IATA

Air Cargo Market Analysis

December 2025

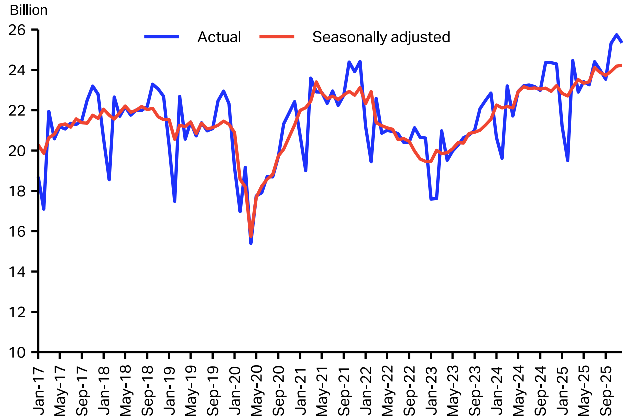
Global Air Cargo Growth Strong Amid Shifting Corridors

- Air cargo demand, measured in Cargo Tonne-Kilometers (CTK), expanded by 4.3% year-on-year (YoY). Growth was concentrated in key regions and trade lanes, underscoring resilient and targeted global freight flows rather than a broad-based trade upswing.
- International CTK rose by 5.5% YoY. Asia Pacific surged to 10.7% YoY in December and Africa maintained 10.1% growth, making them the only markets with double-digit expansion. In contrast, the Americas contracted.
- Global cargo capacity (ACTK) increased 4.5% YoY, while CLF held at 47.1%. Growth reflected measured fleet deployments, with capacity absorbed unevenly across regions and trade lanes.
- Jet fuel prices fell for the first time in four months, declining 3.1% YoY and marking the 9th month in 2025 with a YoY decline. The Brent–jet fuel crack narrowed sharply to USD 23.9. Cargo yields eased for the eighth month, down 2.6% YoY, while month-on-month rates were broadly stable, contracting just 0.4%.

Year-end air cargo growth solid across regions, except the Americas

Air cargo demand closed the year with one of the strongest monthly outcomes of 2025 as global cargo tonne kilometers expanded by 4.3% YoY **(Chart 1).**

Chart 1: Industry CTK, billion



Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics

Seasonally adjusted volumes rose by the same pace, reinforcing the view that momentum remained intact beyond peak-season dynamics. For the full year, demand increased by 3.4%, further signalling a move towards growth normalization. Rather than reflecting a broad-based trade surge, growth remained selective, anchored in e-commerce, supply-chain reconfiguration, and a continued preference for time-critical transport, factors. Furthermore, air cargo enabled businesses to adjust to the quickly changing trade policy landscape throughout the year, including by frontloading deliveries.

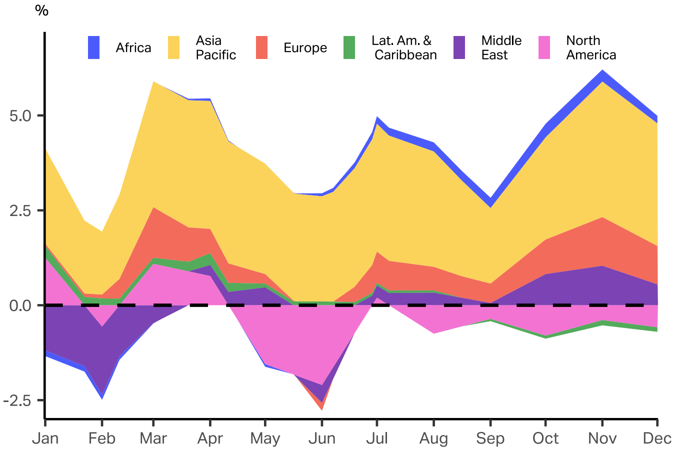
Asia Pacific led global performance in 2025, with full-year demand rising by 8.4%, supported by most major routes despite continued weakness on flows with North America and Africa **(Chart 2).** European carriers recorded 2.9% growth for the year, underpinned primarily by strong connectivity with Asia and, to a lesser extent, North America. Middle Eastern airlines saw more modest 0.3% full-year growth, constrained by an exceptionally strong 2024 base and geopolitical disruptions earlier in the year, although volumes in the second half of 2025 exceeded 2024 levels from July onward. African carriers delivered 6.0% growth over the year, extending a sustained expansion driven by their integration with Middle Eastern networks. Latin America and the Caribbean also ended the year higher, with demand up 2.3%, despite a weaker second half. By contrast, North America remained the principal laggard, with full-year demand contracting by 2.2%, reflecting prolonged softness concentrated on transpacific trade.

