Air Passenger Market Analysis

November 2023

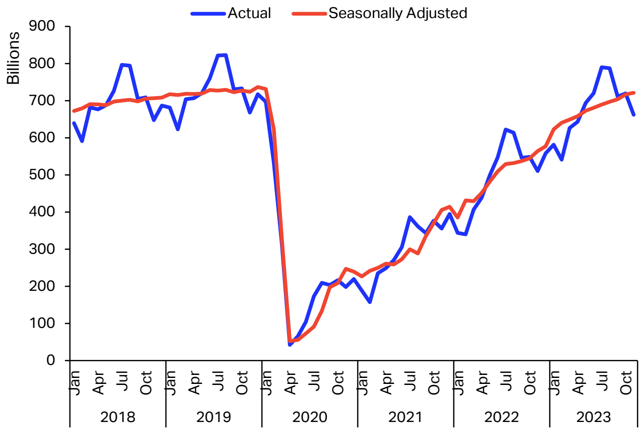
Industry-wide air traffic grows apace in November

- Industry-wide revenue passenger-kilometers (RPKs) increased 29.7% year-on-year (YoY) in November and closed the gap to 2019 levels to within 1%.
- Available seat-kilometers (ASKs) rose by 28.6% YoY, recovering to 98.2% of pre-pandemic capacity. Global passenger load factor increased over the year and compared to 2019, now standing at 81.8%.
- Domestic RPKs grew 6.7% over pre-pandemic levels with an annual growth rate of 34.8%. International RPKs 94.5% of pre-pandemic levels and increased 26.4% YoY.
- Domestic air ticket sales declined slightly in November although staying close to 2019 levels. Ticket sales for international travel gave a more optimistic outlook, still aligned with the stable positive trend observed over the year.
- North Atlantic international traffic continued to trend above pre-Covid levels, largely unimpacted by the volcanic eruption in Iceland.

Industry-wide air traffic grew apace in November…

Air passenger traffic, measured in revenue passenger-kilometers (RPKs), continued to grow in November with a 29.7% increase over the year. Global RPKs are now just 0.9% lower than pre-pandemic levels. In seasonally adjusted terms, growth continued although at a slightly slower pace compared to the previous months with 0.6% month-on-month (MoM) growth (**Chart 1**).

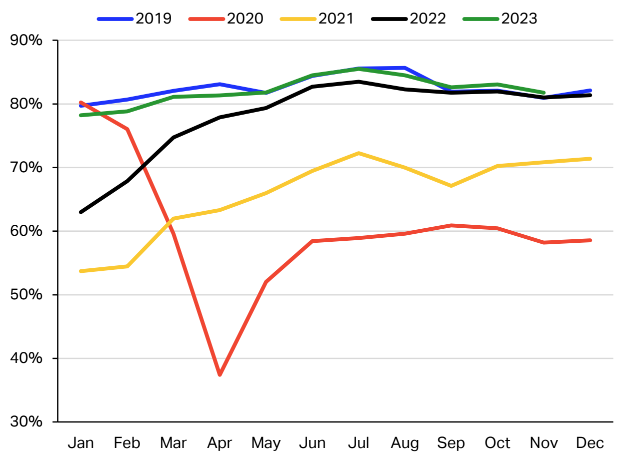
Chart 1 – Global air passengers, RPKs, billions per month



Sources: IATA Sustainability and Economics, IATA Monthly Statistics

Industry seat capacity, measured in available seat-kilometers (ASKs), increased by 28.6% year-on-year, reaching 98.2% of November 2019 levels. Passenger load factor (PLF) still trends closely to those seen in 2019 (**Chart 2**). Seat occupation for both international and domestic markets were higher compared to the previous year and pre-Covid. Overall, November saw an improvement of 0.7 percentage points (ppt) in load factor over the year and 0.8 ppt from 2019 sginalling resilient demand for air travel.

Chart 2 – Industry-wide passenger load factors, % share of ASKs



Sources: IATA Sustainability and Economics, IATA Monthly Statistics

Domestic traffic saw an increase in growth over 2019 levels in November, supporting industry total RPKs recovery while international traffic ramped up apace.

