Air Passenger Market Analysis

June 2026

Traffic Contraction Eased Slightly in June

- Industry-wide Revenue Passenger Kilometers (RPK) fell by 1.7% year-on-year (YoY) in June, compared to the 2.2% drop in May.
- The Passenger Load Factor (PLF) dropped by 0.4 percentage points to 84.2%.
- Traffic carried by Middle Eastern carriers contracted by 13.9% YoY, an improvement from May and a gradual recovery in demand after recent disruptions in the region. Asia Pacific and North American airlines also saw traffic declines.
- Industry-wide domestic traffic dropped by 3.0% YoY, with declines across all major domestic markets except Brazil.
- International traffic dropped by 0.9% YoY, marking a smaller contraction than in May.
- Global seat capacity is expected to grow by 1.3% YoY in July, after three consecutive months of contractions.

Passenger traffic continued to contract in June but the contraction moderated compared with April and May

Air passenger market in detail - June 2026

	World	June 2026 (year-on-year, %)				June 2026 (year-to-date, %)			
	share, % [1]	RPK	ASK	PLF (%-pt)	PLF (level)	RPK	ASK	PLF (%-pt)	PLF (level)
TOTAL MARKET	**100.0**	**-1.7**	**-1.3**	**-0.4**	**84.2**	**0.6**	**0.1**	**0.5**	**83.0**
International	62.8	-0.9	-0.6	-0.2	84.2	0.4	-0.6	0.8	83.1
Domestic	37.2	-3.0	-2.4	-0.5	84.0	1.0	1.1	-0.1	82.7

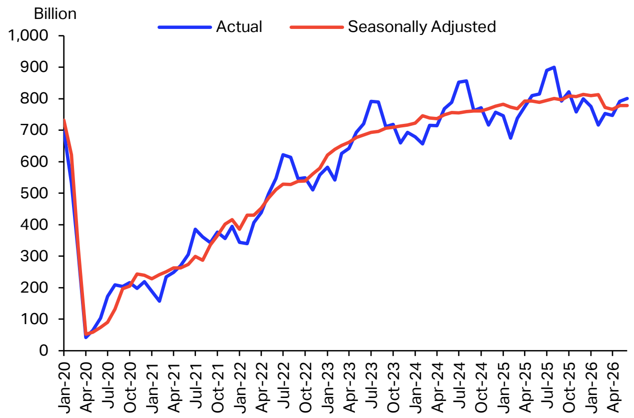
[1] % of industry RPK in 2025

Global passenger traffic declined by 1.7% YoY in June, marking a third consecutive month of contraction as disruptions related to the Iran conflict and higher oil prices continued to weigh on demand. Traffic carried by Middle Eastern airlines fell by 13.9% YoY, an improvement from the 28.8% decline recorded in May. This reflects both the gradual normalization of airline operations across the region and the lower comparison base as traffic in June 2025 was impacted by the military strikes that month. However, weakness was not confined to the Middle East. Even when excluding Middle Eastern carriers, global traffic declined by 0.6% YoY, driven by contractions among both Asia Pacific and North American airlines.

Industry-wide RPKs reached 801 billion in June **(Chart 1)**. On a seasonally adjusted basis, passenger traffic declined by 1.2% YoY and remained flat compared with May, increasing by just 0.1%.

Capacity, measured in Available Seat Kilometers (ASK), declined by 1.3% YoY. As demand contracted slightly more than capacity, the PLF fell by 0.4 percentage points YoY to 84.2%.

Chart 1: Global RPK, billion



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

Contractions continued in both the international and domestic markets

Passenger traffic continued to drop across both international and domestic segments in June. While international performance improved as disruptions in the Middle East eased, domestic market conditions weakened further.

Industry-wide domestic traffic declined by 3.0% YoY in June, compared with a 2.6% decline in May. Except for Brazil, all major domestic markets recorded traffic contractions. Domestic capacity fell by 2.4% YoY, resulting in a 0.5 percentage point decline in the PLF to 84.0%.

