SAVINO DEL BENE®
Global Logistics and Forwarding Company

CARGO MOVEMENT UPDATE

Date: 2 March 2025

Key Notes

- An average of **~10 326 TEUs** was handled per day, with **~12 123 TEUs** projected for next week.
- Rail cargo handled out of Durban was reported at **2 607** containers, down ↓13% from last week.
- SARS January trade stats – exports: **↓6,4%** (m/m); imports **↑14,1%**; trade deficit: **R16,4 billion**.
- Cross-border queue: **unchanged**; transit: **↑0,8 hrs**; SA borders: **11,4 hrs** (**unchanged**); SADC: **6,0 hrs** (**↑20%**).
- IATA reports CTK up by **↑3,2%** (y/y) after air cargo grew (**↑3,1%**) for the 18th straight month in January.

i. Port operations - General

- In our container terminals, a decreased average of **10 326 TEUs** was handled per day, down from **11 295 TEUs** last week.
  - For the coming week, a slightly increased average of **~11 381 TEUs** (**↑10%**) is predicted to be handled.
- Port operations were mainly characterised by adverse weather, vacant berths, as well as equipment breakdowns and shortages.
  - Durban commissioned the first batch of over 100 new cargo-handling machines in 2025, including 20 straddle carriers for Pier 2 and nine rubber-tyred gantry cranes for Pier 1.
  - The Port of Cape Town conceded more than 40 operational hours this week to adverse weather, while the main operational constraints in Durban proved to be adverse weather and continuous equipment breakdowns.
  - Inclement weather conditions and vacant berths mainly impacted operations at our Eastern Cape Ports, while strong winds and heavy rain impacted operations at the Port of Richards Bay.
  - CMA has announced that the APL Holland Coega call will be omitted due to adverse weather conditions and congestion at Cape Town.
  - Additionally, load-shedding returned earlier this week and impacted operations at the Maydon Wharf terminal between Sunday (23 February) and Monday (24 February).
  - Furthermore, towards the end of the week, rail operations on the line between Durban and Cato Ridge were delayed for around six hours due to intermittent overhead power failures.

ii. Port operations – Performance metrics

- CTCT stack occupancy for **GP containers was recorded at 37%, reefers at 70%, and empties at 42%**.
  - The terminal operated with **eight STS cranes**, **22 RTGs**, and **60 hauliers** towards the end of the week.
  - The latest reports suggest that Crane LC6 is currently out of commission, with no ETR available.
  - The Port of Cape Town remains on the first page of Linerlytica's "*Port Congestion Watch*", with a queue-to-berth ratio of **1,33**.[1]
- CTCT handled another improved **~1 867 TEUs** (**↑7%**, w/w) containers a day – but still off the target to claw back lost volume because of the delays. Another increased average of **~2 113** (**↑13%**) is projected this week.
- Durban commissioned the first batch of over 100 new cargo-handling machines in 2025, including 20 straddle carriers for Pier 2 and nine rubber-tyred gantry cranes for Pier 1, to enhance operational efficiency.

[1] Linerlytica. 02/03/2025. Port Congestion Watch.