…monitored domestic markets remained strong

PR China domestic RPKs surged 272.0% YoY and achieved 10.9% growth over 2019 levels, a large

Air passenger market in detail - November 2023

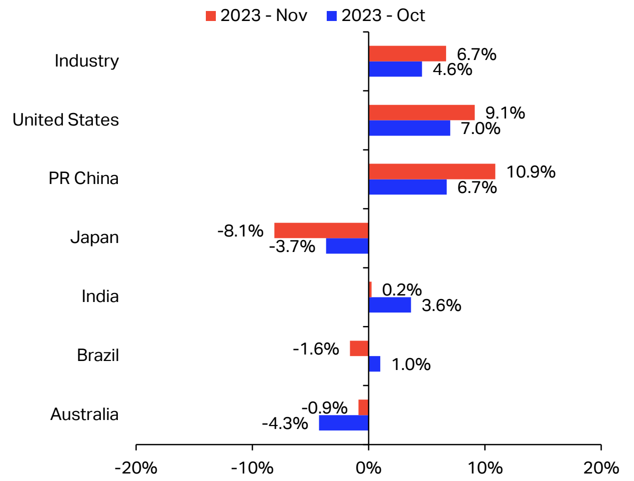
	World share[1]	November 2023 (% year-on-year)			November 2023 (% ch vs the same month in 2019)			
		RPK	ASK	PLF (%-pt)	RPK	ASK	PLF (%-pt)	PLF
TOTAL MARKET	***100.0%***	**29.7%**	**28.6%**	**0.7%**	**-0.9%**	**-1.8%**	**0.8%**	**81.8%**
International	*58.1%*	26.4%	26.0%	0.3%	-5.5%	-6.8%	1.1%	81.3%
Domestic	*41.9%*	34.8%	32.5%	1.4%	6.7%	6.4%	0.2%	82.4%

[1]% of industry RPKs in 2022

improvement from the month prior and a spectacular rebound from November 2022, which saw the lowest traffic levels relatively to the same month over the past decade. This result was driven by a strong demand for air travel subsisting in the market. (**Chart 3**). Seat capacity followed the same trend as it was 19.1% superior to 2019 levels, still reflecting the more frequent use of larger aircrafts for domestic operations.

India domestic traffic was stable and reached pre-pandemic levels this month. The growth momentum was preserved with an increase of 10.9% in RPKs over the year. Domestic traffic in Japan peaked in June 2023 in terms of growth over 2019 RPKs, since then the recovery trend realigned to what this market saw earlier this year. Nevertheless, annual growth reached 5.9% while RPKs were 8.1% under pre-Covid levels (**Chart 3**).

Chart 3 – Domestic RPK growth by market, YoY% change vs. 2019



Sources: IATA Sustainability and Economics, IATA Monthly Statistics

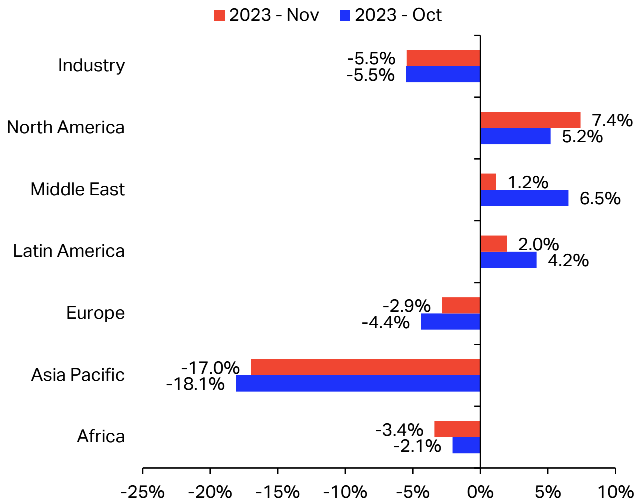
In Australia, domestic RPKs were within one percent of 2019 volumes and saw 13.2% YoY growth. Recent data suggest that this market follows a positive trend towards full recovery. High demand for air travel around Thanksgiving in the US pushed domestic RPKs to a new high as November saw 9.1% increase over pre-Covid levels. Whereas in Brazil, growth faded slightly as RPKs increased 2.3% over the year and were 1.9% lower than November 2019 levels (**Chart 3**).