International traffic contracted by 0.9% YoY in June, improving from the 1.9% decline recorded in May. However, when excluding Middle Eastern carriers, global international traffic grew by 1.1% YoY. International capacity decreased by 0.6% YoY, while the PLF eased by 0.2 percentage points to 84.2%.

Traffic growth softened across most regions, while Middle East carriers slowly recovered from recent disruptions

Passenger traffic showed a moderation in YoY growth momentum among carriers in Africa, Latin America and the Caribbean, and Europe, while traffic carried by Asia Pacific, North American, and Middle Eastern airlines contracted **(Chart 2)**. The PLF of airlines in June remained at or below their 2025 levels, with Europe recording the highest across all regions **(Chart 3)**.

Traffic carried by Middle Eastern carriers fell by 13.9% YoY, improving from the 28.8% decline in May. While still severe, the contraction moderated as regional disruptions eased following the ceasefire in the Iran conflict and the partial easing of flight restrictions, supporting a gradual recovery in demand. Capacity declined by 11.3% YoY, a slower pace than demand, resulting in a 2.3 percentage point decline in the PLF to 76.1%.

Asia Pacific airlines recorded a 2.0% YoY fall in passenger traffic in June, marking a second consecutive month of contraction. The decline was driven by weakness in key domestic markets, including China, the region's largest domestic market, and softer demand in India. The short-haul international segment was also impacted by capacity reductions linked to higher fuel costs. Overall capacity in Asia Pacific fell by 2.1% YoY, pushing the PLF up by 0.1 percentage points to 83.1%, a record high for June.

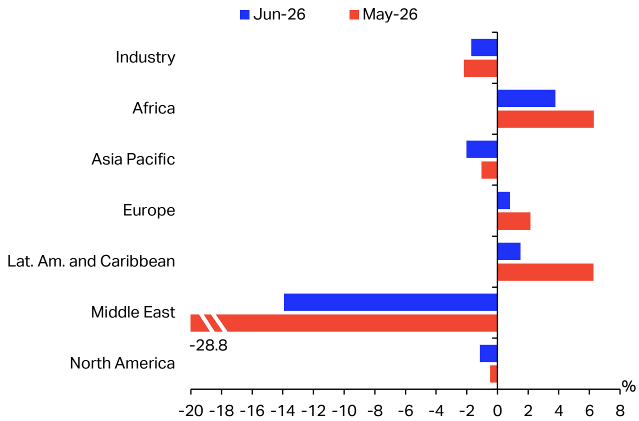
Carriers in North America reported a 1.1% YoY decline in traffic, marking a second consecutive month of contraction. This decline reflected continued weakness in the US domestic market, alongside softer international traffic resulting from tighter capacity management. Capacity fell in line with demand, declining by 1.1% YoY, leaving the PLF unchanged at 86.1%.

European carriers posted a modest 0.8% YoY increase in passenger traffic, supported by a 1.5% rise in international demand. Capacity increased by 1.4% YoY, outpacing demand and reducing the PLF by 0.5 percentage points to 87.5%. This marks the highest PLF among all regions for June.

Airlines in Latin America and the Caribbean recorded a 1.5% YoY increase in traffic, driven by international demand, which rose by 3.5% YoY. Capacity grew at a faster pace of 3.9% YoY, pushing the PLF down by 2.0 percentage points to 81.2%.

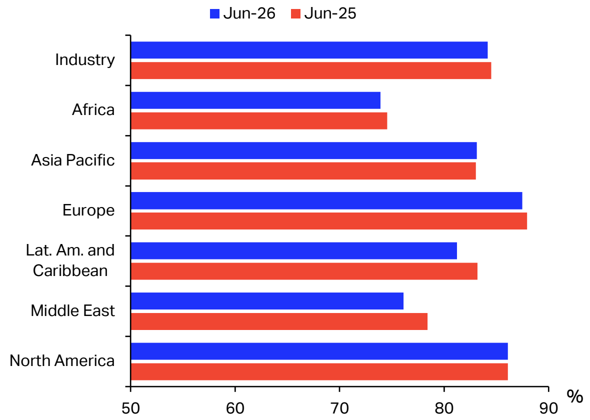
African carriers recorded the strongest traffic growth of all regions in June, at 3.8% YoY. Capacity expanded by 4.7% YoY, outpacing demand and leading to a 0.6 percentage point decline in the PLF to 73.9%.