Air cargo market in detail - December 2025

	World	December 2025 (year-on-year, %)				December 2025 (year-to-date, %)			
	share, % [1]	CTK	ACTK	CLF (%-pt)	CLF (level)	CTK	ACTK	CLF (%-pt)	CLF (level)
TOTAL MARKET	**100.0**	**4.3**	**4.5**	**-0.1**	**47.1**	**3.4**	**3.7**	**-0.1**	**45.7**
International	87.3	5.5	6.4	-0.4	51.7	4.2	5.1	-0.4	50.8

[1] % of industry CTK in 2025

Chart 2: Contribution to Total Industry CTK Growth 2025 (% points YoY)



Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics

From the monthly perspective of December, African carriers recorded a 10.1% expansion, extending a six-month run of double-digit growth. Asia Pacific carriers posted 9.4% growth in December, underpinned by year-end e-commerce demand and resilient intra-regional trade, reinforcing the region's role as the industry's primary growth anchor.

Elsewhere, outcomes reflected each region's structural position in global networks. European airlines recorded a 4.9% increase in December, supported by firm flows with Asia and North America. Middle Eastern carriers delivered 4.2% growth in December, consistent with their role as long-haul transfer hubs during peak periods, with momentum strengthening in the second half of the year. In contrast, Latin America and the Caribbean experienced a 4.1% contraction in December, marking a fourth consecutive monthly decline after a stronger first half.

A clear divergence persisted in North America, where demand remained subdued despite broader global momentum. Regional carriers recorded a 1.1% contraction in December, the fifth consecutive monthly decline and part of a longer-running period of weakness. The downturn was concentrated on the Asia–North America route, which accounted for the majority of the region's air cargo in 2024—roughly two out of every three shipments—and contracted by nearly 1%. This contrast points to a market stabilizing at lower levels rather than accelerating, with softer trade conditions weighing on demand even as capacity remains available.

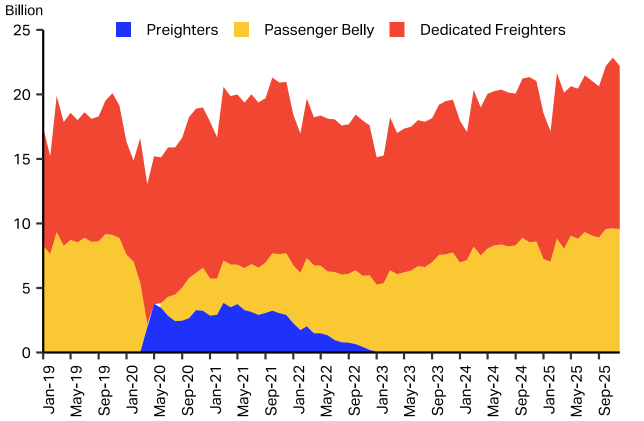
Together, these patterns underline a market shaped by corridor-specific fundamentals rather than uniform global expansion. For carriers, the year-end picture reinforces the importance of aligning networks and capacity with structurally resilient trade lanes, where utilization and yield support remain strongest, while maintaining operational flexibility to respond quickly in markets where demand has yet to regain momentum despite ample supply.

Year-end international cargo growth driven by Asia and Europe, amid corridor shifts

Air cargo ended the year with a tilt toward international flows, highlighting the structural role of cross-border trade. In December, international cargo volumes expanded by 5.5% YoY, outpacing the headline market and reinforcing the role of long-haul trade lanes as the primary engine of growth. Seasonally adjusted international demand rose by 5.7%, signalling persistence rather than a short-lived peak-season effect.

