

Global Outlook for Air Transportation

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Global air transportation is a supreme network



- **4.3 billion passengers on O-D journeys**
- **5 billion segments**
- **The global network covers over 9,000 airports and 101,000 links**

Source: Weisi Guo et. al., "Global air transport complex network: multi-scale analysis", SN Applied Sciences, June 2019.

The internet is a similar network: Internet Exchange Map

- 5.6 billion users
- 921 Internet Exchange Points (IXP)
- 300'000 Gbps international capacity

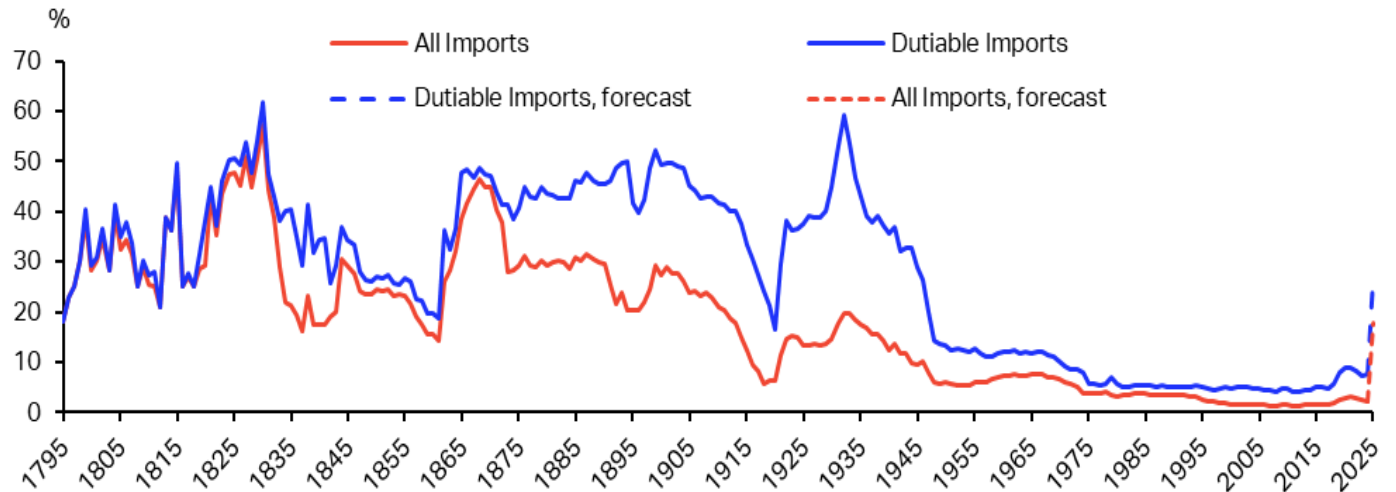
Both are part of the global arteries that distribute oxygen to the rest of the global economy

Source: IATA Sustainability and Economics, traceroute-online.com, DataReportal

Piecemeal policies drive fragmentation

- **Tariffs:** Highest since 1930s
- **ESG Reporting:** 10 global frameworks, 1,000 metrics
- **CORSIA and EU RED II:** Competing and conflicting
- **Taxation:** ICAO resolutions cover taxation of international air transport

