Air Cargo Market Analysis

July 2026

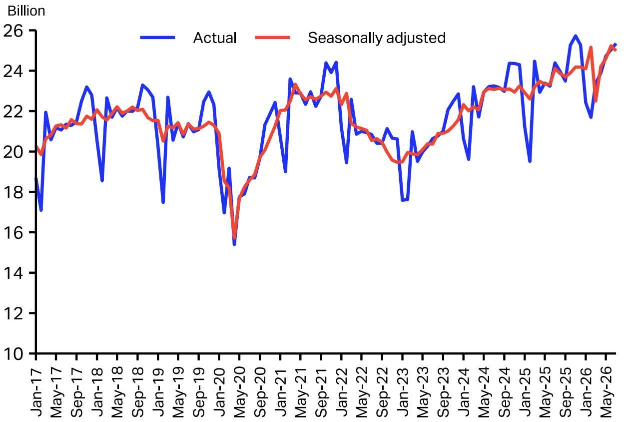
Freighter Strength Drives Air Cargo Growth

- Global air cargo demand kept a firm growth path in July, with industry-wide cargo tonne-kilometers rising 3.9% year-on-year (YoY). Expansion spanned all carrier regions, but its scale varied.
- International traffic advanced 4.7%, led by North American, Asia Pacific, and European carriers. At the corridor level, Asia-North America provided the main support, but several Middle East-linked trade lanes contracted sharply.
- Industry capacity, measured in available cargo tonne-kilometers (ACTK), increased by 1.7%, less than demand. This lifted the global cargo load factor (CLF) by 1 percentage point to 46.0%, indicating a tighter demand-supply balance.
- The macro backdrop remained supportive of air cargo demand. Manufacturing output and export orders stayed firmly in expansion territory, and world trade volumes strengthened. Average air cargo yields in July 2026 remained well above their July 2025 levels. At the same time, surging jet fuel prices increased cost pressures for airlines.

Demand growth remained broad-based despite corridor divergence

Industry-wide CTK increased 3.9%, with all major carrier regions contributing to the gain, though at different rates. **(Chart 1)**.

Chart 1: Industry CTK, billion

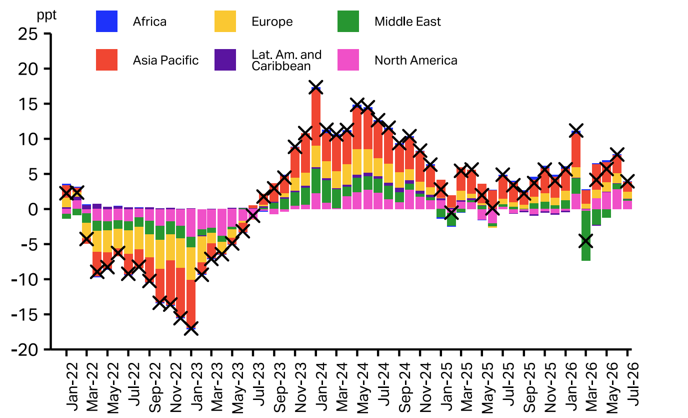


Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics

The broad advance showed that cargo demand held firm across the main trading blocs. Growth nonetheless eased from stronger rates recorded earlier in the year, pointing to sustained expansion with less momentum.

Asia Pacific, Europe and North America drove global cargo expansion

Chart 2: Regional contribution to industry-wide CTK growth, YoY%



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

North American carriers posted the strongest increase among the major regions at 4.8%. Asia Pacific carriers

Air cargo market in detail - July 2026

	World share, %[1]	July 2026 (year-on-year, %) CTK	ACTK	CLF (%-pt)	CLF (level)	July 2026 (year-to-date, %) CTK	ACTK	CLF (%-pt)	CLF (level)
TOTAL MARKET	**100.0**	**3.9**	**1.7**	**1.0**	**46.0**	**4.6**	**1.9**	**1.2**	**46.3**
International	87.9	4.7	1.8	1.4	51.5	5.0	2.2	1.4	51.8

