

Cargo movement update¹

Date: 4 August 2023

Weekly Snapshot

Table 1 – Port volumes and air cargo flows, week on week

Flows	Current ²			Previous ³			Growth
	Import	Export	Total	Import	Export	Total	
Port Volumes (containers)	23 557	24 975	48 532	27 295	31 990	59 285	↓18%
Air Cargo (tons)	3 069	1 776	4 845	3 255	1 823	5 078	↓5%

Monthly Snapshot

Figure 1 – Monthly⁴ cargo volume levels, year on year (100% = baseline; >100% = growth)

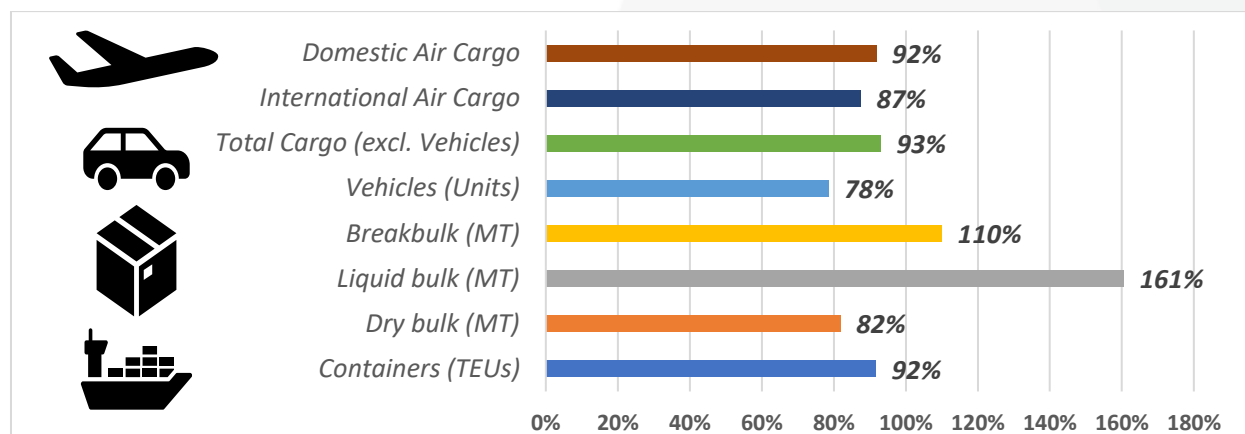
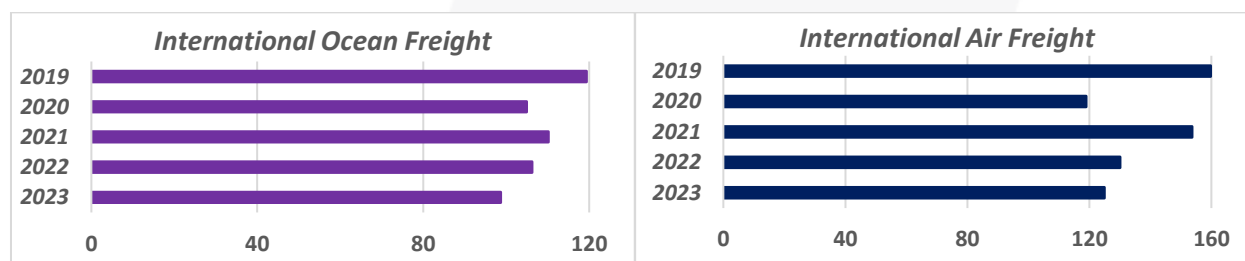


Figure 2 – Global year-to-date flows 2019-2023⁵: ocean, y/y (metric tonnes) & air freight, y/y (kg millions)



Key Notes

- An average of **~6 933 containers** was handled per day, with **~9 486 containers** projected for next week.
- Rail cargo handled out of Durban amounted to **1 967 containers**, **↓18%** compared to last week.
- SARS merchandise trade (June): exports (**↓8,6%**, m/m), imports (**↓1,6%**); YTD surplus: **R5,6 billion**.
- Cross-border queue times were **↑2,1 hours** (w/w), with transit times **↓0,4 hours** (w/w); SA borders were almost unchanged, averaging **~13,7 hours** (**↑29%**); Other SADC borders averaged **~11,0 hours** (**↓8%**).
- Global schedule reliability has finally declined by **↓2,5%**, with late vessel arrivals at **4,36 days**.
- Global freight rates shot up significantly this week, increasing by **↑11,8%** (or **\$185**) to **\$1 761** per 40ft.
- Global air cargo demand in July continued the trend, showing a **↓5%** drop in tonnage—rates @ **\$2,27**.

¹ This update contains a combined overview of air, sea, and road freight to and from South Africa in the last week. This report is the 148th update.

² 'Current' means the last 7 days' (a week's) worth of available data.

³ 'Previous' means the preceding 8-14 days' (a week's) worth of available data.

⁴ 'Monthly' means the last months' worth of available data compared to the same month in the previous year; Air: June vs June, Ocean: June vs June.

⁵ For ocean, total Jan-May cargo in metric tonnes, as reported by Transnet is used, while for air, Jan-Jun cargo to and from ORTIA is used.

Executive Summary

This update – *the 148th of its kind* – contains a consolidated overview of the South African supply chain and the current state of international trade. In the country's maritime economy, commercial ports handled an average of **6 933 containers** per day – slightly less than predicted last week. This week, port operations were characterised by adverse weather, persistent equipment breakdowns and shortages, vessel ranging, congestion, and load-shedding. Vessel ranging ensured that no less than 16 operational hours were lost in Cape Town this week. In contrast, several vessel movements deviated from their respective schedules in Durban primarily due to adverse weather, equipment breakdowns, and shortages. Inclement weather conditions in the Eastern Cape during the early stages of the week dominated operational performance at the respective ports.

For rail, excessive cable theft was experienced on the line near Ladysmith and Pietermaritzburg towards the latter stages of the week, representing the first significant incident in weeks that brought forth a complete halt to operations. Two other incidents of cable theft and vandalism occurred on the rail network earlier in the week, disrupting the movement of trains for approximately 16 hours. Lastly, TPT in Durban reported this week that they would no longer wait for rail containers that are not meeting export stack deadlines as it negatively impacts the vessel lineup and exacerbates vessel waiting time.

In the international container industry, schedule reliability, which had been improving throughout 2023, saw a monthly drop in June. Despite the decline, it remains significantly higher than in 2022. Major carriers CMA CGM and ONE reported weaker Q2 financial performance, particularly on Transpacific and Asia-Europe routes. Upstart carriers challenging more prominent players on East-West routes are dwindling, though fleet growth continues with over 200,000 TEUs of new ship deliveries in July. Port congestion decreased to 5,7% of the global fleet, while freight rates surged by the most significant increases since June 2021 – led by increases out of Shanghai. Other developments included **(1)** Hapag-Lloyd completing the acquisition of SAAM and **(2)** burning Ro-Ro vessel finally extinguished and shipped to shore.

International air cargo to and from South Africa decreased in the last week (**↓5%**) – led by overall imports (**↓6%**). Domestic cargo is slightly up (**↑1%**) versus last week but remains significantly down on pre-pandemic levels (**~60%**). Internationally, global air cargo demand in July continued the trend of the previous months, showing a **↓5%** decrease in tonnage compared to the same month last year. Indeed, the market appears to be stabilising around this **↓5%** decrease year-on-year, with average yields experiencing gradual weekly and monthly declines. When comparing the latest figures with one another, tonnages and capacity remained stable, while average worldwide rates decreased by **↓1%**.

In regional cross-border road freight trade, average queue time increased by around **two hours** while transit times were improved by almost **half an hour** compared to last week. The median border crossing times at South African controlled borders increased by **three hours**, averaging **~13,7 hours (↑29%, w/w)** for the week. In contrast, the greater SADC region (excluding South African controlled) decreased slightly by **around an hour** and averaged **~11,0 hours (↓8%, w/w)**. On average, several SADC land borders took more than a day to cross, including Beitbridge, Kasumbalesa, Katima/Mulilo (again the worst affected, with crossings taking **around two days**), and Santa Clara. Further notable developments included **(1)** Lebombo and Beitbridge constraints persisting, **(2)** dubious police stops in Zambia, and **(3)** slow crossings at Kasumbalesa with the queue shifting to the DRC side.

In summary, this week's less-than-ideal SARS trade stats highlight that the trade, transport, and logistics industry is almost stuck. Along with the merchandise statistics, port throughput volumes have been relatively stagnant for the best part of a decade now, as often reported on. Moreover, typical operations constraints

– such as tent equipment breakdowns and shortages, vessel ranging, congestion and others often reported – will undoubtedly not move the needle. The hope is that partnering with International Container Terminal Services (ICTSI) will at least send the current trajectory in the opposite direction and address the declining performance of the largest port in sub-Saharan Africa. Furthermore, the partnership signals a shift towards increased private sector involvement in South Africa's logistics sector, which has been broadly welcomed⁶. The partnership intends to raise Pier 2's capacity from 2 million to 2,8 million TEUs; however, a rise in port and terminal efficiency must accompany the capacity increase; otherwise, South Africa will continue to lose out on global trade to other regional partners.