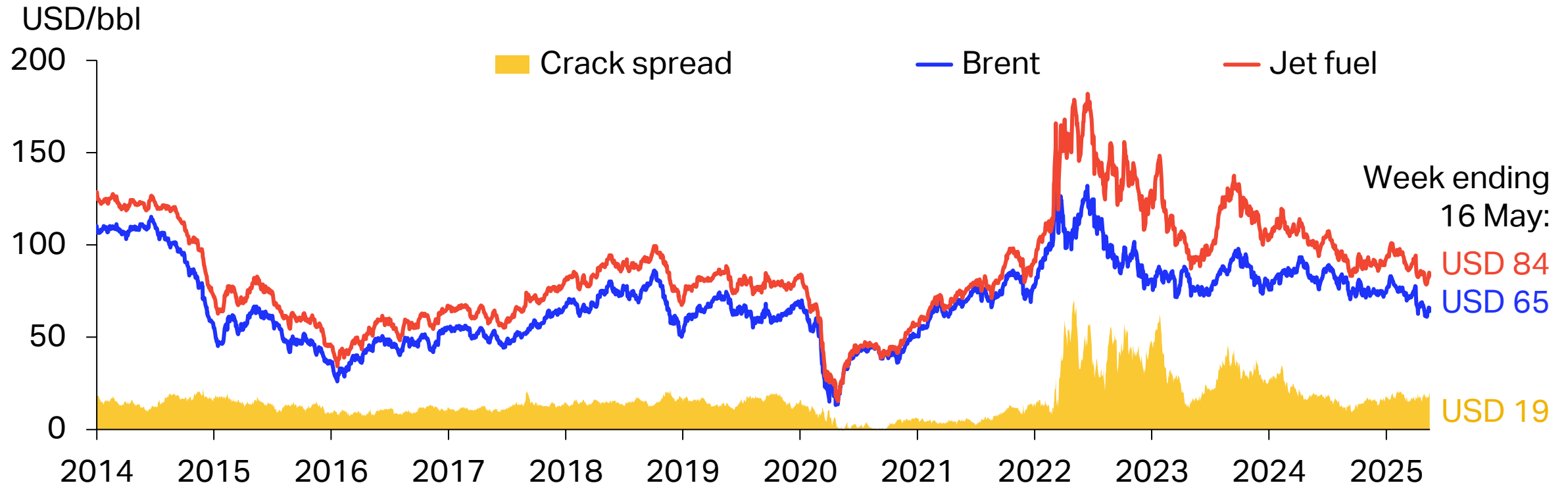
Average tariffs on total and dutiable imports to the US, %, 1790-2025, dotted line is projection



Source: IATA Sustainability and Economics, Macrobond, PIIE, Tax Foundation, US ITC, Yale budget Lab, Bloomberg

Lower oil prices will help

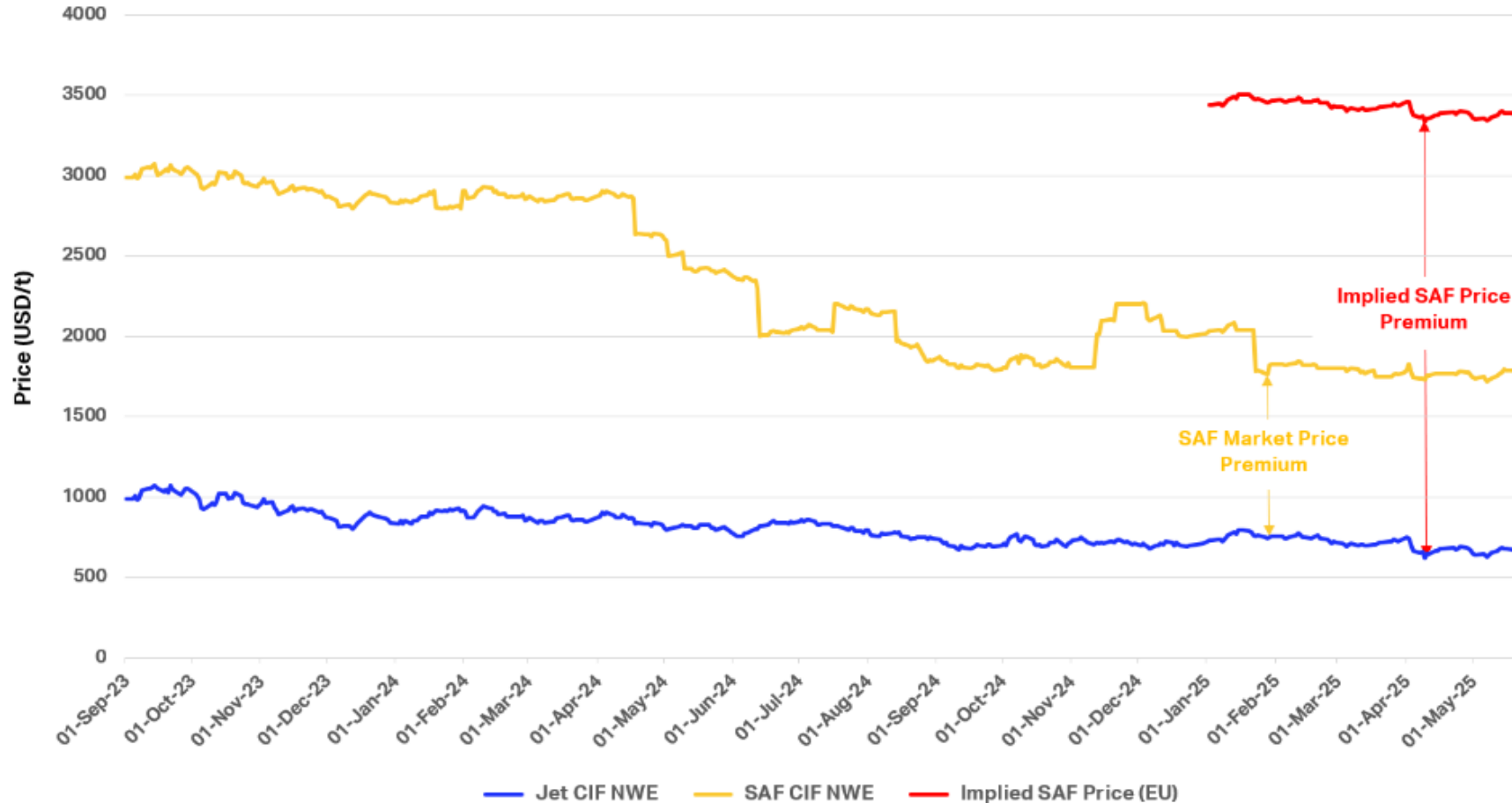
Jet fuel price, crude oil price, and the spread between the two (crack spread), USD per barrel



