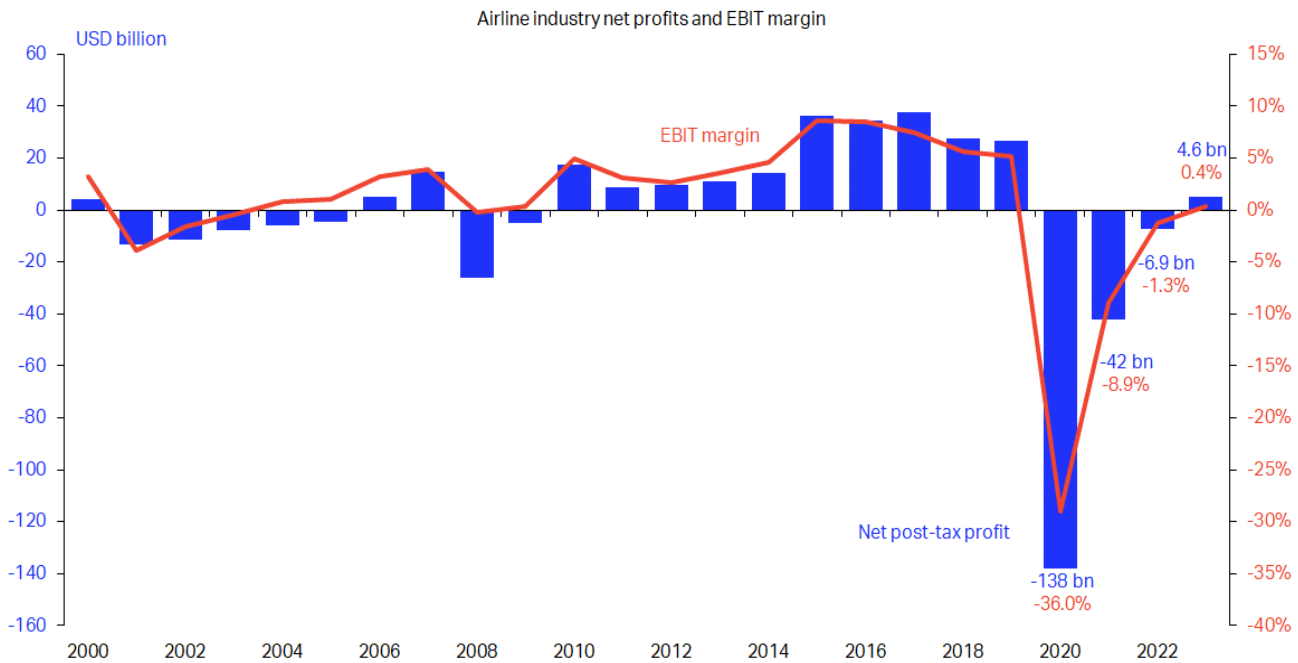




IATA Economics' Chart of the Week

9 December 2022

A return to industry profitability in 2023



Source: IATA Economics

- After the historic losses incurred by the airline industry as a result of the pandemic and the related travel restrictions (-USD 140 billion in 2020), we now expect the industry to return to profitability in 2023. This would equate to the speediest recovery in our industry's history, in relation to the depth of the downturn (see chart above and [Global Outlook for Air Transport](#)).
- We expect the industry to show a profit of USD 4.6 billion on revenues of USD 779 billion in 2023 – representing an EBIT or operating margin of just 0.4% and a per passenger profit of just USD 1.1.
- In addition, we have revised up the forecasts for 2022 to an estimated loss of USD 6.9 billion, from the USD 9.7 billion forecast in June, based on more favorable financial outcomes reported over the year to date.
- There are many risks that lie ahead which could impact the financial performance of airlines over the coming year. These include the current high level of energy prices, slowing global economic growth, high inflation and the war in Ukraine. In addition, how long China will pursue its zero-COVID policy remains a key uncertainty not only to our forecast, but also to the global economy.
- With this expected performance airlines will once again demonstrate their resilience, their capacity to manage significant shocks, and to recover swiftly from unprecedented adversity.

IATA Economics
economics@iata.org

Terms and Conditions for the use of this IATA Economics Report and its contents can be found here: www.iata.org/economics-terms
By using this IATA Economics Report and its contents in any manner, you agree that the IATA Economics Report Terms and Conditions apply to you and agree to abide by them. If you do not accept these Terms and Conditions, do not use this report.