For the full year, international CTK increased by 4.2% in 2025, with results driven largely by the consistently robust performance of Asia Pacific, where manufacturing activity, e-commerce flows, and intra-regional trade continued to anchor global volumes. The international segment's share of total air cargo increased by 0.6 percentage points, highlighting the growing weight of cross-border traffic within the industry.

Chart 3: International CTK by cargo business type, billion

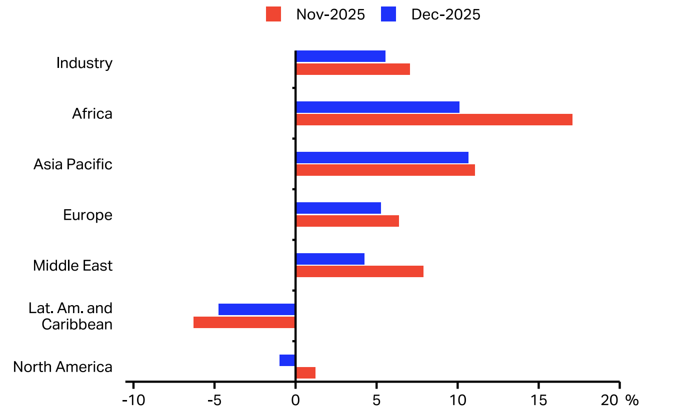


Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics

Beneath the headline expansion, the composition of growth reveals a clear structural transition. Full-year demand growth was driven primarily by belly cargo, which added more than 4 times the CTK contribution of dedicated freighters, despite freighters still accounting for nearly 58% of international air cargo demand in 2025 **(Chart 3)**. Freighters' share of total demand declined 1.6 percentage points from 2024, extending the gradual return toward the more balanced belly–freighter split observed in 2019. The post-COVID freighter-heavy configuration continues to unwind as passenger networks rebuild and belly capacity absorbs a growing share of marginal demand. All major route areas recorded belly-cargo demand growth in excess of 7% for the full year, supporting utilization gains across wide-body passenger fleets. By contrast, demand carried by dedicated freighters diverged sharply by corridor, with the expected Asia–North America lane contracting by 3.5%, marking a clear counter-trend to the broader international expansion.

Regional outcomes reflected both this cargo-type rebalancing and shifts in international market share **(Chart 4)**. Asia Pacific carriers sustained their international momentum, with international CTK rising 10.7% year-on-year in December, contributing to 8.6% total regional growth for 2025. The region also increased its share of global international traffic by 1.6 percentage points. African carriers recorded a 10.1% expansion in December, capping a strong second half that reversed earlier weakness and delivered 6.0% growth for the full year. Africa also gained 0.1 percentage points of international market share, consistent with strengthening trade corridors linking the continent to Middle Eastern hubs.

Chart 4: International CTK by airline region of registration, YoY, %



Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics

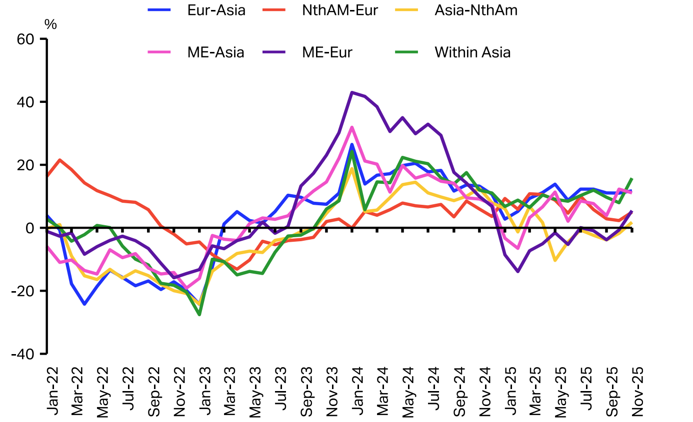
European carriers reported 5.3% international growth in December, moderating from 6.4% in November, but still reflecting firmer momentum in the second half of the year. Airlines in the region transported 4.5% more cargo in the second half of 2025 than a year earlier, lifting full-year demand to 3.2% above 2024 levels. Europe's share of international cargo remained broadly unchanged, indicating stable participation in global flows rather than outsized expansion.