Source: IATA Sustainability and Economics using data from Platts – S&P Global Commodity Insights

Compliance fees in EU double the implied price of SAF

EU SAF and Jet Fuel Prices, USD per tonne



Disclaimer

1. The SAF compliance fees reflect the aggregated levels across several EU airports.
2. The data is obtained from a sample of airlines operating at these EU airports.
3. Airlines may have different fuel supply models, so not every airline will have the same fuel cost structure or exposure to the SAF compliance fees.

Source: IATA Sustainability and Economics, S&P Global Platts; Airline survey





Traffic up 5.8%

RPK, 2025 vs 2024

Passenger (segment): 5 billion in 2025

Passengers (origin-destination): 4.3 billion

CAGR 3.2% 2024-2044

>60% of growth from Asia Pacific



Cargo up 0.7%

CTK, 2025 vs 2024

Weight: 69 million tonnes in 2025

USD 979 billion

Revenue in 2025

USD 913 billion

Expenses in 2025

USD 66 billion

Operating profit in 2025

- Revenue + 1.3% YoY versus Expenses +1.0% YoY
- Pax Total Yield -3.2% in 2025 versus -4.1% in 2024
- Cargo Yield -5.2% in 2025 versus -3.7% in 2024

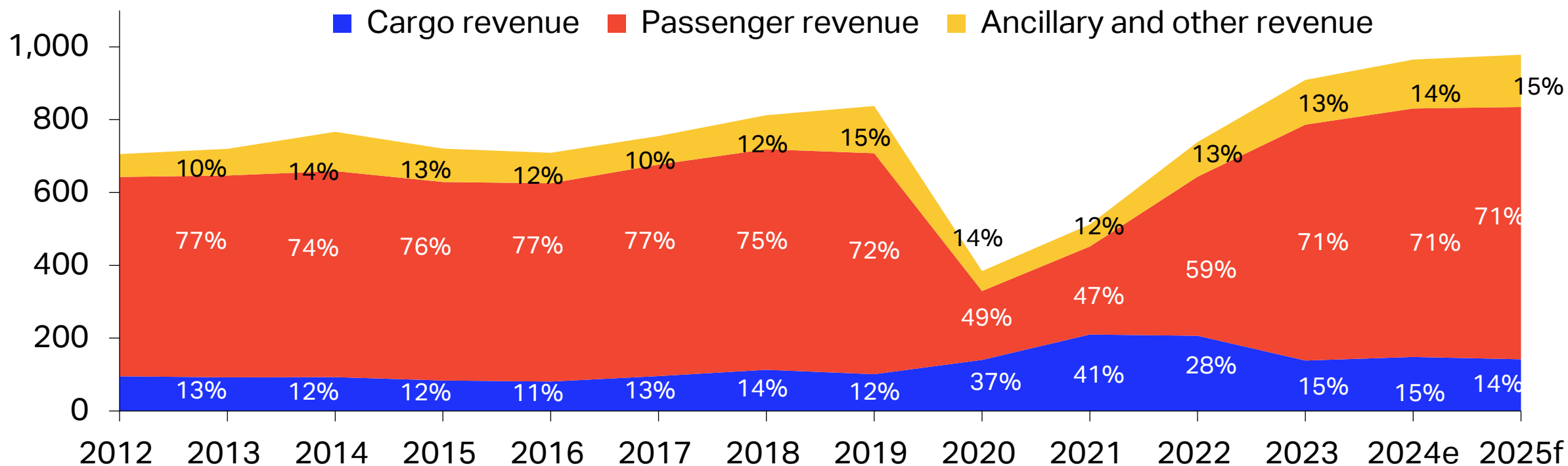
Photo: The Golden Temple, Amritsar, Punjab, India, by Sandeepa Chetan.



