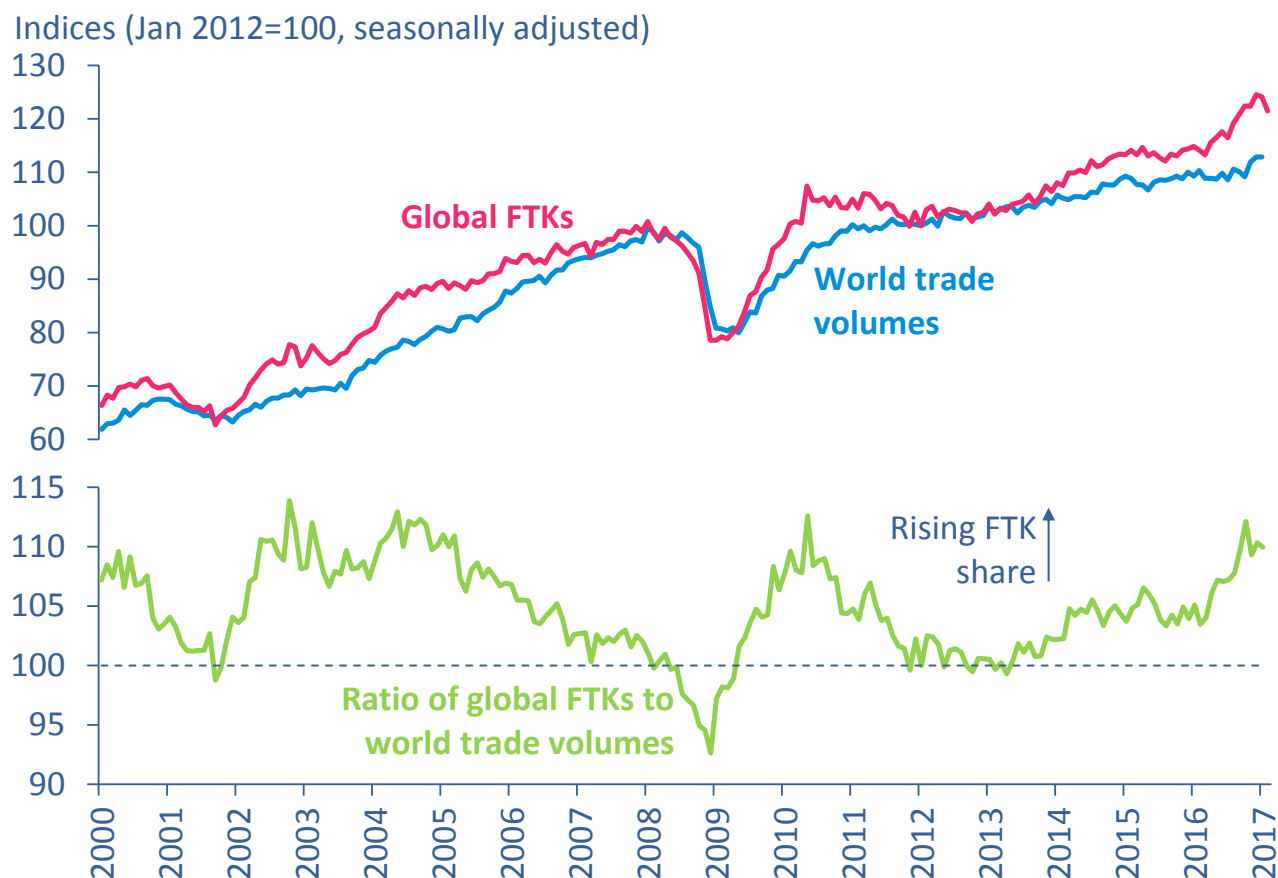




IATA ECONOMICS' CHART OF THE WEEK

7 APRIL 2017

AIR FREIGHT HAS OUTPERFORMED WORLD TRADE SINCE MID-2016



Sources: IATA Economics, IATA Monthly Statistics, CPB

- After a soft start to 2016, global air freight tonne kilometres (FTK) grew strongly in the second half of the year. This coincided with a strengthening in manufacturing exporters' order books: the new export orders component of the global purchasing managers' index has climbed over the past nine months, and remained close to a six-year high in March.
- Wider world trade conditions improved towards the end of last year, but the outperformance of air freight during much of 2016 resulted in its share of world trade rising sharply (the green line on today's chart).
- It is worth noting that FTKs actually *fell* in seasonally adjusted terms in both January and February 2017. This trend is something that we will monitor closely in the coming months.
- But the bigger picture is that the changing timing of Chinese New Year means it is notoriously difficult to get a good read on the underlying direction for air freight at this time of year. (The situation is additionally complicated this time around given that 2016 was a leap year.) Moreover, forward-looking indicators continue to point to a solid backdrop for air freight growth going into the second half of 2017.
- For further analysis on the latest trends and developments in the air freight market, read our February *Air Freight Market Analysis* note, which was released earlier this week ([link](#)).

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