 - Adverse weather presented some operational difficulties in Cape Town this week, as equipment breakdowns and rainy weather ensured operational delays in Durban.
 - A vacant berth accompanied by strong winds and high swells was the primary source of delays in the Eastern Cape, while several vessels were delayed in Richards Bay due to inclement weather.
 - This week, TNPA issued an RFI for a pilot project to utilise greener fuels for its selected diesel-powered tugboat fleet.
 - Additionally, at the start of the week, the ConCor line was occupied between 06:00 and 18:00 on Monday for monthly maintenance operations.
 - The latest reports suggest that there has yet to be an indication about refurbishing the collapsed bridge on the South Coast rail line.

ii. Port operations – Performance metrics

- CTCT stack occupancy for **GP containers** was recorded at **31%**, **reefers** at **11%**, and **empties** at **35%**.
 - Additionally, the terminal operated with **six STS cranes**, **22 RTGs**, and **56 hauliers** towards the end of the week.
- CTCT handled another very low average of **~1 243 TEUs (↓16%, w/w)** containers a day. A much improved average of **~2 317 (↑56%)** is projected this week.
- DCT Pier 1: Stack occupancy was **59%** for **GP containers**.
 - The terminal operated with **five STS cranes** for most of the week and had **13 RTGs** in service towards the end of the week.
 - Additionally, STS crane QC1 experienced some challenges towards the end of the week.
- DCT Pier 1 handled **~1 873 TEUs (↑3%, w/w)** containers a day, with a slightly decreased average of **~1 645 TEUs (↓12%)** projected this week.
 - Average TTT for DCT Pier 1 this week: **average TTT of ~97 minutes (↑4%, w/w)** and an **average staging time of ~66 minutes (↑14%)**.
- DCT Pier 2: Stack occupancy was at **47%** for **GP containers**.
 - The terminal operated with **nine and ten gangs**.
 - The number of available straddle carriers fluctuated between **39** and **50** out of a fleet complement of **88** this week.
 - Thus, the availability figure sat roughly at **51%** during this period.
- DCT Pier 2 handled a decreased average of **~3 903 TEUs (↓16%, w/w)** containers a day, with an increased average of **~4 507 TEUs (↑15%)** projected this week.



- Average TTT for DCT Pier 2 increased this week: **87 minutes** (↓22%, w/w) and a **staging time of ~96 minutes** (↓36%) for the week.
 - At midday on Friday, **five** vessels were waiting for Pier 2, **five** for Pier 1, and **none** for Point terminal, with a current estimation of **at least four additional days added to the schedules** (stable from last week)
 - South Africa's other container terminals produced the following results for the week:
 - Ngqura Container Terminal handled an increased average of **~2 286 TEUs** (↑49%, w/w) containers a day, with a decreased average of **~1 645 TEUs** (↓24%) projected this week.
 - Port Elizabeth Container Terminal handled a decreased average of **~233 TEUs** (↓29%, w/w) containers a day, with an increased average of **~281 TEUs** (↑20%) projected this week.
 - Other terminals handled a combined average of **~639 TEUs** (↓47%, w/w), with a similar of **640 TEUs** (↓123%) projected this week.
 - The Richards Bay Coal Terminal handled a low average of around **157 900 tons** (↑42%, w/w) for the week.
 - In the last week (*4 to 10 November*), rail cargo handled out of Durban was reported at **3 276** containers, up by **↑1%** from the previous week's **2 818** containers.
- iii. Local and cross-border road:**
- The median border crossing times at South African borders decreased by a considerable **five hours**, averaging **9,1 hrs** (↓35%, w/w) for the week.
 - In contrast, the greater SADC region (excluding South African controlled) also decreased – by around **an hour** and averaged **~3,5 hrs** (↓22%, w/w).
 - **Mozambique protests and border disruptions:**
 - Widespread protests in Mozambique have damaged vital infrastructure, including the Maputo Corridor and Lebombo Border, halting regional trade flows and disrupting logistics. Transporters have been advised to keep drivers and vehicles off the roads.
 - Mozambique requested South Africa to halt the processing of export vehicles. Reports indicate widespread looting, including KM4 and a bonded warehouse. As a result, the Lebombo border remains closed.
 - SAAFF and South African businesses urge SADC to intervene swiftly to mediate and stabilise the situation, ensuring the safety of people and critical trade infrastructure.
 - The crisis threatens jobs, informal trade, and small businesses, with long-term economic setbacks anticipated for the entire SADC region, particularly South Africa and Zimbabwe.
 - The Maputo Corridor, a vital trade route, is essential for regional competitiveness, and disruptions threaten international trade predictability.
 - **Walvis Bay logistics demand surge:**
 - Rising volumes at the Port of Walvis Bay have driven increased demand for overland transport. BHL Group has requested assistance, seeking an additional 300 trucks to move 100 000 tonnes between Walvis Bay and Zambia over the next three months.
 - High demand has been reported for mining supplies and sulphur. Interested transporters must be registered in Botswana, Namibia, Zambia, or Zimbabwe.
 - **Botswana public holiday for Presidential Inauguration:**
 - Botswana declared October 8 a public holiday to allow citizens to attend the inauguration of the country's 6th President.
 - Additionally, Thursday has been set as a half-day for government operations.