[1] % of industry CTK in 2025

made the largest volume addition at 359.5 million CTK because of their larger traffic base. European airlines also made a substantial contribution. Together, these three regions accounted for more than 90% of the industry's nominal expansion **(Chart 2).**

By contrast, carriers from Africa and Latin American and the Caribbean recorded growth but accounted for only a small share of the overall increase. Middle East carriers remained in expansion territory, although their 1.7% increase lagged other regions and contributed 55.3 million CTK.

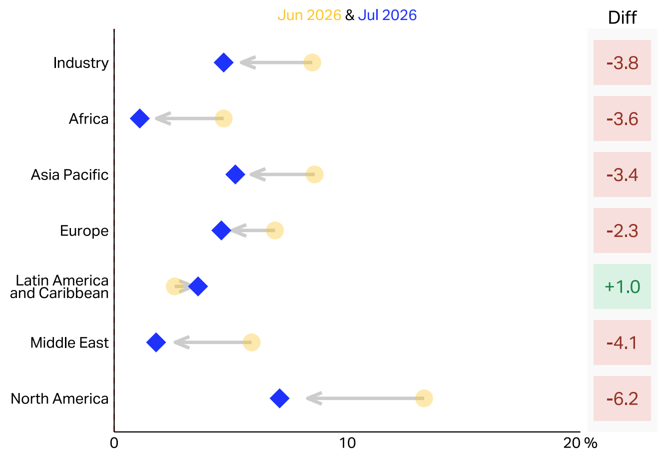
The concentration of nominal gains in Asia Pacific, Europe, and North America confirms that the major East-West trade corridors shaped the global outcome.

International markets expanded, although momentum moderated

International cargo demand increased 4.7% **(Chart 3)**. The continued expansion of cross-border traffic indicates that global supply chains and merchandise trade remained favorable for air freight despite ongoing geopolitical and trade-policy uncertainty.

All carrier regions recorded international growth. North American carriers led with a 7.1% increase, followed by gains of 5.2% for Asia Pacific and 4.6% for Europe. Each rate eased from June, which points to positive but less vigorous growth.

Chart 3: International CTK by airline region of registration, YoY, %



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

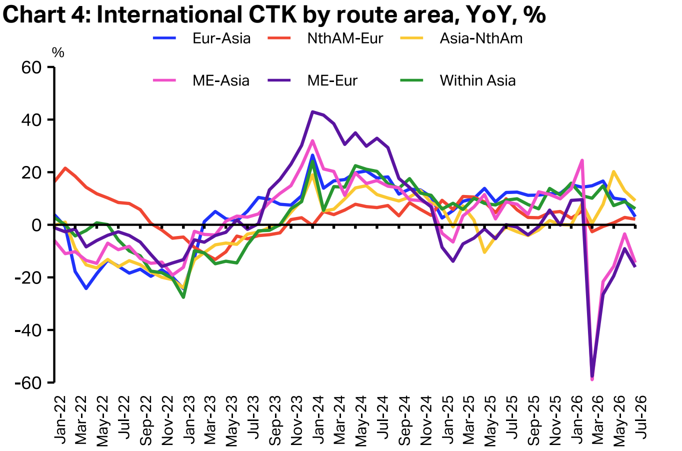
Expansion also slowed markedly for Middle East and African carriers. Latin American and Caribbean airlines formed the sole regional group to gain pace from the prior month. The broad deceleration was consistent with a gradual normalization after earlier trade-related distortions, rather than a reversal in international demand.

Trans-Pacific strength offset weakness in several Middle East-linked corridors

Route-area analysis captures network activity across operating airlines rather than registration alone, helping illustrate underlying trade-flow dynamics.