Chart 2: Total RPK growth by airline region of registration, YoY, %



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

Chart 3: Regional and industry passenger load factors, RPK share of ASK, %



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

Domestic traffic weakness broadens

Domestic passenger traffic remained under pressure in June, declining by 3.0% YoY and marking a third consecutive month of contraction. While weakness in China and the US continued to weigh heavily on performance, the slowdown became more broad-based, with both Japan and India slipping into negative territory after strong growth in May **(Chart 4)**. Domestic capacity declined by 2.4%, resulting in a 0.5 percentage point decline in the PLF to 84.0%.

China remained the main drag on global domestic performance. Domestic traffic fell by 5.2% YoY, extending the contraction observed in May. Elevated fuel costs weakened price-sensitive demand and extended capacity reductions, although capacity declined by a more modest 3.4% compared to demand. As a result, the domestic PLF fell by 1.6 percentage points to 82.2%.

Japan recorded the second-weakest performance among the major domestic markets, with traffic falling by 3.8% YoY. The decline comes amid a challenging environment for domestic airlines, with operating costs remaining elevated due to the weak yen and high jet fuel prices. Capacity declined by a more moderate 1.9%, resulting in a 1.5 percentage point reduction in the PLF to 75.8%.

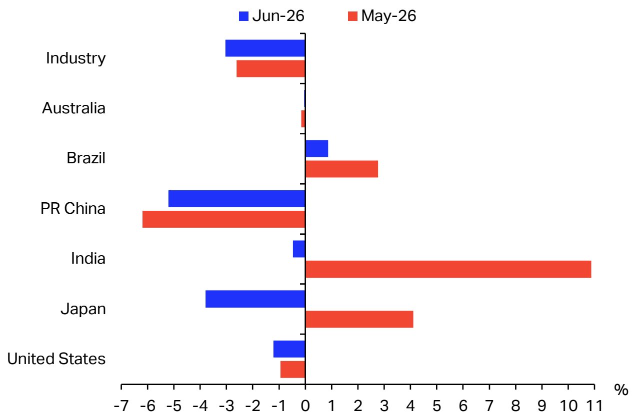
Domestic traffic in the US also remained in contraction, although the decline moderated to 1.2% YoY. Capacity declined by 1.3%, helping keep the PLF broadly stable.

India's domestic market contracted by 0.5% YoY, a marked slowdown from the strong growth recorded in May. Capacity declined by 1.7%, also mainly in response to soaring fuel prices, allowing the PLF to increase by one percentage point to 85.5%, the highest level among the major domestic markets, jointly with the US.

Australia's domestic market was broadly unchanged in June, with traffic flat compared with a year earlier. Capacity declined by 1.0%, lifting the PLF by 0.8 percentage points to 81.1%.

Brazil recorded modest growth, with domestic RPKs increasing by 0.9% YoY. Among the world's largest domestic markets, Brazil was the only one to maintain growth in June. Capacity expanded more rapidly, by 4.0%, leading to a 2.5 percentage point decline in the PLF to 80.2%.

Chart 4: Domestic RPK growth by market, YoY, %



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

International traffic remains weak while Middle East drag eases

International passenger traffic remained in decline in June, with RPKs down 0.9% YoY. The contraction continued to be driven by the sharp downturn in the Middle East, although the drag from the region eased compared with May **(Chart 5)**. Growth slowed across all other regions. International capacity declined by 0.6%, resulting in a modest 0.2 percentage point decline in the PLF to 84.2%.

Middle Eastern carriers remained the main drag on international traffic. International RPKs fell by 14.0% YoY in June, but this represented an improvement from the 28.8% decline recorded in May, as the disruption-related weakness continues to ease. Capacity declined by 11.0%, leading to a 2.6 percentage point decline in the PLF to 76.3%.