By contrast, the Americas illustrated a more uneven adjustment. Latin American and Caribbean carriers saw international demand fall by 4.7% in December, concluding a difficult second half in which volumes contracted by 1.6% year-on-year, after expanding 6.6% in the first half. Despite this volatility, full-year demand still rose by 2.4%, supported by earlier-year strength, while the region's share of international cargo remained stable. North America stood out as the clearest divergence. International CTK for North American airlines declined by 1.0% in December, reversing November's brief expansion, the only month of growth in the second half. Although front-loading ahead of anticipated tariffs supported demand earlier in the year, the second half of 2025 marked the weakest performance since 2022. Full-year CTK rose by just 0.8%, leaving demand effectively flat versus 2024, while the region lost 0.5 percentage points of international market share, a small relative decline, but one that represents a substantial portion of total industry CTK given North America's leading role.

Middle Eastern carriers recorded 4.2% growth in December, closing the final quarter with improving momentum after a volatile start to the year. Full-year demand expanded by 0.4%, broadly unchanged from 2024, as the region ceded 0.4 percentage points of international share despite its continued role as a global transfer hub.

Overall, the year-end picture points to an industry increasingly shaped by international flows—whose share of total air cargo increased by 0.6 percentage points—belly-capacity utilization, and corridor-specific dynamics, rather than uniform global acceleration.

Chart 5: International CTK by route area, YoY, %



Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics

International air cargo demand strengthened across most major trade corridors in the final month of the year, making cross-border flows the primary driver of market momentum into year-end. However, beneath the broadly positive December performance, the corridor-level picture points to a continued reallocation of market share rather than a uniform expansion of trade. Growth increasingly favored routes aligned with evolving production networks and diversified sourcing strategies, while some historically dominant lanes continued to lose relative importance.

The most notable beneficiary of this shift was the Europe–Asia corridor, which recorded a 12.2% YoY increase in December, marking its strongest December performance since 2016 **(Chart 5)**. This late-year strength lifted full-year volumes 10.3% above 2024 levels, consolidating the route's role as a core artery for manufacturing inputs, high-value goods, and time-critical shipments. Reflecting this momentum, Europe–Asia absorbed most of the market-share reallocation observed in 2025, rising by 1.1 percentage points to 21.5% of global international air cargo demand.

By contrast, the Asia–North America trade lane illustrated the limits of late-year stabilization. Demand on the route grew by 0.6% YoY in December, slowing from 1.8% in November, but this modest expansion was insufficient to offset pronounced volatility earlier in the year. As a result, full-year demand contracted by 0.8% in 2025. The route experienced contraction in 7 out of 12 months, with declines ranging from -0.7% to a pronounced -10.4% in May, reflecting the combined effects of tariff measures and the removal of the U.S. de-minimis exemption for shipments valued under USD 800. These pressures drove a 1.2 percentage-point loss in market share, leaving Asia–North America at 23.4% of global international demand, underscoring how policy-driven disruptions can reshape corridor relevance.

Other long-haul corridors posted more balanced outcomes. The Europe–North America route advanced by 5.9% YoY in December, contributing to a 6.8% expansion for full-year 2025, supported by steady transatlantic trade. Similarly, the Middle East–Asia corridor grew by 9.5% in December. The resulting increase in annual demand by 5.8%, reflects the Middle East's function as a logistics bridge between Asian production centers and downstream markets.