Asia–North America, the largest and most influential corridor, expanded 9.2% and extended its positive streak to six months. Its 23.5% market share in 2025 made it the main source of support for international cargo demand **(Chart 4)**. Elevated trans-Pacific container rates, constraints at several Chinese hubs and tariff-related front-loading were consistent with the lane's strength.

Chart 4: International CTK by route area, YoY, %



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

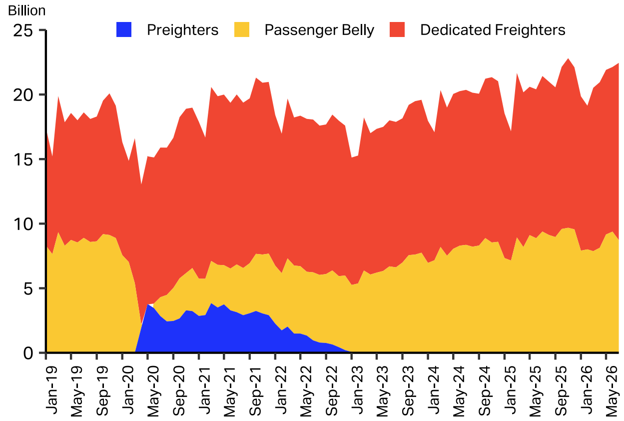
Europe-Asia, the second-largest corridor in 2025, advanced 3.1% and extended its expansion to 41 months. Growth slowed sharply from June. Reports of softer e-commerce volumes after changes to European low-value import rules were consistent with the loss of pace, while air cargo yields fell from June but remained well above their July 2025 level.

Europe-North America also expanded, while Europe-Middle East, Middle East-Asia and Africa-Asia contracted heavily. Weakness across Middle East-linked lanes coincided with geopolitical disruption and network adjustments, which may have weighed on traffic through these markets.

Dedicated freighters widened their lead over belly-hold cargo

The cargo mix diverged further in July. Dedicated freighter traffic expanded 13.9% YoY, its third straight month of double-digit growth and strongest increase in more than five years. Belly-hold CTK fell 7.0% YoY, marking its first contraction **(Chart 5)**. The decline partly reflected related disruptions to passenger operations, which reduced available belly-hold capacity.

Chart 5: Industry International CTK by cargo business type, billion

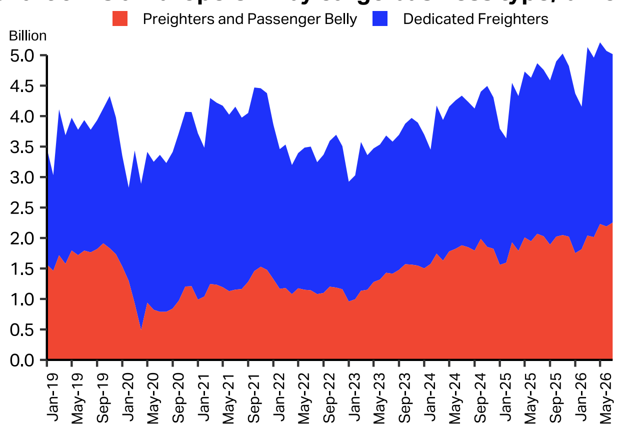


Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics

Freighter strength centred on Pacific flows while Europe-Asia softened

Asia-North America produced the industry's largest freighter gain. Demand increased by 12.2%, adding 69.1 million CTK and leaving dedicated lift as the dominant source of corridor growth **(Chart 7)**.