African airlines recorded the strongest international traffic growth among all regions, with RPKs increasing by 6.7% YoY. Capacity rose at a broadly similar pace, by 7.0% YoY, resulting in a slight 0.3 percentage point decline in the PLF to 74.2%. Despite the strong growth, Africa continued to record the lowest international PLF among all regions.

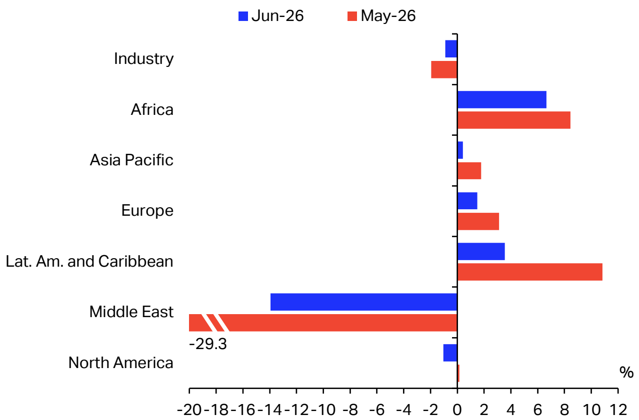
Latin American and Caribbean carriers posted the second-strongest growth performance, with international RPKs increasing by 3.5% YoY. Capacity expanded more rapidly, by 6.3% YoY, leading to a 2.2 percentage point decline in the PLF to 81.6%.

European airlines reported a 1.5% YoY increase in international traffic. Capacity grew by 2.0%, slightly outpacing demand, which resulted in a 0.5 percentage point decline in the PLF to 87.1%. Traffic on international flights within Europe, the world's largest international route corridor, increased by 2.3% YoY.

Asia Pacific carriers recorded only modest growth, with international RPKs rising by 0.4% YoY. Capacity declined by 1.1%, supporting a 1.3 percentage point increase in the PLF to 84.0%. Many airlines rationalized their short-haul international network in response to higher fuel costs, with capacity on international routes within Asia dropping by 4.8% YoY.

North American carriers were the only region outside the Middle East to record a contraction in international traffic, with RPKs declining by 1.0% YoY. Capacity fell by 0.7% YoY, resulting in a 0.3 percentage point decline in the PLF to 86.9%.

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



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

International route performance softens across Asia Pacific

Apart from the Middle East–Asia corridor, performance on most major international routes serving the Asia Pacific region weakened in June compared with May **(Chart 6).**

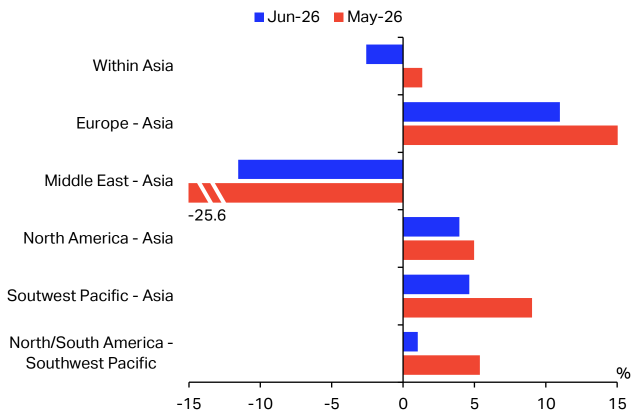
Traffic between the Middle East and Asia contracted by 11.6% YoY, an improvement from the 25.6% decline recorded in May, reflecting the continued normalization of operations in the Middle East during June. The PLF on this corridor declined by two percentage points YoY to 71.5%, the largest drop among the region's major international routes.

Within Asia, passenger traffic contracted by 2.6% YoY in June, marking the first decline since the pandemic. This largely reflected airlines reducing short-haul services in response to higher fuel prices. Capacity on the corridor fell by 4.8% YoY and the PLF increased by 1.9 percentage points to 82.8%. Several major markets recorded traffic declines on intra-Asia routes during the month, including Japan, South Korea, Thailand, Indonesia, and Vietnam.