Passenger leading revenue growth

Airline passenger, cargo, and ancillary and other revenue, USD billion

USD billion



Source: IATA Sustainability and Economics, using data from Airfinance Global

USD 36 billion
Net profit in 2025
= 3.7% margin

2025 Net Profit, USD billion

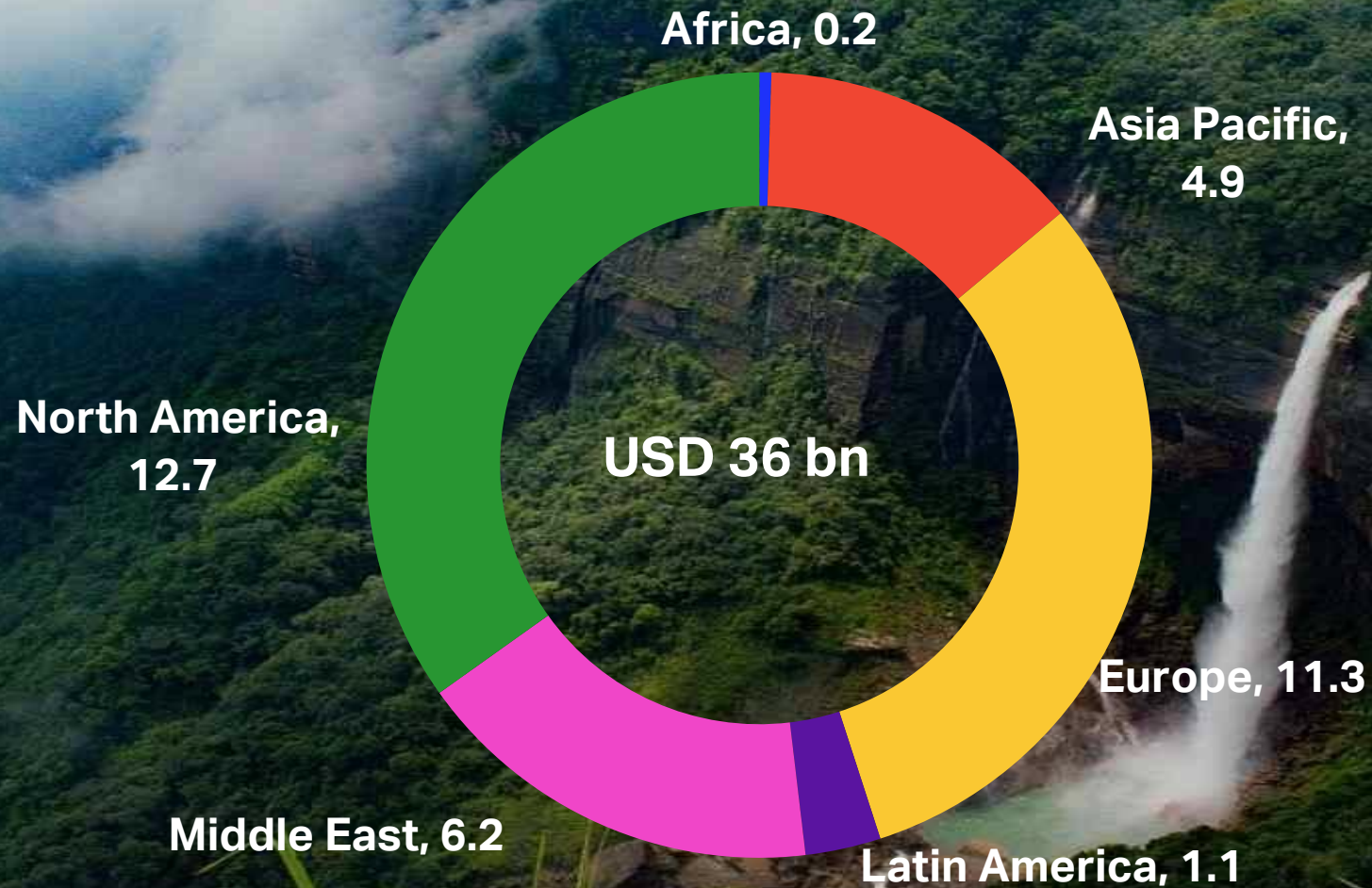