Chart 6: Asia-Europe CTK by cargo business type, billion



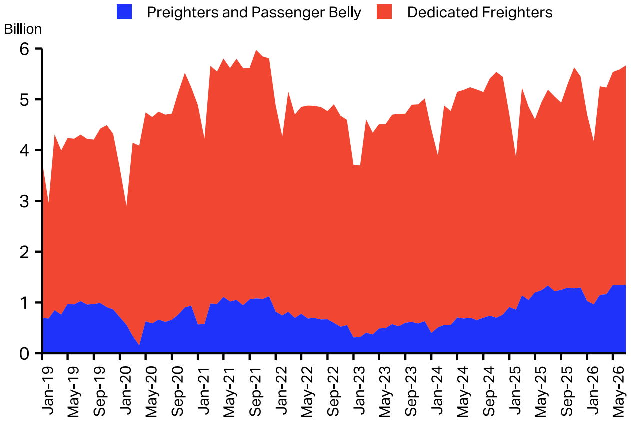
Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics

Europe-North America displayed a similar, though less pronounced, pattern. Within Asia recorded gains from both operating models and retained a tilt towards belly growth **(Chart 8 & 9)**.

Europe-Asia moved in the opposite direction. Dedicated freighters contracted 1.3%, which ended a prolonged expansion phase **(Chart 6)**. The corridor's positive total therefore masked a shift towards passenger capacity rather than a collapse in underlying demand.

Across the largest corridors, dedicated freighters generated a combined 528.7 million CTK. This nominal contribution confirms that freighters, led by trans-Pacific operations, accounted for most of the expansion in the monitored long-haul markets.

Chart 7: Asia-North America CTK by cargo business type, billion

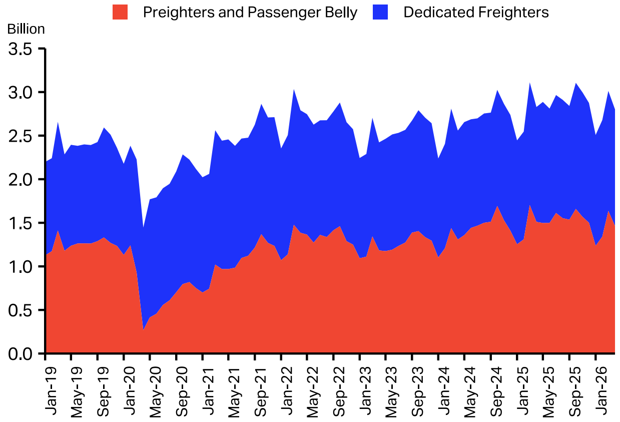


Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics

Passenger belly cargo stayed positive on key corridors despite aggregate weakness

All monitored route areas recorded belly-hold growth despite the industry-wide contraction.

Chart 8: Europe-North America CTK by cargo business type, billion



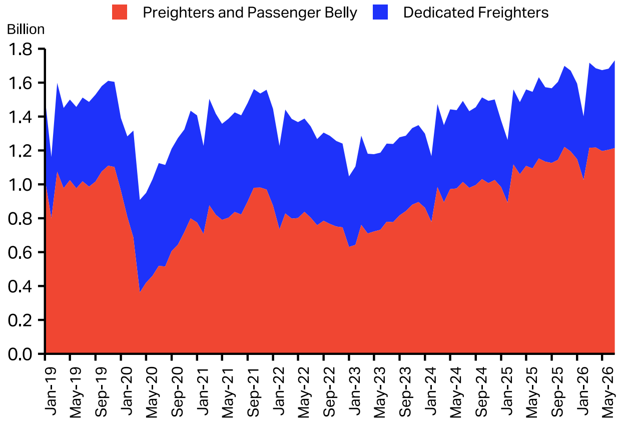
Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics

Europe-Asia led with growth of 9.0%, extending its positive sequence to 40 months despite a contraction in freighter volumes. The divergence points to a shift towards belly-hold capacity rather than weaker underlying cargo demand. Within Asia also posted a solid gain, but Asia-North America and Europe-North America grew more slowly.

Momentum weakened across every monitored corridor, and several lanes recorded their softest results in years. The continued gains nevertheless show that passenger networks still supported major international markets.

This route-level evidence narrows the aggregate weakness to activity outside the monitored lanes.