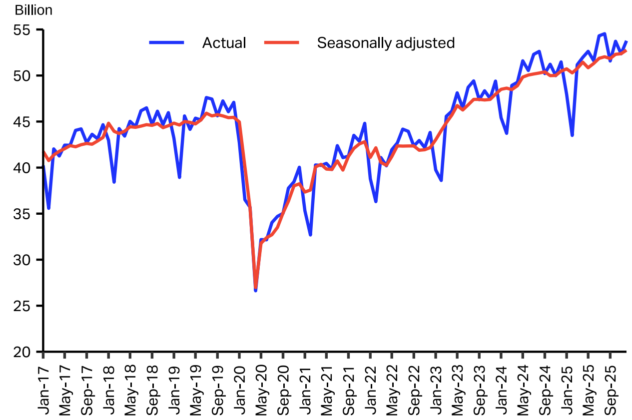
Not all corridors shared in the year-end uplift. Europe–Middle East demand remained broadly flat, rising just 0.1% YoY in December, following a strong 5.6% expansion in November but preceded by 3 months of contraction. Over the full year, the route contracted in 9 out of 12 months, including a sharp 13.9% drop in February, culminating in a 3.4% decline for 2025. Given that this corridor accounted for one-third of Middle Eastern international cargo demand in 2024, its weakness weighed disproportionately on regional outcomes and highlights the sensitivity of hub-dependent flows to geopolitical and trade disruptions.

At the other end of the spectrum, within-Asia routes continued to outperform. Demand surged 13.6% YoY in December, marking the fourth double-digit growth month of 2025 and the second consecutive month of expansion. This sustained momentum translated into a 10.3% cumulative increase for the full year, reflecting the broader "China Plus One" trend as manufacturing and sourcing diversify across Southeast Asia. The shift toward regionalized supply chains, near-shoring within Asia, and short-haul production linkages is increasingly driving cargo flows away from traditional Chinese hubs toward emerging regional centers. For operators, the strength of intra-Asia traffic reinforces the operational advantages of dense regional networks with high utilization and shorter cycle times.

Overall, the end-2025 picture is one of broad international expansion accompanied by pronounced corridor rotation. While demand growth remains intact, market share is redistributed away from policy-exposed lanes toward structurally resilient routes.

Year-end cargo capacity expands amid corridor-specific CLF shifts

Chart 6: Industry ACTK, billion



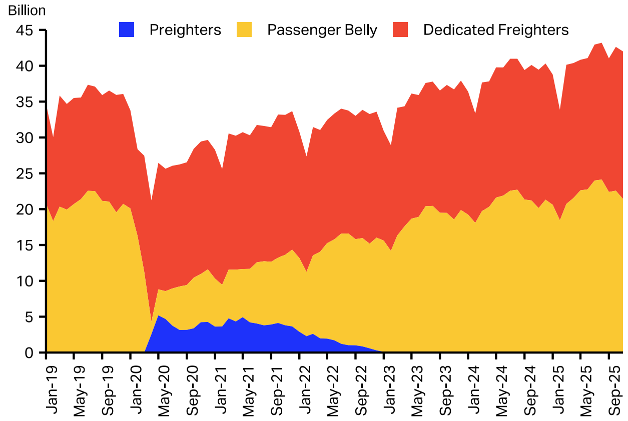
Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics

Capacity, measured in available cargo tonne kilometres, continued to expand and increased by 4.5%, outpacing demand growth of 4.3%. The global cargo load factor remained almost unchanged, down just 0.1 percentage points to 47.1%. Incremental capacity was largely absorbed, a sign of improving balance as the market closed the year **(Chart 6)**.

Regional dynamics illustrate a clear divergence. Latin American and Caribbean and Middle Eastern carriers expanded capacity by 4.5% and 10.6%, but load factors eased to 31.1% and 44.5%, each down 2.7 and 2.8 percentage points, indicating that supply growth outpaced demand. In contrast, Africa, Asia Pacific, and North America saw tighter absorption: ACTK rose 9.8% and 8.3% for the first two regions, while North America contracted by 2.6%, yet stronger demand lifted CLF to 45.4%, 49.4%, and 42.2%. European carriers fell in between, with moderate capacity increases of 3.9% supporting resilient flows and an increasing CLF of 56.4%.

These patterns underscore a split market: in some regions, incremental supply is readily absorbed, supporting operational leverage, while in others, capacity expansion exceeds demand, creating pressure on efficiency.

