SAVINO DEL BENE®
Global Logistics and Forwarding Company

CARGO MOVEMENT UPDATE

Date: 8 December 2024

Key Notes

- An average of **~12 716 TEUs** was handled per day, with **~10 720 TEUs** projected for next week.
- Rail cargo handled out of Durban was reported at **3 629** containers, up **↑40%** from last week.
- Cross-border queue: **↓0,3 hrs**; transit: **↓0,1 hrs**; SA borders: **18,6 hrs** (**↑24%**); SADC: **4,5 hrs** (**↓10%**).

i. Port operations - General

- In our container terminals, a record-high average of **12 716** TEUs was handled per day, up from **10 051** TEUs last week.
- Port operations were characterised by inclement weather, vacant berths, equipment breakdowns and shortages.
  - The main operational delays in Cape Town stemmed from adverse weather and a vacant berth at the start of the week.
  - In contrast, inclement weather and equipment breakdowns ensured operational delays in Durban.
  - Strong winds and vacant berths were the main sources of operational delays at our Eastern Cape Ports, while terminal challenges led to operational constraints in Richards Bay this week.
- The latest reports suggest that the assembly of the new straddle carriers for Durban is in progress, with endurance tests scheduled for the second week of January 2025.
  - Additionally, the floating crane returned to operations this week as anticipated; however, the port helicopter was in service sporadically this week.
- Further, the latest reports suggest that the line near Pretoria is still severely affected by cable theft, causing operational delays of anything between 12 and 18 hours.

ii. Port operations – Performance metrics

- CTCT for **GP containers was recorded at 24%, reefers at 23%, and empties at 55%**.
  - Additionally, the terminal operated with **seven STS cranes, 28 RTGs, and 65 hauliers** towards the end of the week.
  - Cranes LC6 and LC8 were out of commission for most of the week. No ETR has been communicated for either machine yet.
- CTCT handled an average of **~2 320 TEUs** (**↑91%**, w/w – nearly doubled) containers a day. Another high average of **~2 128** (**↓8%**) is projected this week.
- DCT Pier 1: Stack occupancy was **61%** for **GP containers**.
  - The terminal operated with **five STS cranes** for most of the week and had **14 RTGs** in service towards the end of the week.
- DCT Pier 1 handled **~2 551 TEUs** (**↑25%**, w/w) containers a day, with a reduced average of **~1 579 TEUs** (**↓38%**) projected this week.
  - The **average TTT** for the week was **~79 minutes** (**↓4%**, w/w) and an average **staging time** of **~51 minutes** (**↓22%**).
- DCT Pier 2: Stack occupancy was at **49%** for **GP containers**.
  - The terminal operated with **11 gangs**.
  - The number of available straddle carriers fluctuated between **40** and **46** out of a fleet complement of **88** this week.
  - Thus, the availability figure sat roughly at **49%** during this period.

- DCT Pier 2 handled a very high average of **~4 899 TEUs** (**↑31%**, w/w) containers a day, with a slightly decreased average of **~4 307 TEUs** (**↓12%**) projected this week.
    - The **average TTT** of **~108 minutes** (**↓4%**, w/w) and a staging time of **~140 minutes** (**↓22%**) for the week.
- On Sunday evening, **four** vessels were waiting for Pier 1, **three** for Pier 2, and **one** for Point terminal, with a current estimation of **at least five 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 elevated average of **~1 958 TEUs** (**↑34%**, w/w) containers a day, with a slightly reduced average of **~1 780 TEUs** (**↓9%**) projected this week.
    - Port Elizabeth Container Terminal handled a similar average of **~281 TEUs** (**↓1%**, w/w) containers a day, with a decreased average of **~215 TEUs** (**↓23%**) projected this week.
    - Other terminals handled a combined average of **~709 TEUs** (**↓46%**, w/w), with a similar average of **712 TEUs** (**↓24%**) projected this week.
- The daily average for Richards Bay Coal Terminal for the week increased to around **153 900 tons** (**↑29%, w/w)**.
    - An average of 27 trains were serviced on the landside, above the target of 22.
- In the last week (*2 to 8 December*), rail cargo handled out of Durban was reported at **3 629** containers, up by a significant ↑40% from the previous week's **3 489** containers.

iii. Local and cross-border road:

- The median border crossing times at South African borders increased by about **three and a half hours**, averaging **~18,6 hrs** (**↑24%**, w/w) for the week.
- In contrast, the greater SADC region (excluding South African controlled) decreased slightly – averaging **~4,5 hrs** (**↓10%**, w/w).
- **Border queues and crossing times:**
    - Increased crossing times at Skilpadshek (5,5 km queue, 221 vehicles), Kopfontein (8 km queue, 315 vehicles), Groblersbrug (2,8 km queue, 111 vehicles), and Ramatlhabama (7 km queue, 285 vehicles) noticed at various times during the week.
- **Beitbridge security and fees:**
    - Southbound vehicles at Beitbridge facing criminal activity (flat deck covers, ropes, tarpaulins cut). Zimbabwe Republic Police (ZRP) will be stationed in future.
    - Transporters are required to pay Zimborders fees for 15 years. Potential for the Kazungula route to gain popularity due to Beitbridge's decline, necessitating upgrades at Groblersbrug, Kopfontein, and Ramatlhabama.
- **Mozambique protests:**
    - Daily protests disrupt transport, halting border movements from 08:00 to 16:00.
    - On Friday, the road from KM4 to Pessene was open, and there were ongoing patrols. Malhampsene in N4 to the port was blocked. Transporters are urged to monitor the developments continually.
- **Chirundu road conditions:**
    - The northbound road to Chirundu severely deteriorated, with more dirt than tar visible.
- **DRC developments:**
    - Phase 2 of Mahagi One-Stop Border Post construction is completed; Phase 3 is to commence shortly.

  - Truck drivers near Likasi Bypass were extorted parking fees by the military and police ($10), with most refusing to pay. FESARTA is engaging the local governor to resolve this.
- **BURS system connectivity:**
  - System instability since yesterday morning; technicians are working on resolution without a timeframe provided.

- In summary, cross-border queue time averaged **~6,0 hours** (down by **~0,3 hours** from the previous week's **~6,3 hours**), indirectly costing the transport industry an estimated **$6,4 million** (**R115 million**). Furthermore, the week's average cross-border transit times hovered around **~6,0 hours** (**largely unchanged** from the **~6,0 hours** recorded in the previous report), at an indirect cost to the transport industry of **$4,7 million** (**R85 million**). As a result, the total indirect cost for the week amounts to an estimated **~$11,2 million** (**R200 million**, up by **~R3 million** or **↑1,2%** from **~R197 million** in the previous report.

iv. Global shipping industry

- Port congestion has remained stable in recent weeks and hovers around the **2,5 million TEU mark**, accounting for **7% of the global fleet**.[1]
  - In South Africa, port congestion at the Port of Durban increased this week, as some **35 000 TEU** capacity is waiting to be offloaded outside at anchorage.
  - The queue-to-berth ratio at Durban increased to **0,94** late on Sunday.[2]
- Freight rates have continued fluctuating as Drewry's "*World Container Index*" increased by **↑6,1%** (or **$202**), trading at **$3 533 per 40-ft container**.[3]
- Charter rates have remained elevated, as the *Harper Petersen Index* (Harpex) traded around **2 043 points** (**↑0,3%,** w/w) on Friday.
- Elsewhere, Alphaliner reported this week that The Mediterranean Sea will soon be designated as an Emission Control Area (ECA).
  - From the 1st of May 2025, vessel operators will have to reduce the sulphur content of marine fuels from the current global ceiling of **0,5%** m/m to **0,1%** m/m in that region.[4]
  - Therefore, along with the Red Sea crisis, the ongoing re-shuffling of schedules is set to continue.

v. International air industry

- In October, global cargo tonne-kilometres (CTK) grew by **↑9,4%** (y/y), marking the 15th consecutive month of growth.
  - Monthly, air cargo demand increased by **↑5,7%** after seasonal adjustments. International CTK expanded by **↑10,3%** compared to last year, with growth evident across all regions and major trade lanes.
  - Global air cargo capacity, measured in available cargo tonne-kilometres (ACTK), grew by **↑5,9%** (y/y) in October, reaching record-high levels.
  - Finally, global air cargo yield continues to rise, while jet fuel prices have fallen year-on-year.
  - For Africa, CTKs in October are up by **↑1,6%** (y/y) and **↑10,6%** year-to-date, with capacity up by **↑16,1%** so far in 2024.
- In the high-frequency metrics, worldwide air cargo rates rose to a 2024 high in November of **US$2,76 per kilogram**, despite a slight (**↓2%**) drop in flown tonnages compared with October, although demand

[1] Linerlytica. 09/12/2024. Market Pulse 2024 Week 48.
[2] Linerlytica. 08/12/2024. Port Congestion Watch.
[3] Drewry. 05/12/2024. World Container Index.
[4] Alphaliner.06/12/2024. The Mediterranean Sea will soon be designated as an Emission Control Area (ECA)v.

and pricing both remain significantly above their already elevated levels last November, according to the latest figures and analysis by World ACD Market data.