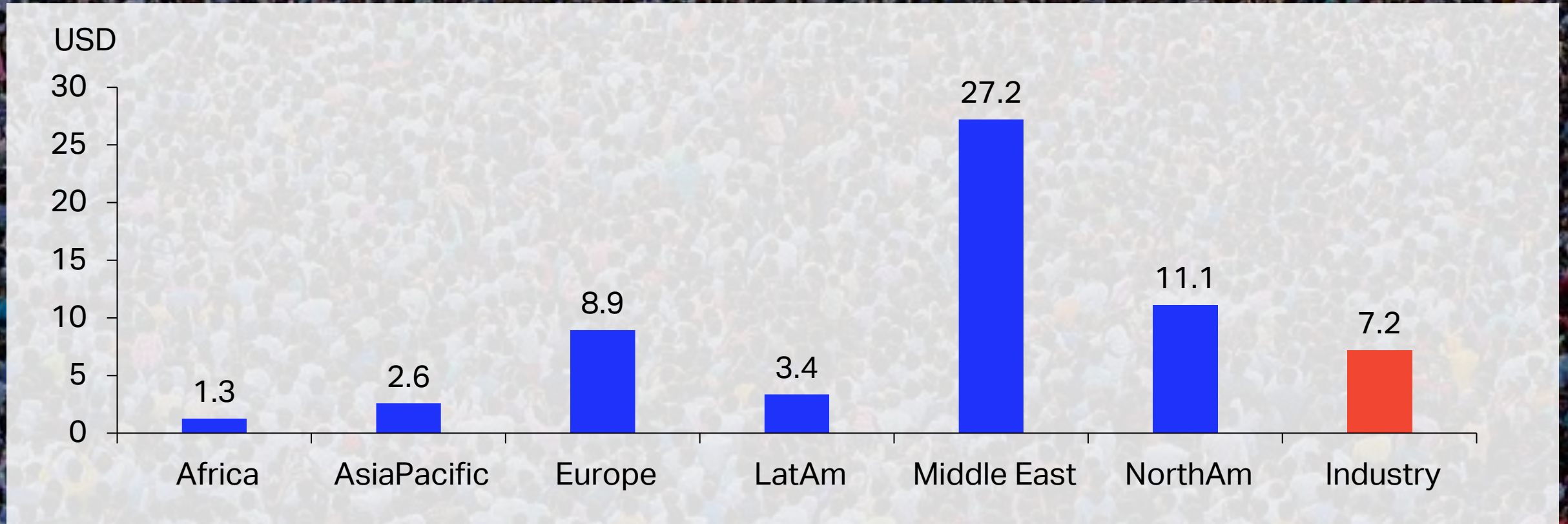


Photo: NohKaliKai Falls, Meghalaya, India, by travelmelodies.

USD 7.2

Per passenger profit in 2025



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ANNUAL

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MEETING



Host airline



Thank you.

