Air Passenger Market Analysis

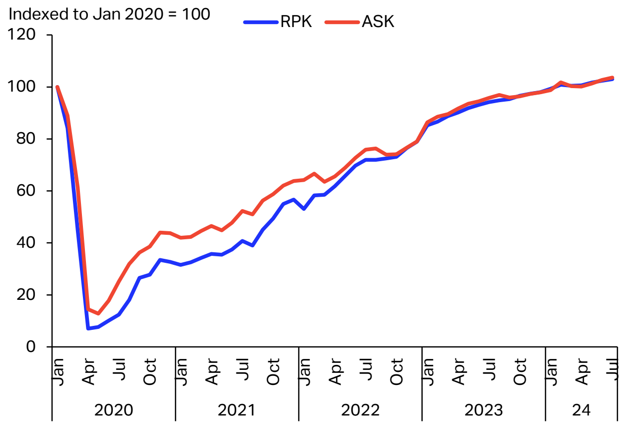
July 2024

Industry passenger volumes set new records as growth stabilizes

- Industry total Revenue Passenger-Kilometer (RPK) in July increased by 8.0% YoY, outpacing the 7.4% YoY growth in Available Seat-Kilometers (ASK). The passenger load factor (PLF) recorded a peak of 86%, reflecting strong air travel demand. The CrowdStrike IT outage had no noticeable impact on the industry.
- Total domestic traffic saw a 4.8% YoY increase. Brazil led with an 8.9% rise, while Japan and Australia, though trailing, returned to growth.
- International passenger traffic marked 10.1% YoY in July, nearing the industry's more conventional growth figures. All regions experienced robust growth, with two regions posting double-digit gains.

Industry maintains a stable growth rate

Chart 1 – Global RPK and ASK, Seasonally Adjusted, Indexed to Jan 2020 = 100

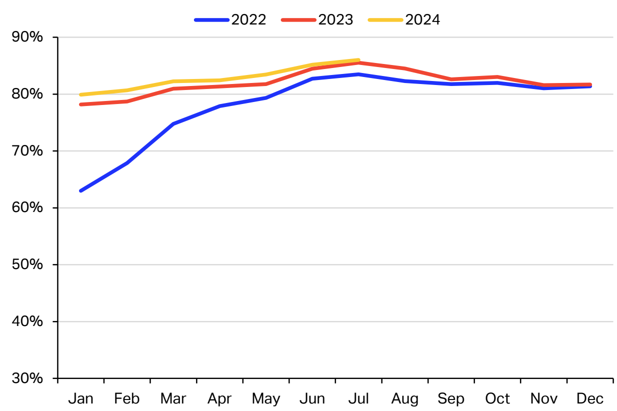


Sources: IATA Sustainability and Economics, IATA Monthly Statistics

The industry's air passenger traffic, measured in RPK, grew healthily in July 2024 while maintaining the trend of a smooth transition towards lower conventional figures. Volumes continued to soar above previous months and years. Yearly growth stood at 9.4% while 0.7% in Month on Month (MoM) terms, based on seasonally adjusted data (**Chart 1**).

The supply of seats, measured in ASK, continued to grow, exemplified by an increase of 7.4% YoY. The load factor (PLF) further improved, reaching 86%, following a positive streak that started in January of this year. Moreover, July 2024's PLF resulted in 0.5 percentage points above the previous year, suggesting higher demand for air travel. In year-to-date terms, PLF marked 0.5 percentage points above the previous year's (**Chart 2**). Despite the CrowdStrike IT outage on July 19, which affected global computers including those at airports and airlines, there was no noticeable negative impact on the industry.