Growth on the Europe–Asia, North America–Asia, Southwest Pacific–Asia, and North and South America–Southwest Pacific corridors all eased in June. However, these slower growth rates were broadly in line with levels observed before the onset of the Iran conflict. As services through the Middle East resumed, some of the traffic that had previously been diverted away from Middle Eastern hubs was reabsorbed back into the region.

Traffic between Europe and Asia grew by 11.0% YoY, the fastest growth among all major international route corridors globally. Traffic between North America and Asia increased by 3.9% YoY, while traffic between the Southwest Pacific and Asia rose by 4.6%. Capacity in this corridor increased by 2.0% YoY, resulting in the largest PLF gain among the region's major international routes, up 2.2 percentage points to 84.2%. Traffic on the North and South America–Southwest Pacific corridor remained broadly flat, increasing by 1.0% YoY.

Chart 6: RPK growth across major Asia Pacific international route areas, YoY, %



Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics. Route areas are ordered by size, from largest to smallest

Most international corridors for the Americas weakened in June

Similar to Asia Pacific, most major international routes serving the Americas weakened in June compared with May, with the Middle East–North America corridor being the only exception **(Chart 7)**.

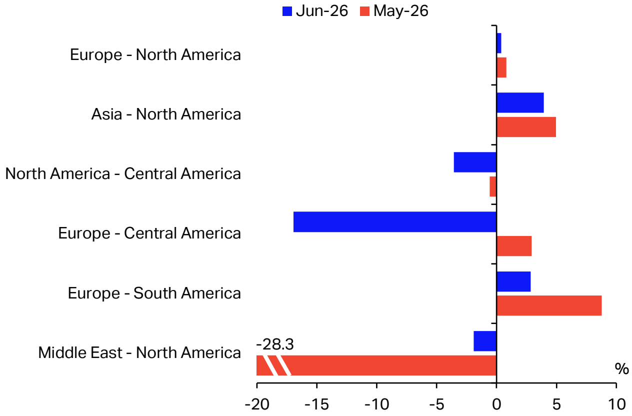
Traffic between the Middle East and North America declined by only 1.9% YoY in June, a significant improvement from the 28.3% drop in May. Traffic from North America to the UAE and Qatar fell by 3.8% and 13.5% YoY, respectively, compared with high double-digit contractions in the previous month. Despite this improvement, the PLF on the Middle East–North America route area fell by two percentage points YoY to 84.0%, the largest decline among the major Americas route areas, as capacity expanded slightly by 0.4%.

The Asia–North America corridor recorded the strongest performance among the major Americas routes, with traffic up 3.9% YoY. As capacity increased at a slower pace of 2.1% YoY, the PLF rose by 1.5 percentage points to 87.2%. This was the only major Americas corridor to record an improvement in the PLF.

Elsewhere, traffic between Europe and South America increased by 2.8% YoY, down from 8.8% in May, while the trans-Atlantic corridor was broadly flat, growing by just 0.4% YoY.

The North America–Central America corridor contracted by 3.6% YoY, its fourth consecutive monthly decline. Europe–Central America weakened sharply, contracting for the first time in 2026, by 17.0% YoY. There was a significant decline in traffic from Europe to Mexico.

Chart 7: RPK growth across major Americas international route areas, YoY, %



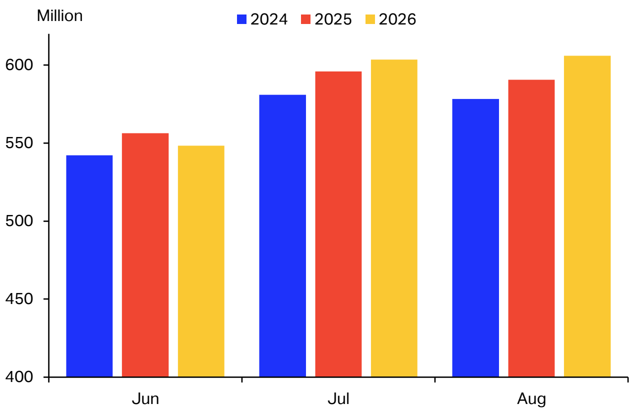
Source: IATA Sustainability and Economics, IATA Information and Data - Monthly Statistics. Route areas are ordered by size, from largest to smallest[1]

Global seat capacity expected to grow in July after three months of YoY declines

Global scheduled seat capacity is expected to return to growth in July after three months of YoY contractions from April to June **(Chart 8)**. Schedules available at the time of publication indicate that global seat capacity will increase by 1.3% YoY in July, followed by a further 2.6% increase in August.