⁶ Steyn, L. 04/08/2023. [Durban port is one of the worst in the world - but a Filipino giant may come to its rescue.](#)

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1. Ports Update

This section provides an overview of the flow of containerised cargo through our commercial ports.

a. Container flow overview

The following tables indicate the container flows reported for the last seven days and projections for the next seven days.

Table 2 – Container Ports – Weekly flow reported for 29 July to 4 August⁷

7-day flow forecast (29/07/2023 – 04/08/2023)		
TERMINAL	NO. OF CONTAINERS ⁸ TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)
DURBAN CONTAINER TERMINAL PIER 1:	4 981	5 479
DURBAN CONTAINER TERMINAL PIER 2:	12 891	12 022
CAPE TOWN CONTAINER TERMINAL:	3 474	3 228
NGQURA CONTAINER TERMINAL:	1 544	3 395
GQEBERHA CONTAINER TERMINAL:	667	851
TOTAL:	23 557	24 975

Source: Transnet, 2023. Updated 04/08/2023.

Table 3 – Container Ports – Weekly flow predicted for 5 to 11 August

7-day flow forecast (05/08/2023 – 11/08/2023)		
TERMINAL	NO. OF CONTAINERS TO DISCHARGE (IMPORT)	NO. OF CONTAINERS TO LOAD (EXPORT)
DURBAN CONTAINER TERMINAL PIER 1:	5 288	5 458
DURBAN CONTAINER TERMINAL PIER 2:	11 652	14 066
CAPE TOWN CONTAINER TERMINAL:	3 768	6 928
NGQURA CONTAINER TERMINAL:	7 335	7 157
GQEBERHA CONTAINER TERMINAL:	1 428	3 325
TOTAL:	29 471	36 934

Source: Transnet, 2023. Updated 04/08/2023.

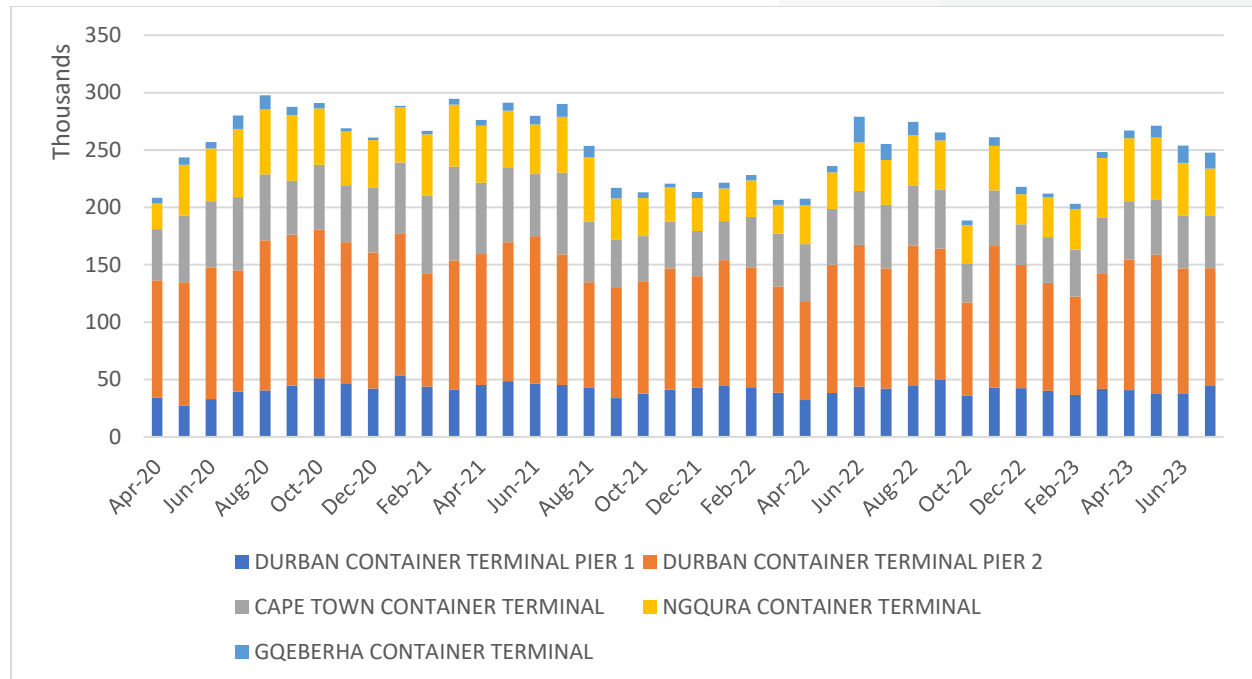
An average of **~6 933 containers** (↓18%) was handled per day for the last week (29 July to 4 August, Table 2), compared to the projected average of **~9 161 containers** (↓24% actual versus projected) noted in last week's report. For this week, an increased average of **~9 486 containers** (↑37%) is predicted to be handled (5 to 11 August, Table 3). Several familiar operational constraints inhibited peak port performance this week, primarily adverse weather, persistent equipment breakdowns and shortages, vessel ranging, congestion, and load-shedding.

The following figure illustrates the rolling *monthly* average flow of aggregate containerised cargo passing through our commercial ports since our records began during the nationwide lockdown.

⁷ It remains important to note that a large percentage (approximately 37% according to the latest year-to-date TNPA figures) of containers is neither imported nor exported, but rather consists of empties and transshipments.

⁸ As mentioned before, in previous versions of the report, the measurement was incorrectly indicated as “TEUs”, when it should have been noted as containers (20’ and 40’). Incidentally, Transnet works on a ratio of approximately 1,4 TEUs per container and this figure will probably increase as the shift towards more 40’ containers continues. Incidentally, the US uses 1,5 to 1,8, depending on the port.

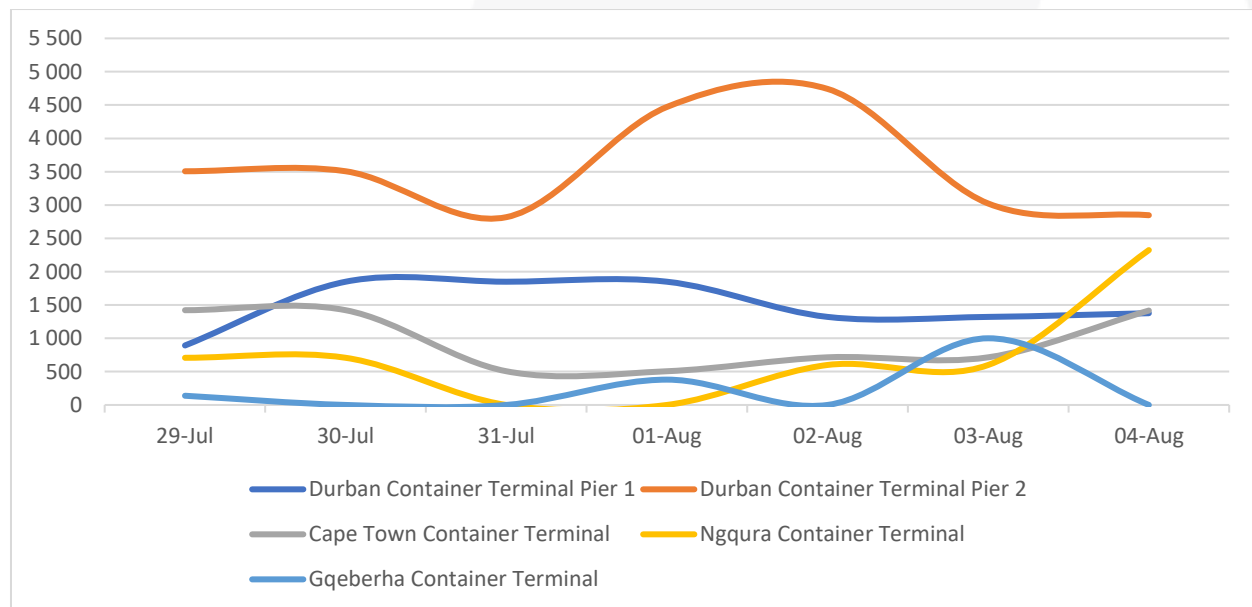
Figure 3 – Monthly flow reported for total cargo movement (containers April 2020 to present, m/m)



Source: Calculated using data from Transnet, 2023. Updated 04/08/2023.