Chart 2 – Industry PLF, %share of ASK



Sources: IATA Sustainability and Economics, IATA Monthly Statistics

Industry growth rates are gradually moderating, including in July. However, Asia Pacific airlines continue to lead in traffic growth. Particularly, the

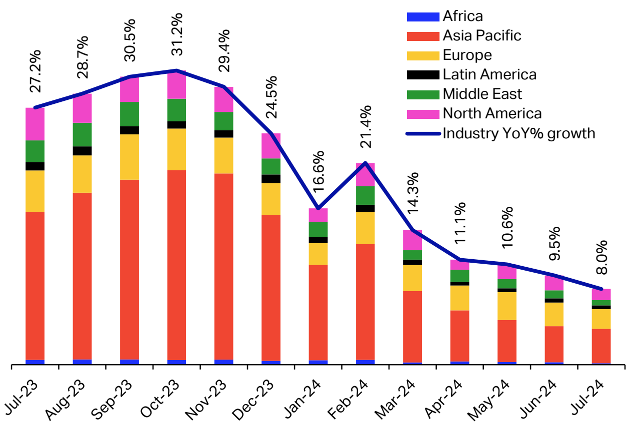
Air passenger market in detail - July 2024

	World share [1]	July 2024 (% year-on-year)				July 2024 (% year-to-date)			
		RPK	ASK	PLF (%-pt)	PLF (level)	RPK	ASK	PLF (%-pt)	PLF (level)
TOTAL MARKET	***100.0%***	**8.0%**	**7.4%**	**0.5%**	**86.0%**	**12.6%**	**11.0%**	**1.2%**	**83.0%**
International	*60.1%*	10.1%	10.5%	-0.3%	85.9%	16.3%	16.1%	0.1%	82.6%
Domestic	*39.9%*	4.8%	2.8%	1.7%	86.1%	7.1%	3.5%	2.8%	83.6%

[1]% of industry RPKs in 2023

transition for Asia Pacific is prominent thanks to traffic surges from low volumes in 2023. It emphasizes the region's presence and effect on the industry's total passenger traffic growth (**Chart 3**).

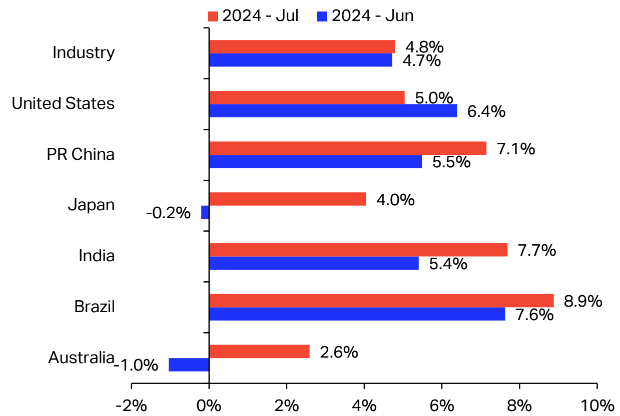
Chart 3 – Regional contribution to industry annual total RPK growth



Sources: IATA Sustainability and Economics, IATA Monthly Statistics

Domestic traffic up across all markets

Chart 4 – Domestic RPK growth by market, YoY%



Sources: IATA Sustainability and Economics, IATA Monthly Statistics

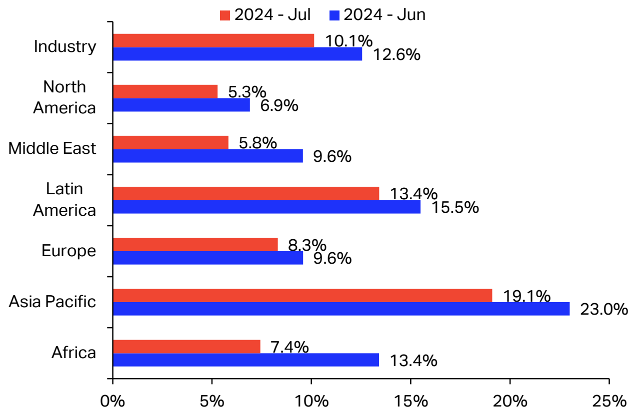
Domestic RPK concerning the Industry grew by 4.8% in July over the previous year. All main markets grew in July, in the range of 2.6% to 8.9%, simultaneously volumes continued to reach all-time highs, except for India (**Chart 4**).

Brazil led with 8.9% YoY growth in the latest month, followed by India's 7.7% and PR China's 7.1% YoY. Once again, Japan and Australia trailed passenger demand, although they markedly rebounded from the previous month's negative growth values, reaching a respectable 4.0% and 2.6% YoY.