Chart 9: Within Asia CTK by cargo business type, billion

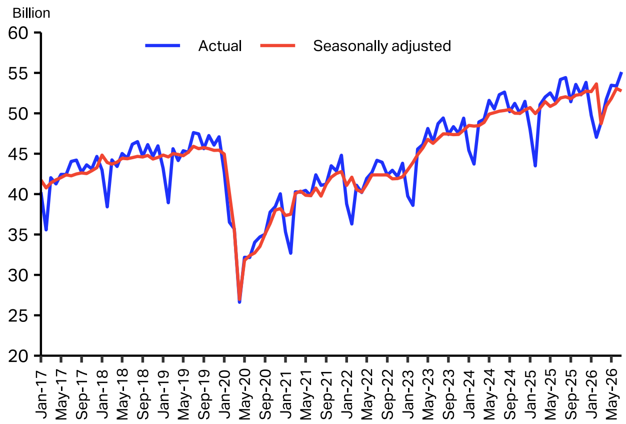


Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics

Capacity additions concentrated in Asia Pacific and the Middle East

Industry ACTK increased 1.7%, below the pace of demand, improving demand-supply balance and weight load factors **(Chart 10)**.

Chart 10: Industry ACTK, billion

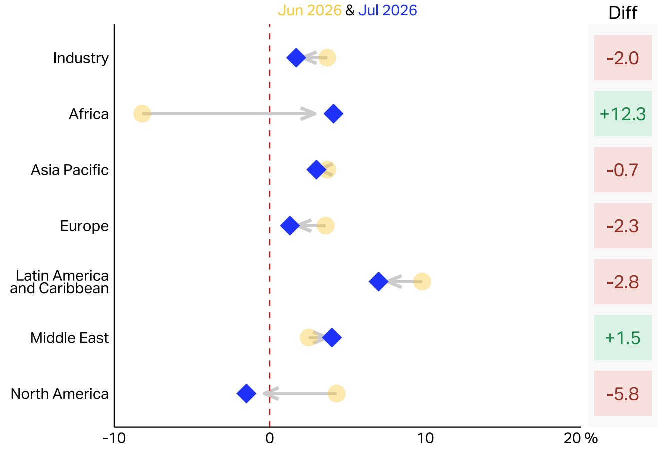


Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics

Most carrier regions expanded capacity, although North America reduced available lift by 1.5% **(Chart 11)**. Asia Pacific supplied the largest nominal addition at 540.3 million ACTK, while the Middle East added 288.6 million ACTK.

Latin American and Caribbean carriers recorded the strongest percentage increase in capacity. Their smaller base limited the effect on the global total, separating percentage growth from material nominal influence.

Chart 11: Total ACTK by airline region of registration, YoY, %

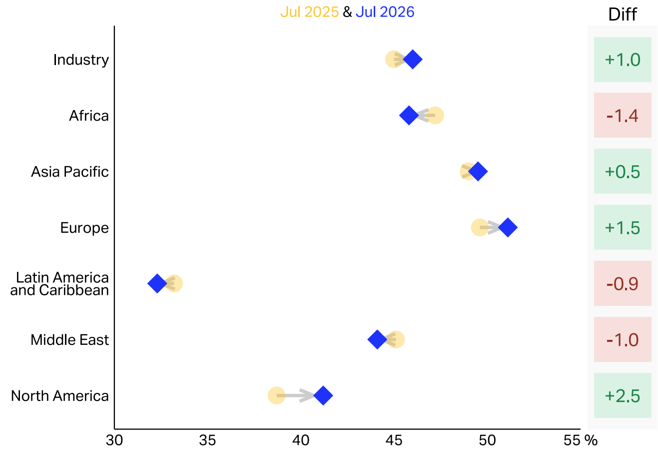


Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics

Load factors improved as demand outpaced supply

The industry cargo load factor increased by 1 percentage point to 46.0% **(Chart 12)**. Demand-led tightening, rather than a global withdrawal of lift, drove the improvement because CTK grew faster than ACTK.