Chart 7: International ACTK by cargo business type, billion



Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics

Beyond regions and routes, capacity growth also differed by cargo type. Belly-hold capacity again accounted for the bulk of incremental supply, expanding 7.1% year-on-year in December, comfortably outpacing the 5.6% increase in dedicated freighter capacity **(Chart 7)**. This divergence reflects the passive return of capacity tied to passenger activity rather than a deliberate expansion of all-cargo fleets. Importantly, belly growth was broad-based across international routes, reinforcing its role as a flexible absorber of demand rather than a targeted response to specific trade lanes.

Dedicated freighter capacity followed a more uneven path, shaped by corridor-level adjustments rather than a uniform pullback. The most pronounced drag came from Asia–North America, where dedicated capacity declined 1.4%, reflecting the route's exposure to trade policy changes. Elsewhere, dedicated freighter capacity expanded, with Europe–Asia and within Asia both posting growth in excess of 10%, and Europe–North America increasing by around 4%. In full-year terms, this reallocation became more evident: Europe–Asia emerged as the principal engine of freighter growth, expanding by 14.7% over 2025, while Asia–North America contracted by 2.6%.

The structural importance of this shift is amplified by scale. Asia–North America remains by far the largest dedicated-freighter corridor, with Europe–Asia, within Asia, and Europe–North America together accounting for about 90% of its capacity. Individually, Europe–Asia represented just over 50%, within Asia barely 10%, and Europe–North America around 30%. As a result, relatively small percentage changes on Asia–North America continue to exert a disproportionate influence on global freighter capacity trends, even as growth increasingly concentrates elsewhere.

Belly-hold capacity displayed the mirror image. In December, all major belly routes contributed positively to international growth, led by Europe–North America (+4.8%) and Europe–Asia (+14.1%). Notably, Asia–North America, despite being the smallest of the tracked belly routes, recorded the fastest growth, exceeding 16.8% YoY. This pattern persisted over the full year, with belly capacity expanding 2.4% on Europe–North America, 11.0% on Europe–Asia, and 21.1% on Asia–North America, underscoring how passenger-driven supply partially offset reductions in dedicated freighter deployment on policy-exposed lanes.

At the aggregate level, 2025 confirmed a more balanced market. Demand expanded 3.4%, while capacity grew 3.7%, leaving the full-year cargo load factor only 0.1 percentage points lower than in 2024. This narrow gap signals that additional supply was largely absorbed, rather than triggering renewed excess.

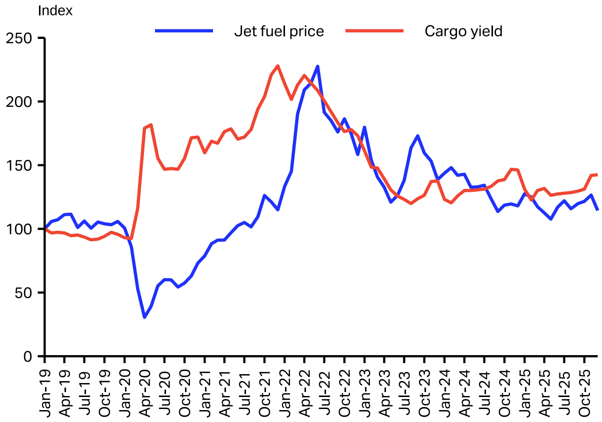
Utilization trends by cargo type, however, reveal a meaningful divergence. Dedicated freighter international load factors stood at 63.0% in December, down 0.8 percentage points year-on-year. For the full year, freighter CLF declined by 2 percentage points to land at 63.7%, a larger deterioration than the 1.9 pp drop seen between 2022 and 2023 and well above the modest 0.2 pp easing recorded from 2023 to 2024. Similarly, belly cargo utilization dropped in December as the CLF lost 3.3 pp YoY recording 41.8%, while full-year belly load factors moved in the opposite direction, and rose by 1 percentage point to 39.8%, extending the recovery that began in 2023 following the 2.9 pp gain recorded in 2024.

Taken together, these trends suggest that late-2025 capacity additions were not indiscriminate. Belly capacity expanded in response to passenger flows, while freighter capacity was actively redeployed away from corridors facing structural and policy headwinds. The result is a market entering 2026 with less slack than in previous cycles, particularly on long-haul and freighter-reliant routes.