The Middle East, which experienced double-digit capacity declines between March and June, is expected to see the pace of contraction moderate to 6.4% YoY in July and 4.6% in August. Asia Pacific, which saw monthly YoY capacity declines from April to June, is projected to return to growth in July and August.

Chart 8: Industry-wide scheduled seats



Source: IATA Sustainability and Economics, OAG schedules

[1] Note: Europe – Central America routes include flights between Europe and Central America / Caribbean, Bolivia, Colombia, Ecuador, French Guyana, Peru, Suriname or Venezuela; Europe – South America routes include flights between Europe and Argentina, Brazil, Chile, Paraguay or Uruguay.

Air passenger market in detail - June 2026

	World	June 2026 (year-on-year, %)				June 2026 (year-to-date, %)			
	share, %[1]	RPK	ASK	PLF (%-pt)	PLF (level)	RPK	ASK	PLF (%-pt)	PLF (level)
TOTAL MARKET	**100.0**	**-1.7**	**-1.3**	**-0.4**	**84.2**	**0.6**	**0.1**	**0.5**	**83.0**
Africa	2.2	3.8	4.7	-0.6	73.9	7.7	5.6	1.4	76.0
Asia Pacific	34.4	-2.0	-2.1	0.1	83.1	3.4	2.3	1.0	84.9
Europe	26.7	0.8	1.4	-0.5	87.5	3.6	2.8	0.6	83.2
Latin America and Caribbean	5.4	1.5	3.9	-2.0	81.2	6.3	5.0	1.0	83.3
Middle East	9.5	-13.9	-11.3	-2.3	76.1	-23.2	-19.5	-3.7	76.7
North America	21.8	-1.1	-1.1	0.0	86.1	0.7	0.2	0.4	82.7
International	**62.8**	**-0.9**	**-0.6**	**-0.2**	**84.2**	**0.4**	**-0.6**	**0.8**	**83.1**
Africa	1.9	6.7	7.0	-0.3	74.2	9.2	6.2	2.1	76.2
Asia Pacific	17.7	0.4	-1.1	1.3	84.0	4.9	2.2	2.2	86.7
Europe	23.6	1.5	2.0	-0.5	87.1	4.0	3.1	0.7	82.5
Latin America and Caribbean	2.9	3.5	6.3	-2.2	81.6	9.8	8.1	1.3	84.4
Middle East	9.1	-14.0	-11.0	-2.6	76.3	-23.9	-20.2	-3.8	76.7
North America	7.6	-1.0	-0.7	-0.3	86.9	1.8	0.5	1.1	84.2
Domestic	**37.2**	**-3.0**	**-2.4**	**-0.5**	**84.0**	**1.0**	**1.1**	**-0.1**	**82.7**
Australia	0.8	0.0	-1.0	0.8	81.1	1.0	2.9	-1.5	77.6
Brazil	1.2	0.9	4.0	-2.5	80.2	6.5	6.3	0.1	81.5
China P.R.	11.3	-5.2	-3.4	-1.6	82.2	2.1	2.4	-0.3	84.1
India	1.7	-0.5	-1.7	1.0	85.5	2.1	2.7	-0.5	85.4
Japan	1.0	-3.8	-1.9	-1.5	75.8	1.6	-1.0	2.1	79.6
United States	13.6	-1.2	-1.3	0.1	85.5	0.0	0.0	0.0	81.5

Note 1: % of industry RPK 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.
Note 3: the six domestic passenger markets for which broken-down statistics are available account for approximately 29.6% of global total RPK and 79.4% of total domestic RPK

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