Chart 12: Total CLF by airline region of registration, %



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

North American carriers recorded the largest gain. Their load factor rose 2.5 percentage points to 41.2%. That gain reflects the combination of strong traffic growth and reduced capacity. European carriers also achieved a solid increase, reaching 51.1%, while Asia Pacific carriers posted a more modest enhancement.

Load factors weakened in Latin America and the Caribbean, the Middle East, and Africa. In these markets, capacity either grew faster than demand or traffic softened enough to dilute the load factor. The contrast shows that the global tightening was not uniform across carrier groups.

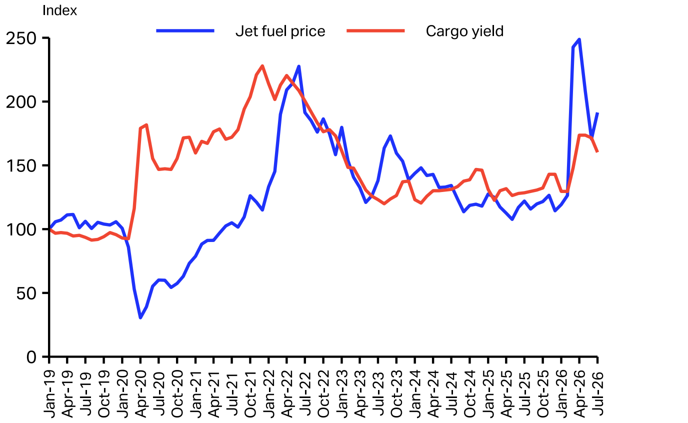
Fuel costs surged as middle-distillate markets tightened

The easing of supply pressures in the Persian Gulf at the start of July proved short-lived. Oil flows improved after the US-Iran ceasefire reduced constraints in the Strait of Hormuz. Renewed attacks in mid-July then disrupted traffic and revived supply concerns.

Dated Brent averaged USD 83.4 per barrel in July, down 2.5% from June but 17.5% above its July 2025 level. The monthly decline therefore provided limited relief, with the annual oil-price backdrop remaining elevated.

Jet fuel instead increased sharply. Middle East refinery outages, renewed shipping disruption, low jet fuel and diesel inventories, and exceptionally weak Russian middle-distillate exports constrained supply. Global jet fuel prices rose by 12.2% MoM during July to average USD 145.0 per barrel **(Chart 13)**.

Chart 13: Jet fuel price and air cargo yield (with surcharges), global index, January 2019 = 100



Source: IATA Sustainability and Economics displaying statistics compiled by Jet fuel price monitor, CargoIS

Jet fuel stood 56.9% above its year-earlier level, and the crack spread widened 187.4%. Refining margins rose much more than crude, identifying middle-distillate tightness as the main source of extra fuel-cost pressure on airlines.

Cargo yields nevertheless stood 24.7% above July 2025 and recorded a fifth straight month of double-digit annual growth. This annual premium, alongside a higher global load factor, suggests that market pricing remained firm even as the month-on-month trend softened.

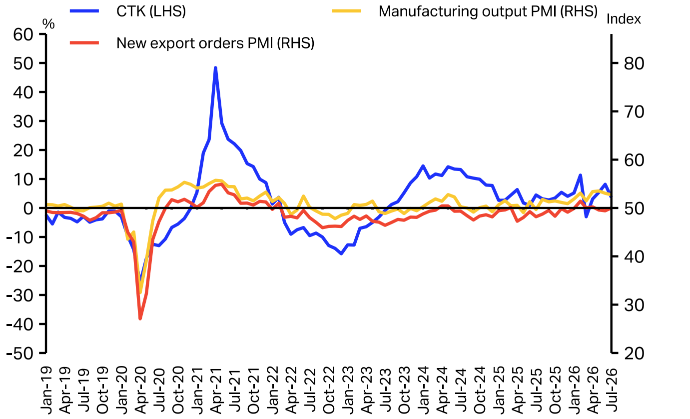
Manufacturing and export orders supported air freight

The Global Manufacturing Output PMI stood at 52.7, while the New Export Orders Index reached 50.02. Purchasing Managers' Indexes, PMIs, gauge private-sector momentum **(Chart 14)**. Readings above 50 signal expansion while readings below 50 signal contraction.