Lower energy prices temper costs as air cargo yields stabilize

Energy markets sent mixed signals in December 2025. Brent crude remained under sustained pressure, averaging USD 62.7 per barrel, trailing last year's level by 15.3%, marking 17 consecutive months of annual contraction. This represents the lowest December price since 2020. Oil prices remained under pressure because supply exceeded demand. While some producers reduced output, higher production from Russia largely offset these cuts. Refineries ramped up activity ahead of planned maintenance in early 2026, but weak profits—especially in Europe—suggested limited demand for refined fuels. Stockpiles continued to rise after a sharp November increase, reinforcing the sense of oversupply and pushing prices lower. Over the full year, dated Brent averaged USD 69.1, standing 14.4% below 2024 and representing the lowest annual average since 2021.

Chart 8: Jet fuel price and air cargo yield (with surcharges), global index, January 2019 = 100



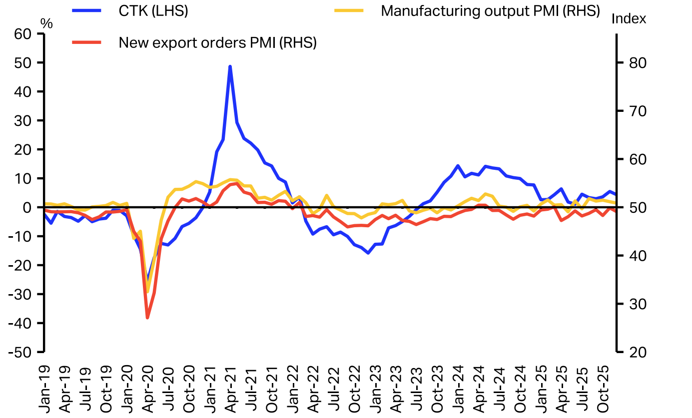
Source: IATA Sustainability and Economics, IATA Jet fuel price monitor, CargoIS

Refined products echoed this trend. Jet fuel prices fell 3.1%, breaking a three-month streak of growth and recording the 9th contraction in 2025. Consequently, the Brent–jet fuel crack spread narrowed sharply to USD 23.9 from last month and eased on a yearly comparison: December 54.2% versus the 100.0% increase in November, reducing pressure on the aviation fuel premium. Over 2025, jet fuel averaged USD 90.0, 9.1% below 2024's average, while the spread rose 15.0% versus 2024 to USD 21.0, the first annual increase since 2022. These dynamics illustrate that while crude oversupply weighed on energy markets, refined product margins and aviation fuel pricing began reflecting tighter fundamentals and regional differences **(Chart 8).**

Pricing dynamics in air cargo reflected these broader energy and cost trends. In December, global yields declined 2.6% YoY, marking the eighth consecutive annual contraction and the smallest reduction since July 2025, while remaining virtually flat MoM, increasing by 0.4%. Across 2025, yields averaged 1.5% below 2024, the third consecutive year of decline, reaching USD 2.44, the lowest yield since 2019, but marking the smallest annual contraction since 2023. This moderation aligns with stable to slightly softer load factors and partial cost pass-through, pointing to a more balanced market even as competitive pressures remain elevated.

Resilient air cargo demand amid mixed macroeconomic signals

Chart 9: Industry CTK (SA), change YoY, %, global manufacturing, and new export orders PMIs, 50 = no change (RHS)



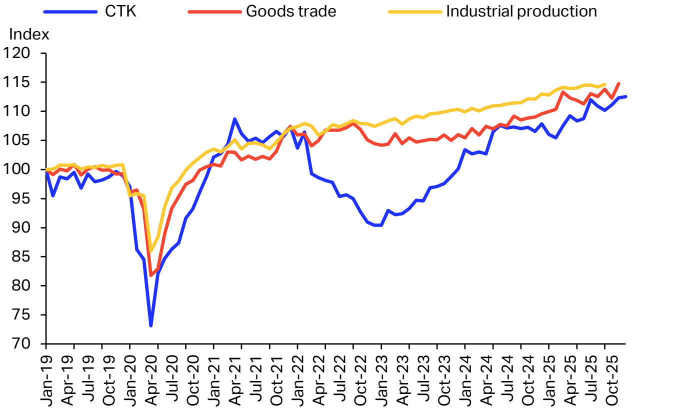
Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics, S&P Global Markit