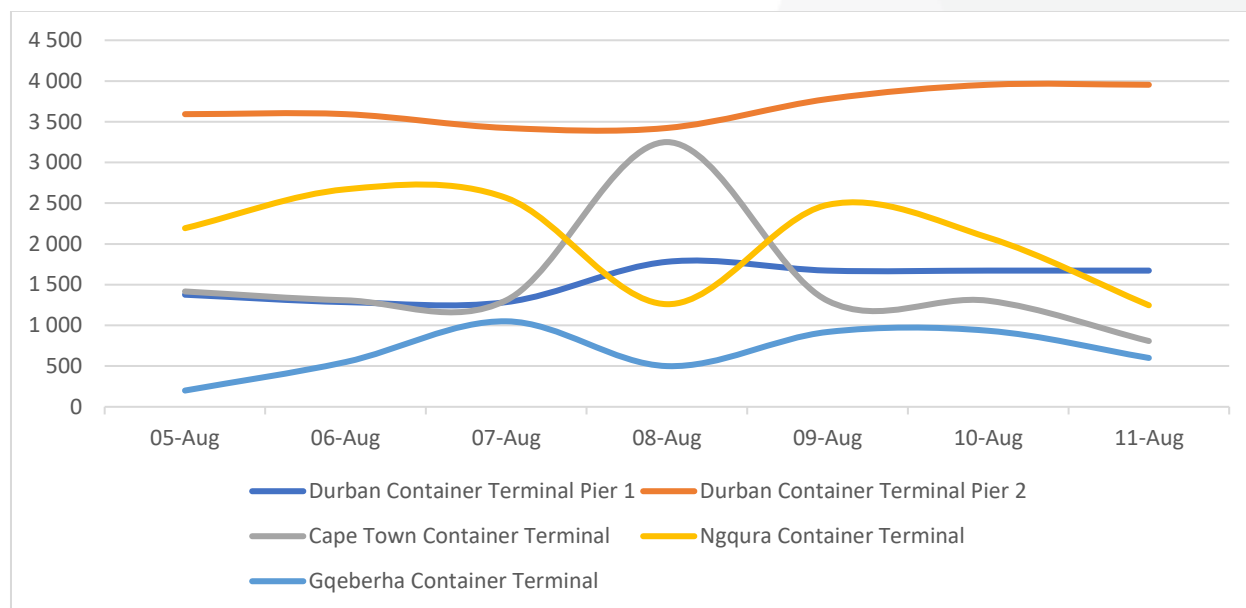
The following figures show the weekly container flows for the last seven days, followed by the projections for the seven days after that.

Figure 4 – 7-day flow reported for total container movements (29 July to 4 August; per port; day on day)



Source: Calculated using data from Transnet, 2023. Updated 04/08/2023.

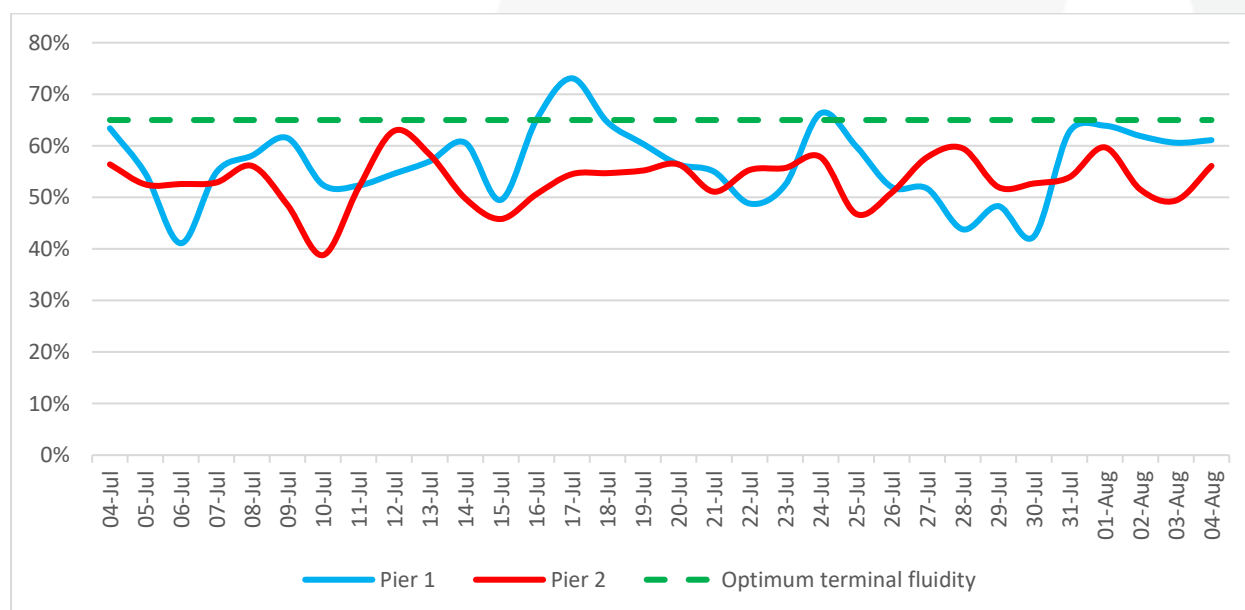
Figure 5 – 7-day forecast reported for total container movements (5 to 11 August; per port; day on day)



Source: Calculated using data from Transnet, 2023. Updated 04/08/2023.

The following figure shows daily stack occupancy in both Durban terminals over the last five weeks.

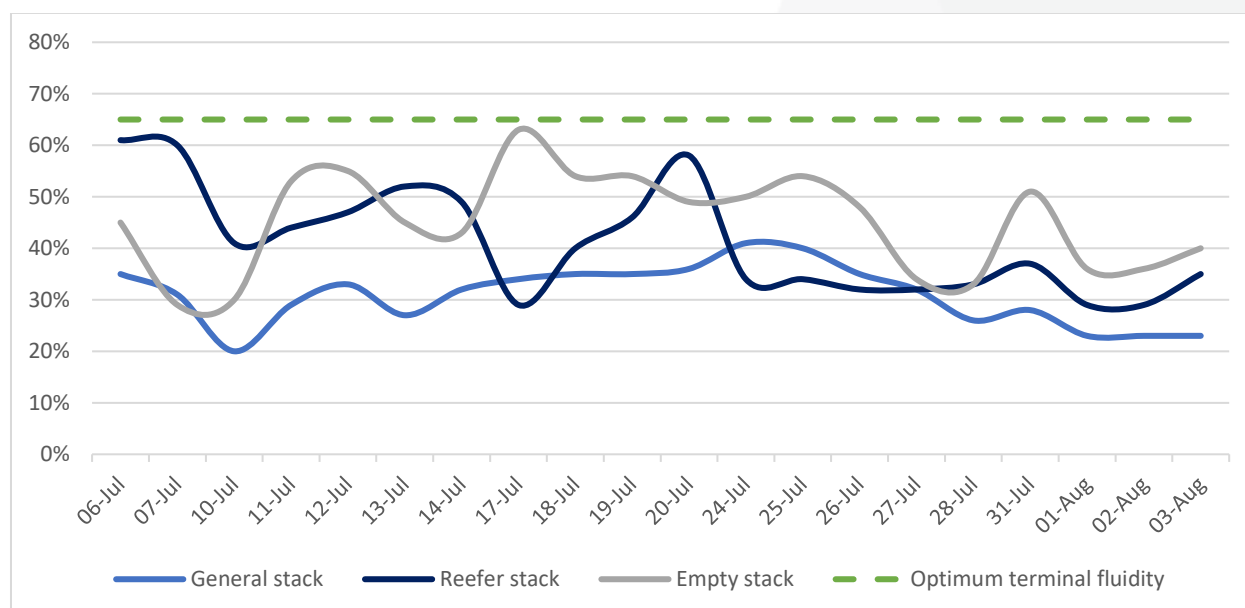
Figure 6 – Stack occupancy in DCT, general-purpose containers (4 July to present; day on day)



Source: Calculated using data from Transnet, 2023. Updated 04/08/2023.

The following figure shows daily stack occupancy in Cape Town over a similar period.

Figure 7 – Stack occupancy in CTCT, GP, reefer, and empty stack (6 July June to present, day on day)



Source: Calculated using data from Transnet, 2023. Updated 04/08/2023.

b. Summary of port operations

The following sections provide a more detailed picture of the operational performance of our commercial ports over the last seven days.

i. Weather and other delays

- Vessel ranging ensured that no less than 16 operational hours were lost in Cape Town this week.
- Several vessel movements deviated from their respective schedules in Durban this week, primarily due to adverse weather, equipment breakdowns, and shortages.
- The Port of Richards Bay had a favourable week, with few operational delays reported.
- Inclement weather conditions in the Eastern Cape during the early stages of the week dominated operational performance at the respective ports.

ii. Cape Town

On Wednesday, CTCT recorded one vessel at berth and one at anchor as operations were negatively impacted by severe vessel ranging throughout the week. Stack occupancy for GP containers was recorded at 23%, reefers at 29%, and empties at 36%. In the latest 24-hour period to Wednesday, the terminal handled 2 027 TEUs across the quay. 1 253 trucks were serviced on the landside, while 40 rail import containers were on hand. The Port of Cape Town is no longer on the "Port Congestion Watch" as vessels are practically berthing upon arrival. During the latter stages of the week, industry concerns were raised regarding the vessel lineup, seemingly as not many vessels are calling for the port. However, TNPA put these concerns to bed by stating that they had a healthy vessel lineup, but many vessels en route to the port were delayed in the Eastern Cape due to adverse weather conditions.

The multi-purpose terminal, on Wednesday, recorded one vessel at anchor and one at berth. In the 24 hours leading to Wednesday, the terminal managed to service 166 external trucks at an undisclosed truck turnaround time on the landside. During the same period, 277 moves were executed across the quay on the

waterside. Stack occupancy was recorded at 32% for GP containers, 66% for reefers, and 43% for empties by the end of the week.

The FPT private terminal reported zero vessels at anchorage while servicing two vessels at berth on Wednesday. During the 24 hours before Thursday, the terminal managed to handle 611 pallets of fruit, 481 breakbulk tons, and 309 TEUs on the waterside while servicing 94 trucks on the landside. During the same period, reefer stack occupancy was recorded at 24%.

iii. Durban

Pier 1 on Thursday recorded two vessels at berth, operated by five gangs, and three vessels at anchor. Stack occupancy was 61% for GP containers and 32% for reefers. During the same period, 1 548 imports were on hand, with 51 units having road stops and 57 unassigned. The terminal recorded 1 505 landside gate moves, with 127 cancelled slots and 289 wasted. The truck turnaround was recorded at ~107 minutes, with an average staging time of ~98 minutes, as the terminal was very congested towards the end of the week.