Both indicators stayed in expansion territory. Manufacturing output eased slightly from June, but export orders accelerated to their strongest reading in three months.

This mix pointed to a favorable base for international goods movement, although the moderation in output cautioned against interpreting the improvement as a broad-based acceleration.

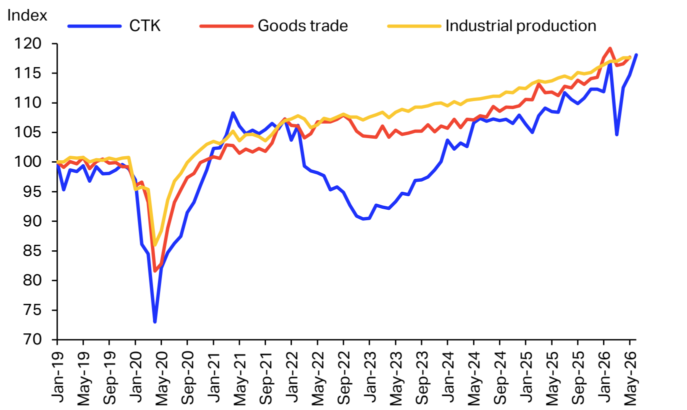
Chart 14: Industry CTK (SA), change YoY, %, global manufacturing, and new export orders PMIs, 50 = no change



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

Global trade volumes rose 2.0% from the previous May and 7.5% from June a year earlier **(Chart 15)**. The annual increase extended the expansion streak to 27 months, confirming that merchandise trade continued to underpin air cargo demand.

Chart 15: 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

Air cargo market in detail - July 2026

	World	July 2026 (year-on-year, %)				July 2026 (year-to-date, %)			
	share[1], %	CTK	ACTK	CLF (%-pt)	CLF (level)	CTK	ACTK	CLF (%-pt)	CLF (level)
TOTAL MARKET	**100.0**	**3.9**	**1.7**	**1.0**	**46.0**	**4.6**	**1.9**	**1.2**	**46.3**
Africa	2.1	1.1	4.1	-1.4	45.8	9.4	0.1	4.0	46.6
Asia Pacific	35.8	4.1	3.0	0.5	49.5	7.9	5.3	1.2	47.8
Europe	21.4	4.4	1.3	1.5	51.1	5.6	3.5	1.1	54.3
Latin America and Caribbean	2.9	4.1	7.0	-0.9	32.3	0.5	5.2	-1.6	34.6
Middle East	13.2	1.7	4.0	-1.0	44.1	-7.8	-8.1	0.1	44.7
North America	24.6	4.8	-1.5	2.5	41.2	5.5	1.0	1.8	41.4
International	**87.9**	**4.7**	**1.8**	**1.4**	**51.5**	**5.0**	**2.2**	**1.4**	**51.8**
Africa	2.1	1.1	3.9	-1.3	47.1	9.4	0.3	4.0	48.0
Asia Pacific	32.1	5.2	3.9	0.7	56.0	8.7	6.6	1.1	54.5
Europe	21.0	4.6	-1.2	3.0	55.1	5.9	2.8	1.6	57.1
Latin America and Caribbean	2.5	3.6	6.1	-0.9	36.4	1.2	5.0	-1.4	39.2
Middle East	13.2	1.8	4.2	-1.0	44.4	-7.8	-8.2	0.2	45.1
North America	17.1	7.1	-1.1	3.8	49.5	6.7	2.2	2.1	49.2

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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