  - This **R892 million investment** is part of a more considerable **R3,4 billion equipment** upgrade across South African ports.
- DCT Pier 1: Stack occupancy was **40%** for **GP containers**.
  - The terminal operated with **four STS cranes** and **13 RTGs** towards the end of the week, as the additional equipment has been deployed.
- DCT Pier 1 handled **~1 507 TEUs** (**↓21%**, w/w) containers a day, with an increased average of **~1 641 TEUs** (**↑9%**) projected this week.
  - The **average TTT** for the week was **~76 minutes** (**↑21%**, w/w) and another low staging time of **~64 minutes** (**↑60%**).
- DCT Pier 2: Stack occupancy was at **37%** for **GP containers**.
  - The terminal operated with **ten gangs**.
  - The number of available straddle carriers fluctuated between **55** and **59** out of a fleet complement of **88** this week.
    - Thus, the availability figure sat roughly at **65%** during this period.
  - Towards the end of the week, the most notable crane absentees were Cranes 520, 523, 525, 529, and 532.
  - Cranes 525 and 532 were expected to return to service before the weekend, while no ETR is available for Cranes 520, 523, or 529 yet.
- DCT Pier 2 handled another relatively high average of **~4 113 TEUs** (**↑8%**, w/w) containers a day, with an increased average of **~4 440 TEUs** (**↑8%**) projected this week.
  - For the last week, there was an **average TTT** of **~72 minutes** (**↓15%**, w/w) and a staging time of **~32 minutes** (**↓56%**.
  - On Monday evening (3 March), **one** container vessel was waiting for Pier 1, **zero** for Pier 2, and **one** for Point.
- South Africa's other container terminals produced the following results for the week:
  - Ngqura Container Terminal handled an average of **~1 545 TEUs** (**↓39%**, w/w) containers a day, with an increased average of **~1 989 TEUs** (**↑29%**) projected this week.
  - Port Elizabeth Container Terminal handled an average of **~125 TEUs** (**↓20%**, w/w) containers a day, with an increased average of **~272 TEUs** (**↑117%**) projected this week.
  - Other terminals handled a combined average of **~1 169 TEUs** (**↑2%**, w/w), with a slightly decreased average of **~925 TEUs** (**↓62%**) projected this week.
- At RBCT, the daily average for the week increased significantly to around **171 000 tons** (**↑24%**, w/w).
- An average of **23 trains** (up by two from last week) were serviced on the landside and above the target of 22.
- In the last week (*24 February to 2 March*), rail cargo out of Durban was reported at **2 607** containers, down ↓13% from the previous week's **2 987** containers.

iii. The network statement and restructuring of TFR

- The finalisation of Transnet's Network Statement, published on 20 December 2024, marks a pivotal step in restructuring the rail sector, allowing private train operator companies (TOCs) to access the rail network under the Economic Regulation of Transport Act (ERT Act), with oversight by the Transport Economic Regulator.[2]

[2] Chaplin, V. & Wesson, G. 02/03/2025. Pivotal reform in Transnet's final Network Statement.

iv. SARS merchandise trade statistics: January

- SARS released its latest "*Merchandise Trade Statistics*" for January[3], revealing a preliminary monthly trade deficit of **R16,4 billion**.
- Monthly trade data indicates that exports decreased by **↓6,4%** from December (m/m) to **R149,0 billion**, while imports increased by **↑14,4%** (m/m) to **R165,4 billion**.
  - The trade deficit is a deterioration from the **R3,7 billion deficit** recorded in January 2024.
  - On an annual basis, export flows for January 2025 were **↑1,2%** (y/y) higher than in January 2024, while import flows were significantly higher by **↑9,6%**.

v. Lebombo update

As of the week spanning 24 February to 2 March, cargo flows relatively unabated across the N4 corridor, with only minor issues reported. The following notes summarise the recent developments:

- Truck volumes are steady compared to last week at **1 351 HGVs per day** (**↓1%**, w/w), with an average queue of less than **3 km** and an average border time of around **3,2 hours** per crossing.
- Rail to Maputo was steady at **six trains a day** on average in the last week.
- Sugar trains from Eswatini have decreased to around **1,5 trains a day** (although the reporting has not been comprehensive).

vi. Local and cross-border road:

- The average queue times were unchanged from last week, as the transit times increased by nearly **an hour**.
- The median border crossing times at South African borders were unchanged, averaging **~11,4 hrs** for the week.
- In contrast, the greater SADC region (excluding South African controlled) increased by approximately **an hour** from last week, averaging **~6,0 hrs** (**↑20%**).

1. Weather-related disruptions:

- The Tlokweng – Zeerust road has been closed due to heavy rains.
- Groblersbrug is at risk of further flooding, as heavy rains have been reported approximately 60 km upstream.
- As a precaution, Groblersbrug/Martin's Drift operations have been suspended until further notice.

2. Strikes and road closures:

- A protest occurred on the N5 and the N4 between Zeerust and Mahikeng due to water and electricity shortages, leading to road closures.
- Transporters were advised to reroute through Lichtenburg as authorities worked to clear the area.
- Additional disruptions have been reported this morning, with burning tyres blocking the R503 and the Mahikeng/Zeerust extension on the R49.

3. Customs and border challenges:

- Transporters have raised complaints about ZIMRA enforcing the requirement for a Physical Examination (PE) for transit vehicles.
- There have been reports of delays at Condep, with allegations that seals are only being fitted upon payment of an informal charge.

[3] SARS. 28/02/2025. Trade Statistics: January 2025.