Macroeconomic indicators remained uneven in 2025, reflecting a landscape where firm-level softness coexisted with resilient aggregate trade. Purchasing Managers' Indexes (PMIs), a key gauge of private-sector momentum, where readings above 50 indicate growth and below 50 signal contraction, captured this mixed backdrop. Global manufacturing activity showed cautious strength: December's PMI stood at 50.9, the highest December level since 2021 and only slightly below November, indicating ongoing expansion in industrial production even as broader economic pressures persisted **(Chart 9).** External demand, however, remained muted. New export orders stayed in contractionary territory until late Q4; December's reading of 49.1, though the strongest since 2021, fell 0.8 pp from November, the largest December decline since 2005.

On the other hand, global trade volumes exhibited sustained momentum. The World Goods Trade Index recorded a YoY increase of 5.3% in November, the strongest growth since February 2022. Compared with October, the index rose 3.2% year-on-year, adding 2.2 pp, the largest jump since 2020. This divergence, weak export orders at the firm level versus expanding aggregate trade, suggests that broad supply chain and logistics flows remain resilient even amid uneven demand signals.

Air cargo demand mirrored these dynamics but outpaced trade growth, reaching 5.5% in seasonally adjusted terms for November 2025. The continued strength in air freight highlights the critical role of fast, reliable transport for high-value and time-sensitive goods, reinforcing the link between manufacturing output, global trade flows, and logistics networks. Industrial production data for October and November remain pending, but the existing indicators imply that air cargo is absorbing both structural demand for agility and cyclical shifts in trade patterns, reflecting a market where resilience and network flexibility are increasingly valued. **(Chart 10).**

Chart 10: Industry CTK (SA), industrial production (constant USD), and global trade in goods (index, SA, Jan 2019=100)



Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics, Macrobond

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Air cargo market in detail - December 2025

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TOTAL MARKET	**100.0**	**4.3**	**4.5**	**-0.1**	**47.1**	**3.4**	**3.7**	**-0.1**	**45.7**
Africa	2.1	10.1	9.8	0.1	45.4	6.0	7.8	-0.7	42.9
Asia Pacific	35.9	9.4	8.3	0.5	49.4	8.4	7.4	0.5	47.6
Europe	21.4	4.9	3.9	0.5	56.4	2.9	3.1	-0.1	53.4
Latin America and Caribbean	2.9	-4.1	4.5	-2.8	31.1	2.3	4.5	-0.8	36.0
Middle East	13.2	4.2	10.6	-2.7	44.5	0.3	4.5	-1.9	45.1
North America	24.5	-2.2	-2.6	0.2	42.2	-1.3	-1.1	-0.1	40.2
International	**87.9**	**5.5**	**6.4**	**-0.4**	**51.7**	**4.2**	**5.1**	**-0.4**	**50.8**
Africa	2.1	10.1	9.1	0.4	47.2	6.0	7.3	-0.6	44.2
Asia Pacific	32.2	10.7	9.7	0.5	54.8	8.6	9.4	-0.4	54.0
Europe	21.0	5.3	3.7	0.9	58.2	3.2	2.9	0.2	55.6
Latin America and Caribbean	2.5	-4.7	3.6	-3.0	34.7	2.4	3.9	-0.6	40.3
Middle East	13.2	4.2	10.6	-2.7	44.8	0.4	4.4	-1.8	45.4
North America	17.0	-1.0	0.9	-0.9	49.4	0.8	1.2	-0.2	47.6

Note 1: % of industry CTK in 2025

Note 2: the total industry and regional growth rates are based on a constant sample of airlines combining reported data and estimates for missing observations. Airline traffic is allocated according to the region in which the carrier is registered; it should not be considered as regional traffic. Historical statistics are subject to revision.

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