Pier 2 had four vessels at berth and one at anchorage on Thursday. In the 24 hours to Friday, stack occupancy was 49% for GP containers and 51% for reefers, with 60% of reefer plug points utilised. The terminal operated with 12 gangs while moving 2 519 TEUs across the quay. During the same period, there were 2 364 gate moves on the landside with a truck turnaround time of ~67 minutes and a staging time of ~40 minutes. Of the landside gate moves, 1 697 (72%) were for imports and 667 (28%) for exports. Additionally, 256 rail import containers were on hand, with 245 moved by rail.

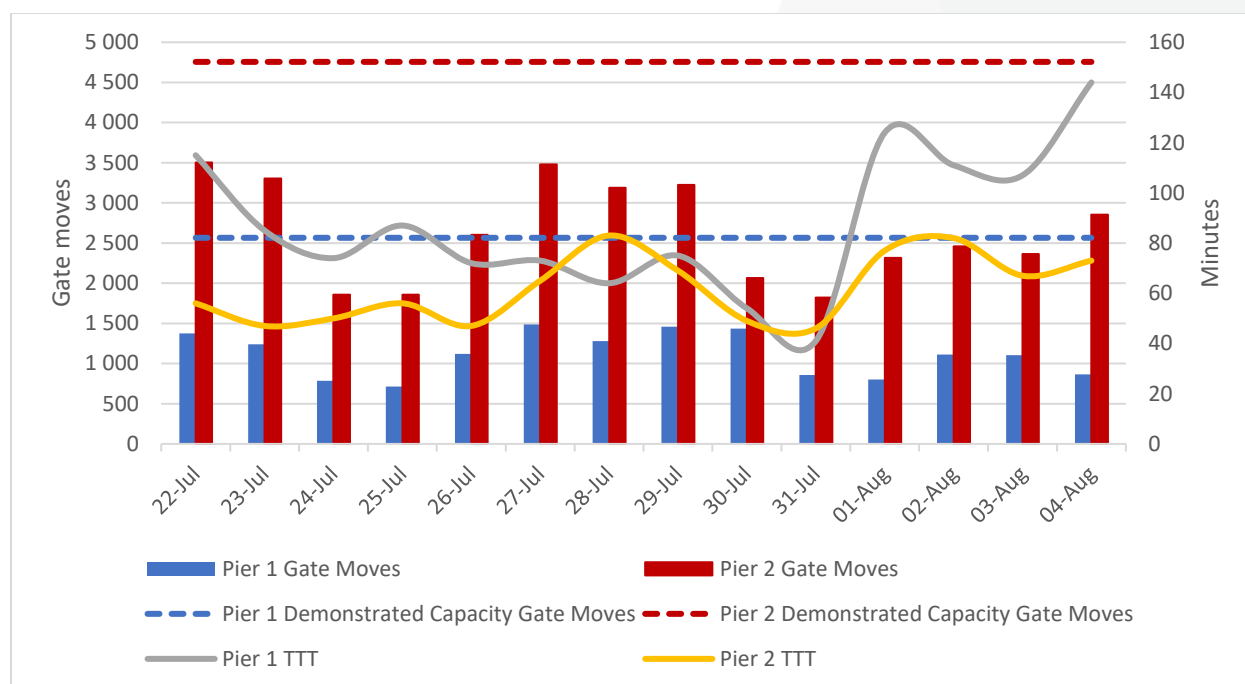
Marine resources at the Port of Durban operated with four tugs for most of the week as the Indlazi tug prepped for a sea passage to return to Richards Bay. The Umvoti tug was nominated to replace the Indlazi, but another tug went out of commission due to required maintenance. The port helicopter is still not operating, and no estimated return time is available. The technical team is seemingly awaiting spares to execute repairs, while delays associated with the Ukraine war remain the scapegoat. The contingency measure in place involves the utilisation of the Richards-Bay helicopter when required.

Durban's MPT terminal recorded three vessels at berth on Tuesday, with none at the outer anchorage, while handling 270 container volumes and 667 breakbulk tons on the waterside. Stack occupancy for breakbulk was recorded at 16% during that time and at 41% for containers, with 178 reefer plug points available. The terminal managed to handle 138 containers on the landside while servicing 90 breakbulk RMTs translating to 2 541 tons. During the same period, three cranes, eight reach stackers, one empty handler, seven forklifts and 17 ERFs were in operation. Additionally, the early forecast for the return of the fourth crane at the terminal remains in mid-September.

On Wednesday, the Ro-Ro terminal in Durban recorded three vessels on the berth, with none at outer anchorage. Over the 24 hours to Thursday, the terminal received 635 units and dispatched 566. During the same period, general stack occupancy was recorded at 48%, with a composition of 41% for imports, 41% for exports, and 18% for transshipments. Stack occupancy at G-berth was high at 60%, while stack occupancy at QR was recorded at 80%. The terminal had 2 384 import units on hand, 2 354 units destined for export markets, and 1 063 units subject to transshipments.

The following figure summarises the performance of Durban's container terminals for the last two weeks, focusing on gate moves and time spent in the terminals.

Figure 8 – Gate moves (left axis) and time spent in the terminal (in minutes, right axis)



Source: Calculated using data from Transnet, 2022. Updated 04/08/2023.

iv. Richards Bay

On Tuesday, Richards Bay recorded 21 vessels at anchor and 13 on berth, translating to five at DBT, five at MPT, two at RBCT, and one at the liquid bulk terminal. Two tugs, one helicopter, and one pilot boat were in operation for marine resources in the 24 hours leading up to Wednesday. The helicopter remains on standby as a contingency measure should the Port of Durban require assistance on the waterside.

v. Eastern Cape ports

NCT on Wednesday recorded two vessels on berth and zero vessels at outer anchorage. Marine resources of two tugs, a pilot boat, two pilots, and one berthing gang were in operation in the 24 hours leading up to Thursday. In the same period, stack occupancy was 50% for GP containers, 45% for reefers, and 97% for reefer ground slots. And in that period, 1 762 TEUs were processed at a GCH of ~15 and SWH of ~49. Additionally, 131 reefers were handled across the quay, while 159 trucks were serviced on the landside at a truck turnaround time of ~31 minutes. Adverse weather this week affected the port extensively, contributing to the lower-than-usual volumes processed. Additionally, the technical team indicated that the port has 11 functional berths to increase to 12 soon. They further requested TNPA to berth a vessel at berth D100 to test the new system. Currently, the port is exempt from load-shedding; however, should the situation change, they have backup generators to keep operations going.

GCT on Tuesday recorded no vessels at outer anchorage and none at berth. Available waterside resources were two tugs, a pilot boat, two pilots, and one berthing gang in the 24 hours to Wednesday. In the same period, stack occupancy was 54% for GP containers, 47% for reefers, and 56% for reefer ground slots. On the waterside, 232 moves were executed across the quay. Additionally, 173 trucks were serviced on the landside at a truck turnaround time of ~27 minutes.

The Ro-Ro terminal had one vessel on berth and one vessel at anchor on Thursday. 1 223 units were handled on the waterside in the 24 hours before Friday. During the same period, 4 732 units were on hand, leading to a stack occupancy figure of 49%.

On Tuesday, the Port of East London had three vessels on berth and none at anchor. On the waterside, 632 containers were moved across the quay at a GCH of ~12, while 55 external trucks were serviced at a truck turnaround time of ~15 minutes. Stack occupancy on the container side worsened substantially to a concerning 104%. During the same period, at the Ro-Ro terminal, 634 units were received, while stack occupancy at the car terminal was captured at 68%. No bulk volumes were handled on the waterside, while 35 RMTs, translating to 1 255 tons, were serviced on the landside.

vi. Saldanha Bay

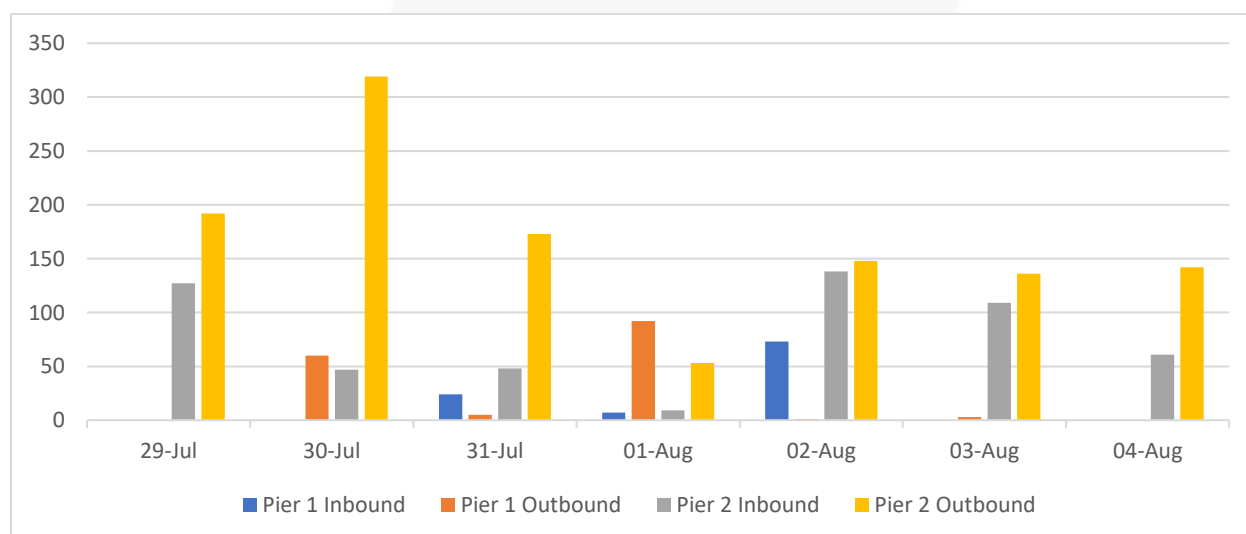
On Thursday, the iron ore terminal had one vessel at anchorage and one on the berth, while the multi-purpose terminal had zero vessels at anchor and three on the berth. The vessels at anchor have been waiting outside for approximately 1-2 days, while the vessels in the port have been on berth for around 1-5 days.