- In summary, cross-border queue time averaged **~4,0 hours** (down by **~1,7 hours** from the previous week's **~4,0 hours**), indirectly costing the transport industry an estimated **\$4,4 million (R78 million)**. Furthermore, the week's average cross-border transit times hovered around **~4,1 hours** (down by **~1,4 hours** from the **~5,5 hours** recorded in the previous report), at an indirect cost to the transport industry of **\$2,7 million (R47 million)**. As a result, the total indirect cost for the week amounts to an estimated **~\$7,1 million (R125 million)**, down by **~R79 million** or **↓39%** from **~R204 million** in the previous report.

iv. Global shipping industry

- A renewed Trump administration is expected to significantly disrupt global trade and logistics, reshaping policies and economic interactions for major economies and emerging markets.
 - Trump's previous "America First" agenda, marked by aggressive tariff impositions, signals a return to protectionist policies that could reignite trade tensions, especially with the European Union.
 - The EU's stance suggests a proactive response, with Europe likely aiming to enhance its trade autonomy and mitigate dependency on the US.
 - However, should Trump implement the proposed **10% to 20% tariffs** on all imports, the effects could strain this relationship further, risking a transatlantic trade war and a potential shift toward EU internal consolidation and alliances with other trade blocs.
 - In anticipation of potential tariffs, US importers are likely to accelerate shipments, a phenomenon termed the "pre-tariff rush."
 - Based on data collected since 2018, the cargo front loading could raise US container imports by as much as **10% to 15%** in the next 3 months.¹
 - For South Africa, a renewed US focus on protectionism intensifies the need to balance trade alliances carefully.
- The idle cellular container fleet hit a record low of **0,7%** from January to October due to the Red Sea crisis, which spiked demand and required all available ships for diversions (although CMA CGM is preparing to resume Suez Canal transits).²
 - In fact, Egypt claims Houthi attacks have cost its economy **\$6 billion** in lost Suez revenue.³
 - The diversions have further benefitted others, as China International Marine Containers (CIMC) saw a fivefold surge in container production in the first nine months of the year, driven by the Red Sea crisis, leading to a **36% revenue increase** and nearly doubled net profits.
- Elsewhere, port congestion remains high and hovers around the **2,4 million TEU mark**, accounting for **7,8% of the global fleet**.⁴
 - In South Africa, port congestion at the Port of Durban remains stable this week, as some capacity waiting to be off-loaded is currently outside at anchorage (some **22 900 TEU**).
 - As such, the queue-to-berth ratio at Durban was **0,63**.⁵
- Led by significant increases out of China, as Shanghai – Rotterdam (**↑16%**) and Shanghai – Genoa (**↑21%**) shot through the roof, Drewry's "World Container Index" increased again this week.
 - The composite index is up by **↑7,2%** (or **\$231**), trading at **\$3 444 per 40-ft container**.⁶
 - Charter rates remain stable, as the *Harper Petersen Index* (Harpex) traded around **1 975 points** (**↑0,1%**, w/w) on Friday.

¹ Linerlytica. 11/10/2024. [Market Pulse 2024 Week 46](#).

² Van Marle, G. 06/11/2024. [CMA CGM to resume Suez transits on India-US east coast service](#).

³ Bartlett, C. 04/11/2024. [Egypt claims Houthi attacks have cost its economy \\$6bn in lost Suez revenue](#).

⁴ Linerlytica. 11/10/2024. [Market Pulse 2024 Week 46](#).

⁵ Linerlytica. 14/09/2024. [Port Congestion Watch](#).

⁶ Drewry. 31/10/2024. [World Container Index](#).



- Other developments included **(1)** the Port of Valencia slowly getting back to work after floods from rainstorms, **(2)** ripples from a standstill at strike-bound Canadian ports, and **(3)** Typhoon Kong-ray creating congestion at Shanghai, Ningbo and Kaohsiung.

v. International air industry – South Africa

- Air cargo volume significantly decreased this week.
- The daily average of air cargo handled at ORTIA in the previous week amounted to **573 543 kg** inbound (**↓7%**, w/w) and a low **367 637 kg** outbound (**↓18%**).
 - Despite the significant decrease in international air cargo volumes, this week's average remains similar to the figures registered last year (**↓0,4%** versus October 2023) and also similar to pre-pandemic (**↓1%** versus October 2019).
 - Despite this week's decrease, international air cargo to and from ORTIA remains robust.

vi. International air industry

- In week 44, global air cargo rates climbed by **↑2%** to **\$2,71 per kilogram**, reflecting price hikes from Asia-Pacific and Europe, which both rose by **↑2%** (w/w), reaching **\$3,56/kg** and **\$2,13/kg**, respectively.
 - Rates from Africa increased by **↑3%** to **\$1,98/kg**.
 - Spot rates were notably up by **↑3%**, with strong growth from Europe (**↑3%**) at **\$2,34/kg** and Asia-Pacific (**↑1%**) at **\$4,24/kg**.
 - These gains contributed to a year-on-year rate increase of **↑12%**.
- Despite these upward rate trends, global cargo volume and capacity each declined by **↓1%** (w/w), likely due to national holidays on 1-2 November.
 - However, annual data indicates a **↑5%** tonnage increase, supported by a capacity rise in major regions like Asia-Pacific and North America.