Healthy international traffic growth along record demand volumes

In July, international passenger traffic, the main driver of industry growth, increased by 10.1% YoY, aligning with standard growth metrics (**Chart 5**). All regions saw growth rates above 5%, though growth has been tapering off since April 2021 and may take longer to return to pre-2020 figures. Asia Pacific led with a 19.1% increase, yet the gap with other regions is narrowing. Latin America and Europe followed. RPK volumes in July 2024 hit all-time highs for all regions except Asia Pacific and Africa. Overall, the demand for international travel remains strong and promising.

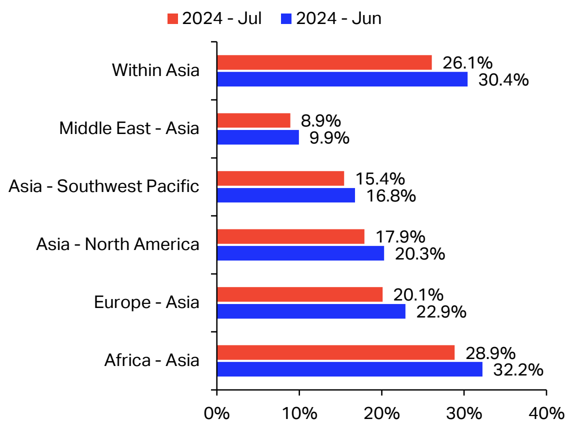
Chart 5 – International RPK growth by airline region of registration, YoY%



Sources: IATA Sustainability and Economics, IATA Monthly Statistics

In July, Asian routes saw growth between 8.9% and 28.9% YoY, with a slight moderation from the previous month **(Chart 6).** Africa-Asia routes led the group, followed by international traffic within Asia. Concurrently, the Asia-Middle East route grew by 8.9% YoY, the lowest among all route pairs. Nonetheless, it remains the third most important for Asia in terms of RPK, after Europe and within Asia.

Chart 6 – International RPK, YoY% – Major route areas from and to Asia

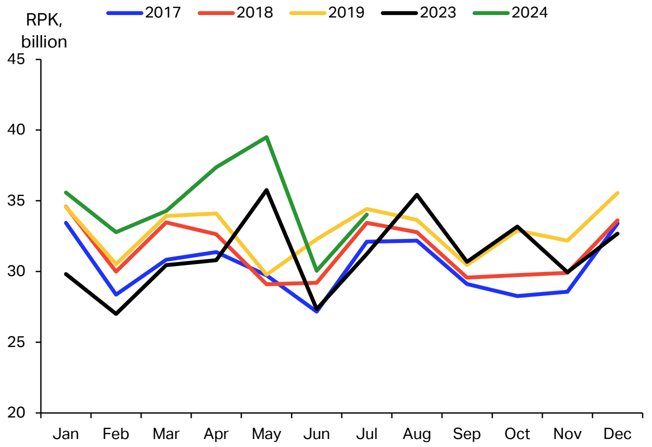


Sources: IATA Sustainability and Economics, IATA Monthly Statistics

Asia - Middle East route continues to thrive

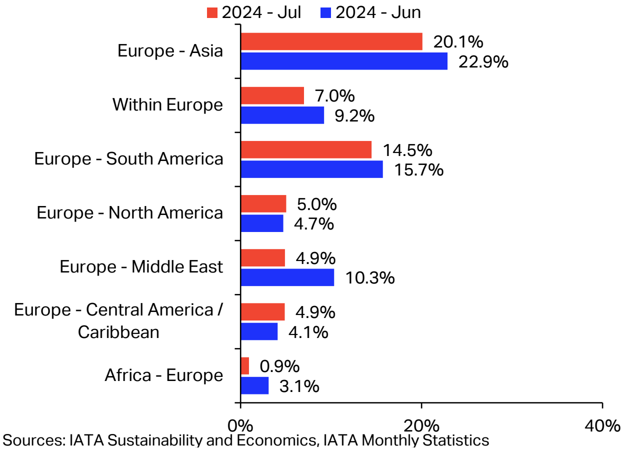
Asia's international RPK volumes as origin, a measure of passenger demand, continued to rise, though most routes haven't surpassed their 2019 peaks. The Asia-Middle East route remains the exception. Traffic has generally exceeded previous peak volumes. In July 2024, the value was nearly the same as the same period in 2019, suggesting this upward trend is likely to continue (**Chart 7**).