vii. Transnet Freight Rail (TFR)

Excessive cable theft was experienced on the line near Ladysmith and Pietermaritzburg towards the latter stages of the week, causing significant delays. This episode represents the first major incident in weeks, completely halting operations. Two other incidents of cable theft and vandalism occurred on the rail network earlier in the week, disrupting the movement of trains for approximately 16 hours. The latest reports on Thursday indicated that ConCor had 96 units on hand with a dwell time of 48 hours and 158 over-border units with a dwell time of 15 days. Point had 366 rail import units during the same period, with wagons standing for three to four days. Pier 1 had 41 units on hand, while DCT had 256 units on hand.

Additionally, TPT in Durban reported this week that they would no longer wait for rail containers that are not meeting export stack deadlines as it negatively impacts the vessel lineup and exacerbates vessel waiting time. This new rule applies to all the container terminals – Pier 1, Pier 2, and Point. They further stated that the terminals are responsible for ensuring the integrity of CTOC compliance, and therefore cannot be on standby while awaiting these late containers.

Figure 9 – TFR: Rail handled (Pier 1 and Pier 2)



Source: Calculated using data from Transnet, 2022. Updated 04/08/2023.

In the last week (29 July to 4 August), rail cargo handled out of Durban was reported at **1 967** containers, down **↓18%** from the previous week's **2 401** containers.

2. Air Update

a. International air cargo

The following table shows the in- and outbound air cargo flows to and from ORTIA for the week beginning 24 July. For comparative purposes, the average air freight cargo (inbound and outbound) handled at ORTIA in July 2022 averaged **~719 417 kg** per day.

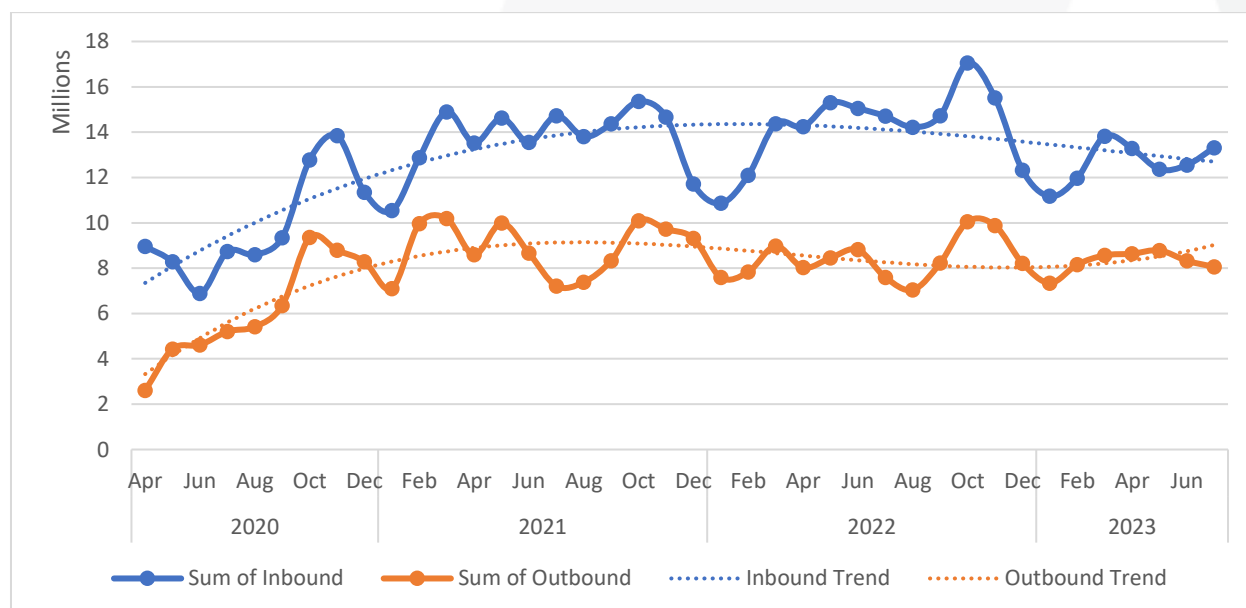
Table 4 – International inbound and outbound cargo from OR Tambo⁹

Flows	24-Jul	25-Jul	26-Jul	27-Jul	28-Jul	29-Jul	30-Jul	Week
Volume inbound	438 427	468 422	351 798	241 105	319 925	353 339	895 861	3 068 877
Volume outbound	236 545	166 091	214 930	110 768	202 495	200 032	645 233	1 776 094
Total	674 972	634 513	566 728	351 873	522 420	553 371	1 541 094	4 844 971

Courtesy of ACOC. Updated: 31/07/2023.

The daily average volume of air cargo handled at ORTIA the previous week amounted to **438 411 kg** inbound (↓6%, w/w) and **253 728 kg** outbound (↓3%), resulting in an average of **692 139 kg per day** or **~96%** compared with July 2022. However, the level is currently at only **~82%** compared with the same period pre-pandemic in 2019.

Figure 10 – International cargo from OR Tambo – volumes per month (kg millions)



Courtesy of ACOC & BAC. Updated: 31/07/2023.

⁹ Only ORTIA's international volumes are shown. ORTIA handles ~87% of international cargo to and from South Africa.

b. Domestic air cargo

The following table shows the domestic inbound and outbound air cargo flows as reported by the industry. By way of comparison, the average domestic air freight cargo (inbound and outbound) handled in July 2022 was ~54 746 kg per day.

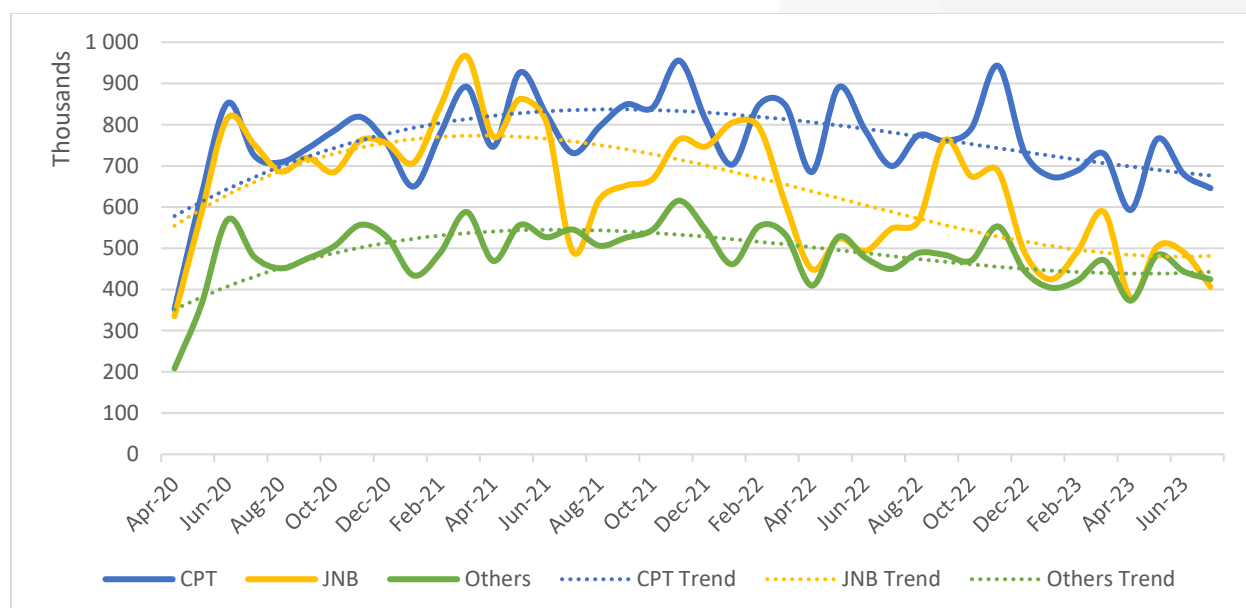
Table 5 – Total domestic inbound and outbound cargo (average daily)

DATE / AIRPORT	CPT	DUR	ELS	JNB	PLZ	OTHERS	TOTAL
Apr-Dec '20 Ave.	22 928	2 514	3 441	21 890	5 818	3 141	59 733
2021 Average	26 852	3 776	3 474	24 379	6 828	3 309	68 619
2022 Average	25 922	3 263	3 232	20 278	6 633	2 909	62 237
January Ave.	21 735	2 416	2 436	13 698	5 741	2 453	48 479
February Ave.	24 604	2 750	2 839	17 612	6 646	2 833	57 284
March Ave.	23 514	3 131	2 787	18 963	6 364	2 915	57 674
April Ave.	19 767	2 525	2 192	12 650	5 357	2 354	44 844
May Ave.	24 692	2 952	2 869	16 274	6 777	2 996	56 560
June Ave.	22 648	2 933	2 764	16 324	6 406	2 684	53 758
July Ave.	22 272	2 682	2 785	14 019	6 623	2 552	50 935
23-Jul	2 790	978	265	415	743	328	5 519
24-Jul	35 564	4 243	5 300	25 991	11 236	4 047	86 381
25-Jul	36 667	3 129	3 437	22 104	10 872	3 424	79 632
26-Jul	33 811	4 184	3 943	21 800	10 484	3 409	77 631
27-Jul	35 565	4 536	3 389	21 140	9 786	3 877	78 293
28-Jul	12 945	3 789	2 031	14 207	7 227	2 146	42 345
29-Jul	2 171	130	71	848	67	164	3 450
Total for 2023:	4 775 423	581 967	559 824	3 285 904	1 316 353	563 774	11 083 245

Courtesy of BAC. Updated: 31/07/2023.