International traffic has seen modest changes in November

International RPKs grew 26.4% YoY in actual terms and 0.7% MoM in seasonally adjusted terms. The industry remained 5.5% under 2019 levels recording no changes in recovery from the previous month. International RPKs provided by European carriers increased 14.8% YoY and reached 97.1% of pre-pandemic levels (**Chart 4**). North Atlantic traffic remained unimpacted by the volcanic eruption in Iceland and continued to trend horizontally when compared to 2019, increasing 5.5% in November (**Chart 5**).

North American, Latin American and Middle Eastern carriers posted growth over 2019 numbers again this month, with RPKs for North America increasing 7.4% above those of November 2019 and leading amongst the regions. Having rebounded earlier than the rest of the world, the region's annual growth was the lowest at 14.3% YoY.

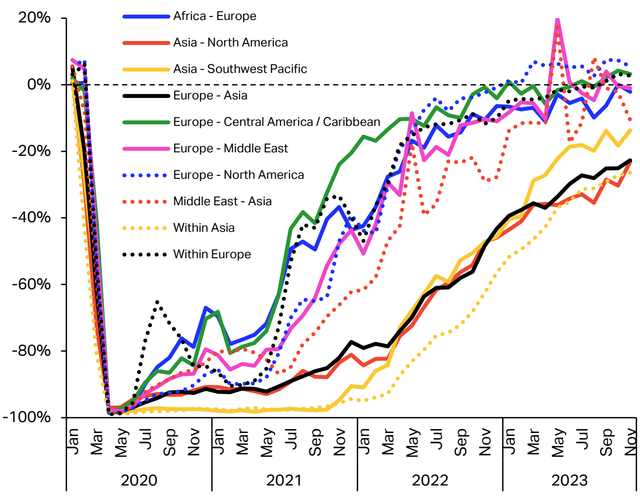
Chart 4 – International RPK growth by airline region of registration, YoY% change versus 2019



Sources: IATA Sustainability and Economics, IATA Monthly Statistics

Latin America saw international passenger traffic levels 2.0% higher than 2019, while seat capacity was 1.3% lower. Middle Eastern carriers experienced similar results as passenger traffic was 1.2% above pre-pandemic and seat capacity 4.4% below. Passenger load factors were thus higher when compared to 2019.

Chart 5 – International RPKs, YoY% change vs. 2019 – Top 10 route areas in 2019



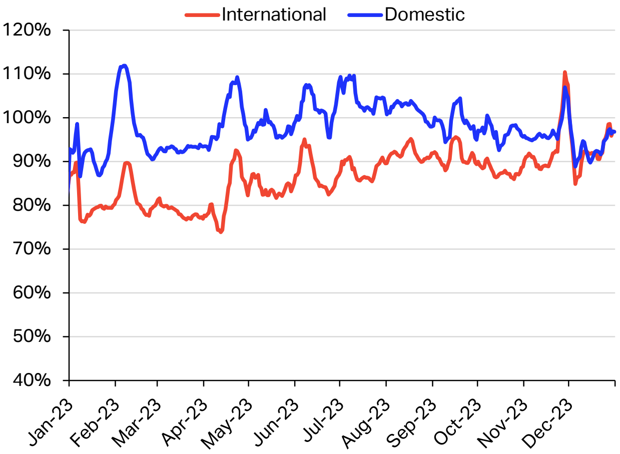
Sources: IATA Sustainability and Economics, IATA Monthly Statistics

Asia Pacific airlines saw a modest improvement when recovering their pre-pandemic levels of traffic (**Chart 4**). International RPKs reached 83.0% of November 2019 while available seats 80.4%. Passenger flows from and to the regions recovered apace this month while traffic between Asia and the Southwest Pacific stood out as growth accelerated since early 2023 closing the gap on the Middle East – Asia route area that had a speedy recovery over the past years (**Chart 5**). In Africa, passenger traffic reached 96.4% of November 2019 levels. In seasonally adjusted terms, RPKs grew in line with the steady trend we have observed over the year.