- A meeting with customs, immigration, clearing agents, and drivers confirmed that all drivers stranded on the South African side can proceed via alternative ports of entry without document amendments.
- Access to the Groblersbrug compound and bridge is strictly prohibited, with only the Border Management Authority (BMA) and relevant authorities allowed access.
- In summary, cross-border queue time averaged **~5,5 hours** (unchanged from the previous week's **~5,5 hours**), indirectly costing the transport industry an estimated **$5,7 million** (**R104 million**). Furthermore, the week's average cross-border transit times hovered around **~6,5 hours** (up by **~0,8 hours** from the **~5,7 hours** recorded in the previous report), at an indirect cost to the transport industry of **$3,8 million** (**R69 million**). As a result, the total indirect cost for the week amounts to an estimated **~$9,4 million** (**R173 million**, up by **~R6 million** or **↑3,6%** from **~R167 million** in the previous report.

vii. Global shipping industry

- According to *Sea-Intelligence's* Global Liner Performance (GLP) report, global schedule reliability remained relatively stable, fluctuating within the **50%-55% range**[4] throughout 2024 and into early 2025.
    - In January, reliability stood at 51,5%, mirroring the figure from January 2024 but reflecting a **↓2,1%** (m/m) decline to December 2024.
    - The average delay for late vessel arrivals improved slightly, decreasing by **0,01** to **5,32 days**—the lowest since July 2024 and lower than the figures recorded during the pandemic-impacted years.
    - Among the top 13 carriers, Maersk achieved the highest schedule reliability at **55%**, followed by six carriers with reliability over **50%**.
- Port congestion is stable this week, as some **2,83 million TEU** (around **9% of the global fleet**) are stuck in the system.
- Global container spot rates have continued plummeting as Drewry's "*World Container Index*" dropped another **$166** to last week's **$300** and now trades at around **$2 629 per 40-ft container**[5].
    - The drop corresponds to **↓5,9%** this week, which is a far cry from the start of the year when rates traded around **$4 000/40ft**.
    - Two of the major East-West trades registered double-digit weekly changes, as Drewry expects rates to continue decreasing next week due to increased shipping capacity.
- Charter rates remain elevated, as the *Harper Petersen Index* (Harpex) traded around **2 070 points** (**↑74%**, y/y) on Friday.
    - Although charter and freight rates tend to move in tandem, there have been various periods in the past where they have diverged due to differences in demand and supply dynamics in the charter and freight markets.
    - The Red Sea diversions have driven the widening divergence in the two indices since the beginning of 2024.
- Further developments include **(1)** labour developments – US & France, **(2)** a $1,5 million fee on Chinese-built container ships entering US ports, and **(3)** eB/L a step closer with a standardised framework.

[4] Murphy, A. 26/02/2025. 2024 global schedule reliability trend continuing in 2025.
[5] Drewry. 27/02/2025. World Container Index.

viii. South African air industry

- In the air cargo space, the daily average of air cargo handled at ORTIA in the previous week amounted to **499 006 kg** inbound (**↓5%**, w/w) and **343 519 kg** outbound (**↓3%**).
- Despite a second consecutive week of volume reduction, cargo is still slightly above the average levels of 2024 (**↑4%**, y/y) and roughly similar to the pre-pandemic levels of 2020 (**↑3%**).

ix. International air industry

- IATA released their latest "*Air Cargo Market Analysis*" for January, indicating that global cargo tonne-kilometres (CTK) grew by **↑3,2%** (y/y), marking the 18th consecutive month of growth.
    - Seasonally adjusted, demand increased by **↑3,1%** (m/m).
    - However, growth slowed compared to 2024's double-digit increases.
- Capacity rose by **↑6,8%** (y/y), outpacing demand, leading to a cargo load factor (CLF) decline to **43,9%**, the lowest in 17 months.
- Belly-hold cargo continued expanding, now representing **55,2%** of international shipping.
- Jet fuel prices fell **↓11,2%** (y/y), while global air cargo yields increased **↑7%** (y/y), continuing an upward trend but declining **↓9,9%** (m/m).
- In the high-frequency metrics, global air cargo tonnage continued to recover in week 8, with worldwide volumes up **↑1%** week-on-week.
- Global air cargo rates edged up **↑2%** to **$2,32 per kilogram**, mainly driven by a **↑2%** rise from Asia Pacific.
- In other air cargo news, e-commerce-driven shifts in airfreight markets are emerging, with growing importance placed on regions like the Gulf, India, Vietnam, and Europe while the US becomes less central.