The average domestic air cargo moved last week was ~53 322 kg per day, up by ↑1% compared to the previous week and remains slightly down compared to last year's level (~97%). However, the level is currently at only ~60% compared with the same period pre-pandemic in 2019.

Figure 11 – Domestic inbound and outbound cargo (thousands)



Courtesy of BAC. Updated: 31/07/2023.

3. National Update

a. SARS merchandise trade stats

SARS released its latest "Merchandise Trade Statistics" for June¹⁰, with the headline showing a preliminary monthly trade deficit of **R3,5 billion**. Monthly trade shows that exports decreased from May by **↓8,6%** (m/m), with imports also down – by **↓1,6%** (m/m). Despite the trade deficit for June, the YTD figures still show a slight trade surplus of **R5,6 billion** but is a significant deterioration from the **R129,6 billion** positive trade balance recorded in 2022. Annually, export flows for June 2023, at **R167,6 billion**, were **↓8,3%** (y/y) higher compared to June 2022, whilst import flows were slightly higher (**↑6,5%**, y/y) compared to 2022, having increased to **R171,1 billion** in the current period.

Regionally, trade with BELN countries for June resulted in a trade surplus of **R11,2 billion** from exports of **R16,1 billion** and imports of **R4,9 billion**. Exports to our neighbouring countries decreased marginally by **↓0,6%** (m/m) between May and June, with imports also marginally decreasing – by **↓6,3%** (m/m) – over the same period. The cumulative figures for the year point to a substantial positive trade balance with BELN countries, similar to last year – from **R56,9 billion** in 2022 to **R60 billion** in trade balance surplus for 2023.

4. Road and Regional Update

a. Cross-border and road freight delays

This week, the following points should be noted in terms of challenges and delays on roads in South Africa and the surroundings in the SADC region.

- The median border crossing times at South African controlled borders increased by **three hours**, averaging **~13,7 hours** (**↑29%**, w/w) for the week. In contrast, the greater SADC region (excluding

¹⁰ SARS. 31/07/2023. [Trade Statistics: June 2023](#).

South African controlled) decreased slightly by **around an hour** and averaged **~11,0 hours** (↓8%, w/w).

- Lebombo daily numbers decreased from the previous week, as significant focus remains on the border with Mozambique – including various stakeholder engagements being held this week.
 - Unfortunately, videos of the Taxi Association acting as police have surfaced – with instances of deflating tires, firing gunshots in the air, and truck vandalisms reported.
 - Fortunately, the queue (stretching out to a peak of 17km last week Wednesday) has subsided somewhat this week.
- Transporters at Beitbridge reported some issues with the declarations, EDI system and manifests not receiving responses, which has been rectified.
- The long queues and slow crossings at Kasumbalesa – shifting sides to the DRC side this week – remain concerning.
 - On Friday, 28 July, the Southbound queue was at 47km, lengthening to ~100km by Monday.
 - Fortunately, around mid-morning on Friday, trucks flowed smoothly with queues in the single-digit kilometres.
- Lastly, the regional industry reported some instances of police extorting monies from drivers at Kafue in Zambia – citing that drivers must carry original permits and not copy permits.
- As always, transporters, traders, and cargo owners are encouraged to use the non-tariff barrier (NTBs) [online tool](#) developed by UNCTAD and the AfCFTA Secretariat. However, given the questionable effectiveness of this platform, transporters are encouraged to contact FESARTA and join their [TRANSIST Bureau](#)¹¹, which arguably provides better and more reliable information.

The following table shows the changes in bidirectional flows through South African borders:

Table 6 – Delays¹² summary – South African borders (both directions)

Border Post	Direction	HGV ¹³ Arrivals per day	Queue Time (hours)	Border Time – Best 5% (hours)	Border Time – Median (hours)	HGV Tonnage per day	Weekly HGV Arrivals
Beitbridge	SA-Zimbabwe	451	3,3	6,3	23,1	13 530	3 157
Beitbridge	Zimbabwe-SA	397	4,6	1,5	12,5	11 910	2 779
Groblersbrug	SA-Botswana	240	1,1	8,6	37,0	7 200	1 680
Groblersbrug	Botswana-SA	167	0,5	0,4	4,2	5 010	1 169
Vioolsdrif	SA-Namibia	30	0,1	0,4	2,2	900	210
Noordoewer	Namibia-SA	20	0,2	0,5	2,1	600	140
Nakop	SA-Namibia	30	0,3	1,1	4,4	900	210
Ariamsvlei	Namibia-SA	20	0,2	0,4	2,3	600	140
Lebombo	SA-Mozambique	1 562	2,5	2,3	10,3	46 860	10 934
Ressano Garcia	Mozambique-SA	96	0,1	0,3	5,2	2 880	672
Skilpadshek	SA-Botswana	200	2,3	1,2	5,3	4 800	1 400
Pioneer Gate	Botswana-SA	100	0,5	0,4	1,5	2 400	700
Weighted Average/Sum		3 313	1,3	1,9	9,2	97 590	23 191

Source: TLC, FESARTA, & Crickmay, week ending 30/07/2023.

¹¹ [FESARTA TRANSIST Bureau](#).

¹² It should be noted that the root cause of the reported delays is uncertain at this point. Moreover, the delays may be multiple and widely distributed. Therefore, they cannot be exclusively attributed to a specific common cross-border problem since we do not have a transparent view of the entire border process in granular detail. The causes of these bottlenecks typically include poor infrastructure, road congestion, and a lack of coordination between neighbouring countries and Customs (or OGA) stops, among other trade obstacles. Data provided by the LMS (Logistics Monitoring System), which is produced by Crickmay in collaboration with SAAFF.

¹³ Heavy Goods Vehicles. Note: These statistics are rolling averages; therefore, they would not typically change weekly, rather monthly.

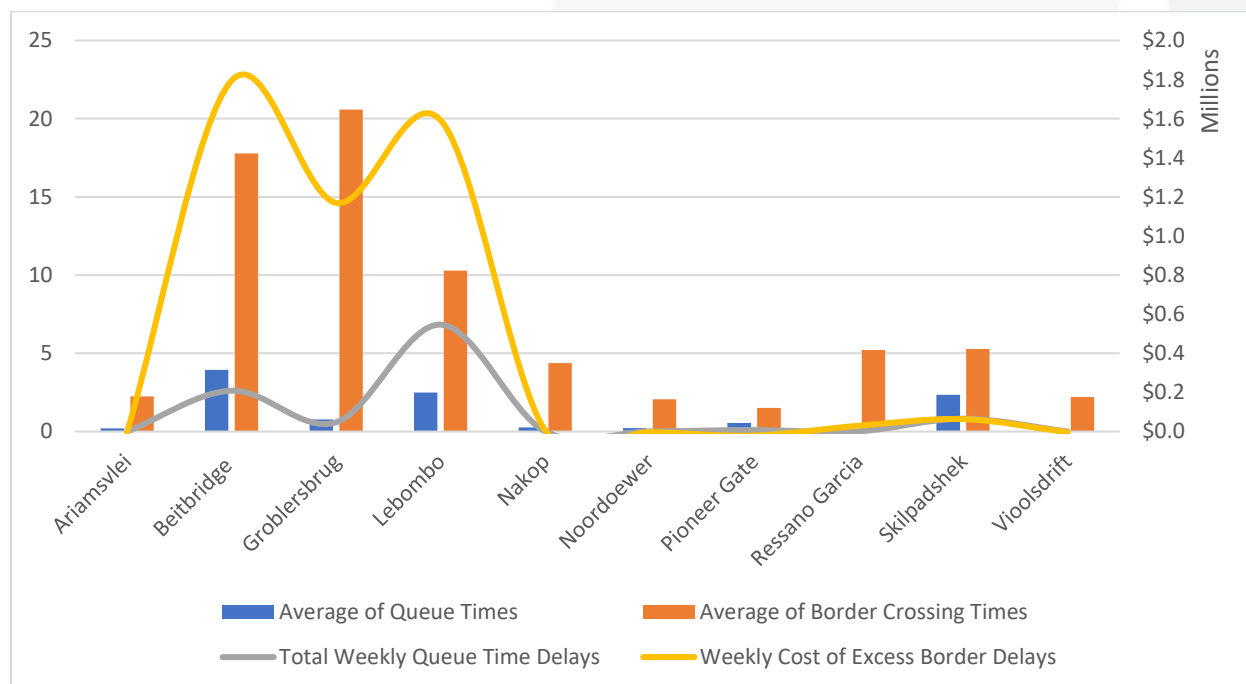
Table 7 – Delays summary – Corridor perspective