Trend for global demand for air travel remained consistent in November while bookings surged as the year ended

Demand for domestic travel remained on a slight decline in early November although remaining close to the levels observed in 2019 (**Chart 6**). The slowdown in the China domestic market since July 2023 still largely explains the decline of domestic ticket sales over the same period. International ticket sales were aligned with the global recovery in air traffic and the stable trend we observed previously. The last days of November and the month of December, on the other hand, saw a shift in both international and domestic ticket sales. All market segments saw a sudden increase in bookings, and as the year closed increasing demand for air travel.

Chart 6 – Ticket sales by purchase date, 7-day moving average - % share of 2019 levels



Sources: IATA Sustainability and Economics, DDS

Air passenger market in detail - November 2023

	World share[1]	November 2023 (% year-on-year)			November 2023 (% ch vs the same month in 2019)			
		RPK	ASK	PLF (%-pt)	RPK	ASK	PLF (%-pt)	PLF
TOTAL MARKET	***100.0%***	**29.7%**	**28.6%**	**0.7%**	**-0.9%**	**-1.8%**	**0.8%**	**81.8%**
Africa	*2.1%*	20.3%	27.1%	-4.0%	-0.9%	-0.4%	-0.4%	70.4%
Asia Pacific	*22.1%*	80.1%	71.7%	3.8%	-6.8%	-6.8%	0.0%	81.4%
Europe	*30.8%*	13.6%	13.5%	0.1%	-1.9%	-2.1%	0.2%	83.7%
Latin America	*6.4%*	12.0%	9.1%	2.2%	4.0%	1.5%	2.1%	84.4%
Middle East	*9.8%*	18.7%	18.4%	0.2%	1.3%	-4.4%	4.4%	77.7%
North America	*28.8%*	10.2%	11.3%	-0.8%	8.2%	7.1%	0.8%	82.7%
International	***58.1%***	**26.4%**	**26.0%**	**0.3%**	**-5.5%**	**-6.8%**	**1.1%**	**81.3%**
Africa	*1.8%*	22.1%	29.6%	-4.3%	-3.4%	-2.6%	-0.6%	69.7%
Asia Pacific	*8.9%*	63.8%	58.0%	2.9%	-17.0%	-19.6%	2.6%	82.6%
Europe	*26.5%*	14.8%	15.2%	-0.3%	-2.9%	-2.0%	-0.8%	83.3%
Latin America	*2.8%*	20.0%	17.7%	1.7%	2.0%	-1.3%	2.7%	84.9%
Middle East	*9.4%*	18.6%	19.0%	-0.2%	1.2%	-4.4%	4.2%	77.4%
North America	*8.7%*	14.3%	16.3%	-1.4%	7.4%	9.1%	-1.3%	80.0%
Domestic	***41.9%***	**34.8%**	**32.5%**	**1.4%**	**6.7%**	**6.4%**	**0.2%**	**82.4%**
Dom. Australia	*1.0%*	13.2%	7.6%	4.3%	-0.9%	-3.0%	1.8%	85.3%
Domestic Brazil	*1.5%*	2.3%	-0.1%	1.9%	-1.6%	-1.7%	0.1%	82.7%
Dom. China P.R.	*6.4%*	272.0%	212.4%	12.4%	10.9%	19.1%	-5.8%	77.4%
Domestic India	*2.0%*	10.9%	12.9%	-1.5%	0.2%	4.5%	-3.6%	86.2%
Domestic Japan	*1.2%*	5.9%	0.4%	4.2%	-8.1%	-9.5%	1.3%	80.0%
Domestic US	*19.2%*	8.9%	9.8%	-0.7%	9.1%	7.2%	1.5%	83.7%

[1] % of industry RPKs in 2022

Note: the six domestic passenger markets for w hich broken-dow n data are available account for approximately 31.3% of global total RPKs and 74.6% of total domestic RPKs

Note: The total industry and regional grow th 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 w hich the carrier is registered; it should not be considered as regional traffic.

IATA Sustainability & Economics
economics@iata.org
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www.iata.org/monthly-traffic-statistics

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