Chart 7 – International RPK for route pair Asia - Middle East



In July, international RPK from Europe remained positive despite a moderate slowdown from last month's YoY figures, with growths ranging from 20.1% to 0.9%. The Europe – Asia route led the group, likely due to its potential to regain 2019 peak volumes. Until 2019, this route was intermittently the second or third most important for Europe, but since 2020 it has consistently ranked third. Europe - South America followed with a 14.5% increase, though it remains the smallest market in terms of volumes for Europe by international RPK (**Chart 8**).

Chart 8 – International RPK, YoY% **–** Major route areas from and to Europe



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Air passenger market in detail - July 2024

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		RPK	ASK	PLF (%-pt)	PLF (level)	RPK	ASK	PLF (%-pt)	PLF (level)
TOTAL MARKET	*100.0%*	**8.0%**	**7.4%**	**0.5%**	**86.0%**	**12.6%**	**11.0%**	**1.2%**	**83.0%**
Africa	*2.1%*	6.6%	5.8%	0.6%	75.0%	14.1%	12.2%	1.2%	73.8%
Asia Pacific	*31.7%*	12.0%	9.8%	1.6%	83.4%	20.7%	15.7%	3.4%	82.8%
Europe	*27.1%*	7.2%	7.0%	0.1%	88.2%	9.7%	9.4%	0.2%	83.5%
Latin America	*5.5%*	7.5%	8.4%	-0.7%	86.2%	9.1%	7.6%	1.1%	83.6%
Middle East	*9.4%*	6.1%	5.5%	0.5%	84.0%	12.1%	11.3%	0.5%	80.3%
North America	*24.2%*	4.9%	5.1%	-0.2%	88.9%	6.4%	6.8%	-0.3%	84.6%
International	*60.1%*	**10.1%**	**10.5%**	**-0.3%**	**85.9%**	**16.3%**	**16.1%**	**0.1%**	**82.6%**
Africa	*1.8%*	7.4%	6.7%	0.5%	74.3%	13.7%	11.5%	1.4%	73.2%
Asia Pacific	*14.7%*	19.1%	20.3%	-0.8%	83.8%	32.9%	32.4%	0.3%	83.7%
Europe	*23.6%*	8.3%	8.1%	0.2%	87.5%	10.7%	10.6%	0.1%	82.7%
Latin America	*2.7%*	13.4%	15.7%	-1.7%	87.5%	16.4%	15.4%	0.7%	85.2%
Middle East	*9.1%*	5.8%	5.5%	0.3%	84.1%	12.0%	11.5%	0.3%	80.3%
North America	*8.1%*	5.3%	6.3%	-0.8%	89.4%	9.5%	11.2%	-1.3%	83.9%
Domestic	*39.9%*	**4.8%**	**2.8%**	**1.7%**	**86.1%**	**7.1%**	**3.5%**	**2.8%**	**83.6%**
Dom. Australia	*0.8%*	2.6%	4.3%	-1.4%	84.0%	4.8%	4.6%	0.1%	78.6%
Domestic Brazil	*1.2%*	8.9%	7.1%	1.4%	84.8%	4.1%	2.6%	1.2%	80.7%
Dom. China P.R.	*11.2%*	7.1%	1.6%	4.3%	83.4%	14.5%	4.3%	7.3%	82.2%
Domestic India	*1.8%*	7.7%	6.5%	0.9%	85.1%	4.6%	4.9%	-0.3%	87.3%
Domestic Japan	*1.1%*	4.0%	-0.2%	3.2%	78.3%	1.6%	-1.0%	1.9%	74.6%
Domestic US	*15.4%*	5.0%	4.9%	0.1%	88.5%	5.1%	4.9%	0.2%	84.7%

[1]% of industry RPKs in 2023

Note: the six domestic passenger markets for which broken-down data are available account for approximately 31.4% of global total RPKs and 78.8% of total domestic RPKs

Note: 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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www.iata.org/monthly-traffic-statistics

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