Corridor	HGV Arrivals per day	Queue Time	Border Time – Best 5%	Border Time – Median	HGV Tonnage per day	Weekly HGV Arrivals
Beira Corridor	320	0,5	2,3	12,4	9 600	2 240
Dar Es Salaam Corridor	1 819	43,9	0,9	12,8	54 570	12 733
Maputo Corridor	1 658	1,3	1,3	7,7	49 740	11 606
Nacala Corridor	127	0,0	1,2	2,6	3 810	889
North/South	3 327	17,1	3,1	12,8	99 810	23 289
Trans Caprivi Corridor	116	1,2	4,3	30,5	3 480	812
Trans Cunene Corridor	100	2,2	2,7	23,5	3 000	700
Trans Kalahari Corridor	330	1,3	0,7	2,8	7 920	2 310
Trans Oranje Corridor	100	0,2	0,6	2,7	3 000	700
Weighted Average/Sum	7 897	13,2	2,0	11,0	234 930	55 279

Source: TLC, FESARTA, & Crickmay, week ending 30/07/2023.

The following graph shows the weekly change in cross-border times and associated estimated costs:

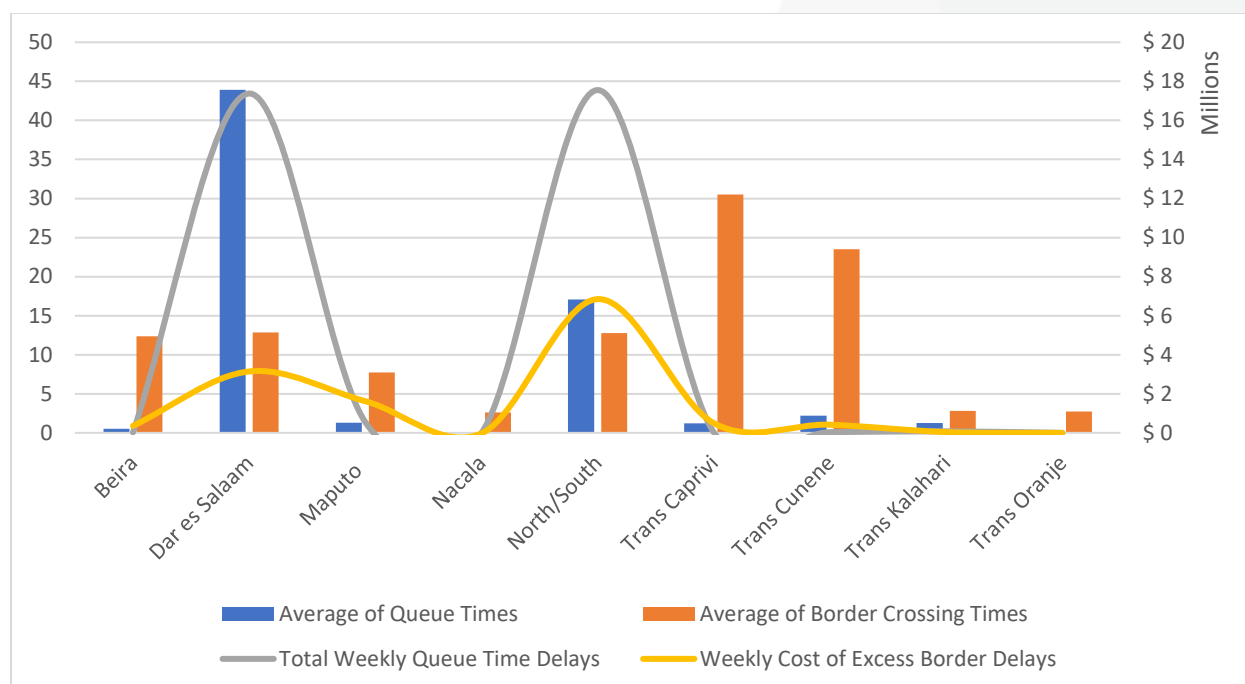
Figure 12 – Weekly cross-border delays & est. cost from a SA border perspective (hours & \$ millions)



TLC, FESARTA, & Crickmay, week ending 23/07/2023.

The following figure echoes those above, this time from a corridor perspective.

Figure 13 – Weekly cross-border delays & est. cost from a corridor perspective (hours & \$ millions)



Source: TLC, FESARTA, & Crickmay, week ending 23/07/2023.

In summary, cross-border queue time averaged **~13,2 hours** (up by **~2,1 hours** from the previous week's **~11,1 hours**), indirectly costing the transport industry an estimated **\$35,6 million (R547 million)**. Furthermore, the week's average cross-border transit times hovered around **~11,0 hours** (down by **~0,4 hours** from the **~11,4 hours** recorded in the previous report), at an indirect cost to the transport industry of **\$12,9 million (R239 million)**. As a result, the total indirect cost for the week amounts to an estimated **~R897 million** (up by **~R144 million** or **↑19,1%** from **R753 million** in the previous report).

5. International Update

The following section provides some context around the global economy and its impact on trade, including an update on **(a)** the global shipping industry and **(b)** the global aviation industry.

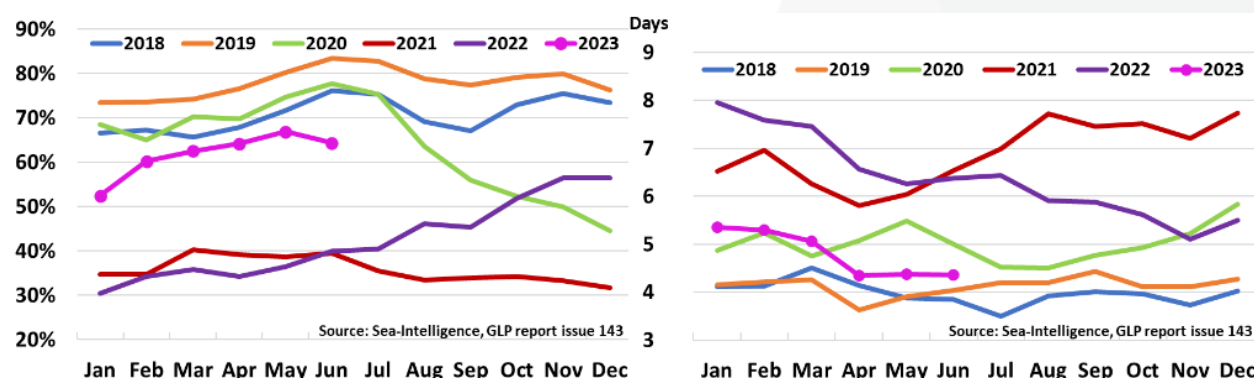
a. Global shipping industry

i. Global container industry summary

Global schedule reliability – which has been on an upwards trend throughout 2023 – has seen the first monthly drop in June. The changes come in at a **↓2,5%** decline to **64,3%**¹⁴. Nevertheless, schedule reliability is still a massive **↑24,4%** higher than the corresponding period of 2022. On the other hand, the average delay for LATE vessel arrivals improved by a marginal **↓0,1 days** to **4,36 days**. In the last three months (including June), the average delay for LATE vessel arrivals has been within 0,03 days, while on an annual level, the average delay figure was a significant **↓2,01 days** lower:

¹⁴ Murphy, A. 31/07/2023. [Schedule reliability upward trend discontinues.](#)

Figure 14 – Global schedule reliability (%) and average delays for late vessel arrivals (days)



Source: Sea-Intelligence

With **70,6%** schedule reliability in June 2023, MSC was the most reliable top-14 carrier, followed closely by Maersk with **69,9%**. MSC was the only top-14 carrier to have recorded a monthly increase in June 2023, albeit of a marginal 0,3 percentage points, with two of the remaining 13 carriers recording double-digit monthly declines. On a yearly level, however, all 14 carriers recorded double-digit improvements, with Wan Hai recording the most considerable improvement of **↑35,2%**.

On the financial front, CMA CGM¹⁵ and ONE have reported sharply lower second-quarter financial performance with weaker earnings, especially on the Transpacific and Asia-Europe routes. Consequently, ONE CEO said that "*more likely that signs of a strong recovery in orders and inventory rebalancing will not be so apparent until later this year*" as the Japanese carrier eyes a network downsize¹⁶. Nevertheless, the challenge that the more prominent players face from upstart carriers on these East-West routes is rapidly dissipating, with CU Lines being the latest casualty¹⁷. However, carriers have continued to grow their fleet, with new ship deliveries in July again exceeding **200 000 TEU** for the second month in a row. The lack of capacity discipline is also reflected in the low idle fleet (currently hovering around *only 0,3%* of total capacity) and vessel scrapping figures, which have already hit charter rates, with freight rates expected to follow in due course (see the summary below).

Elsewhere in the industry, port congestion this week has returned to similarly low levels two weeks ago and is only affecting **5,7% (1,55 million TEU)** of the global fleet. Scheduling cancellations have decreased again this week, as shown by Drewry's "*Cancelled Sailings Tracker*", trending around a **5% cancellation rate**¹⁸.

ii. Global container freight rates

Against the recent trend, the "*World Container Index*" shot up significantly this week, with GRI for August taking centre stage. High capacity utilisation on the transpacific routes, especially to the West Coast, will ensure rates remain elevated to North America with the unresolved ILWU Canada contract negotiations¹⁹. (Fortunately, UPS and the Teamsters union reached a tentative agreement for a five-year labour contract in the US last week²⁰.) Asia-Europe rates will be less resilient, with carriers already under-cutting rates as the capacity overhang continues to temper expectations²¹. The composite index is up by **↑11,8%** (or **\$185**) to **\$1 761** per 40-ft container²², as the liner industry has taken a seemingly definite change in course:

¹⁵ Wackett, M. 31/07/2023. [Ups and downs in Q2, but CMA CGM may be outperforming its peers.](#)

¹⁶ Wackett, M. 01/08/2023. [ONE eyes network downsize as soft demand sends profits tumbling.](#)

¹⁷ Linerlytica. 31/07/2023. [Market Pulse – Week 31.](#)

¹⁸ Drewry. 04/08/2023. [Cancelled Sailings Tracker - 4 August.](#)

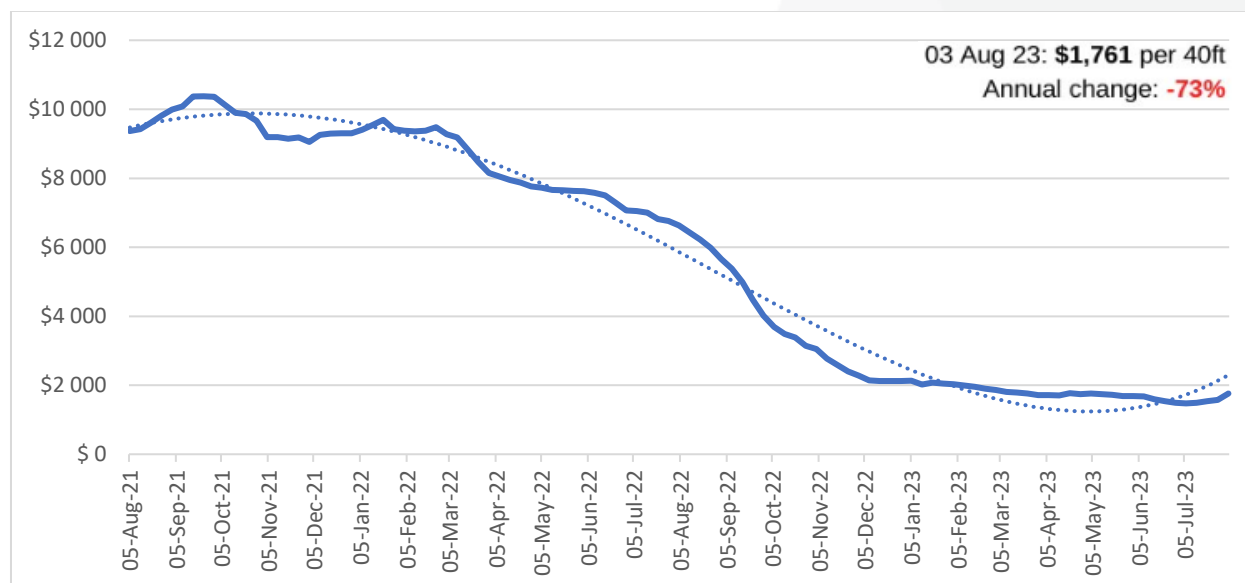
¹⁹ Putzger, I. 31/07/2023. [Canada port dispute resolution may be on again, after early hours agreement.](#)

²⁰ Putzger, I. 26/07/2023. [US breathes sigh of relief as UPS comes to terms with Teamsters.](#)

²¹ Linerlytica. 31/07/2023. [Market Pulse – Week 31.](#)

²² Drewry. 03/08/2023. [World Container Index – 3 August 2023.](#)

Figure 15 – World Container Index assessed by Drewry (last two years, \$ per 40 ft. container)



Source: [Compiled from Drewry Ports and Terminal Insights](#)

As has been the case over the last three weeks, the rate increases were again dominated on the Asia-North American routes, with the Shanghai to LA and NY routes also up this week – by **↑11%** and **↑9%**, respectively. However, Asia-Europe has followed suit this week, with Shanghai to Rotterdam (**↑25%**) and Genoa (**↑9%**) also seeing significant increases. Other trade lanes remained relatively constant; however, the Asian spikes have meant that the composite index shot up by the most significant increase since 24 June 2021, when the index rose by nearly **↑15%** that week. Ultimately, it means that the container industry has to seem to arrive at a much healthier equilibrium, with volume increases finally stopping the rate drops. Looking ahead, Drewry expects East-West spot rates to be "stable, overall" in the next few weeks.

iii. Further developments of note

Apart from the overview provided above, there were some additional noteworthy developments this week:

1. Hapag-Lloyd completes acquisition of SAAM:

- Hapag-Lloyd completed the acquisition of SAAM's port and logistics operations for a total price of \$995 million on 1 August 2023 after securing relevant regulatory approvals²³.
- The deal was first signed on 6 October 2022. The transaction includes interests in 10 terminals throughout the Americas, including US, Chile, Mexico, and others.

2. Burning Ro-Ro vessel off the coast of the Netherlands:

- After burning for almost a week, the fire on car-carrier *Fremantle Highway* has been extinguished, Dutch authorities reported on Wednesday²⁴.
- On Thursday, the car-carrier was towed on its way to Eemshaven, a Dutch energy, windfarm, and transshipment port, 64km from its recent mooring²⁵.

²³ Linerlytica. 04/08/2023. [Hapag-Lloyd completes acquisition of SAAM](#).






















²⁴ Bartlett, C. 02/08/2023. [Fremantle Highway blaze finally extinguished, say authorities](#).

²⁵ Whiteman, A. 03/08/2023. [Fremantle Highway towed to Eemshaven as bad weather looms](#).

b. Global air cargo industry

Global air cargo demand in July continued the trend of the previous months, showing a ↓5% decrease in tonnage compared to the same month last year. This decline follows similar drops of ↓5% in both May and June. The market appears to be stabilising around this ↓5% decrease year-on-year, with average yields experiencing gradual weekly and monthly declines. Week 30 figures indicated a ↓1% decrease in tonnage compared to the previous week, with stable average worldwide air cargo prices. When comparing weeks 29 and 30 with the two weeks prior (2w/2w), tonnages and capacity remained stable, while average worldwide rates decreased by ↓1%:

Figure 16 – Global capacity, weight, and yield over the last five weeks (% , weekly)

Origin Regions last 2 to 5 weeks	Capacity ¹			Chargeable weight ¹			Yield/rate ¹		
	Last 5 wks	2Wo2W	YoY	Last 5 wks	2Wo2W	YoY	Last 5 wks	2Wo2W	YoY
Africa		-0%	+9%		-2%	+1%		+1%	-16%
Asia Pacific		-1%	+33%		-1%	+1%		+1%	-45%
C. & S. America		+1%	-7%		+2%	+1%		-2%	-13%
Europe		-1%	+5%		-1%	-9%		-1%	-36%
M. East & S. Asia		-0%	+11%		+5%	+6%		-1%	-43%
North America		+3%	+7%		+4%	-17%		-0%	-28%
Worldwide		+0%	+10%		+0%	-5%		-1%	-38%

Source: [World ACD](#)

At a regional level, there were notable tonnage increases from North America to Central & South America (↑13%), Europe (↑5%), and from the Middle East & South Asia to Europe (↑6%). Decreases were seen from the Middle East & South Asia to Asia Pacific (↓3%), Asia Pacific to Europe (↓3%), and intra-Asia Pacific (↓3%). Regarding pricing, slight decreases (2w/2w) were observed for lanes from Europe to the Asia Pacific and Africa (↓3%) and from North America to Central & South America (↓3%). At the same time, increases were noted for lanes from North America to Asia Pacific, Europe to the Middle East & South Asia, and Africa to Europe.

Comparing the market with the same period last year, chargeable weight was down ↓5% (y/y), with significant decreases in tonnages from North America (↓17%) and Europe (↓9%). Global capacity has increased by ↑10% compared to last year, primarily in Asia Pacific (↑33%). However, worldwide average rates are still significantly below pre-COVID levels, although they have rebounded by ↑28% compared to July 2019. Lastly, worldwide average rates are currently ↓38% below their levels last year, at an average of \$2,27 per kilogram, although they remain significantly above pre-pandemic levels (↑28% compared to July 2019).

ENDS²⁶

²⁶ACKNOWLEDGEMENT:

This initiative – **The Cargo Movement Update** – was developed collectively by Business at large to provide visibility of the movement of goods during the COVID-19 pandemic. The report is authored by the South African Association of Freight Forwarders (SAAFF) and distributed by Business Unity South Africa (BUSA). SAAFF acknowledges the input of several key business partners in compiling these reports, which have become a weekly industry staple. This edition is proudly sponsored by [AIMS Global Logistics \(AGL\)](#).