Air Passenger Market Analysis

March 2024

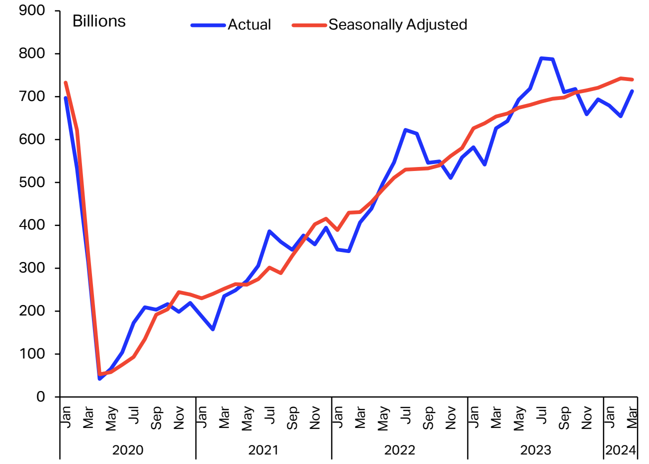
Industry passenger traffic maintains an upward trend

- Industry total Revenue Passenger-Kilometers (RPK) maintained a positive trajectory in March growing 13.8% annually, mostly carried by strong momentum of international traffic. Passenger load factors (PLF) were higher than in comparison to the previous years while available seat capacity continue to follow increases in demand.
- Domestic traffic rose 6.6% over the year. PR China remained the fastest growing market among those monitored with 17.6% YoY growth. All markets saw solid increases in RPK, maintaining the industry total growth within the pre-pandemic average pace.
- International traffic continued to show resilient momentum in March with 18.9% YoY growth in RPK across the entire industry. Traffic from Asia Pacific still surges at a rapid pace, while the remaining regions saw consistent results in regard of the previous month.
- International air services from and to PR China saw great improvements in comparison to last year, although connectivity to North America from the country remained impacted by ongoing geopolitical tensions.

Industry-wide traffic maintains an upward trend

Industry-wide air passenger traffic, measured in revenue passenger-kilometers (RPK), increased by 13.8% year-on-year (YoY) in March 2024. This month saw a lower annual growth rate in comparison to February 2024, a natural development considering that the industry is now seeing record levels of passenger traffic while rising above the historical record of 2019 (**Chart 1**).

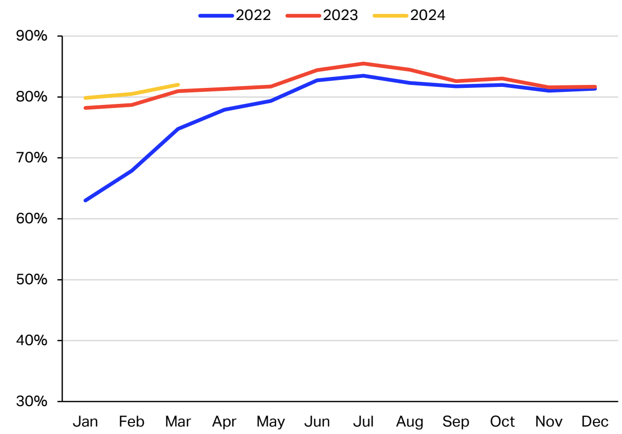
Chart 1 – Global air passengers, RPK, billions per month



Sources: IATA Sustainability and Economics, IATA Monthly Statistics

In seasonally adjusted terms, total RPK contracted 0.4% month-on-month (MoM) while increasing 13.2% YoY. Overall, the global industry maintained a solid upward trend in March, in continuation of previous developments. In terms of Passenger Load Factor (PLF), the industry saw improvements in comparison to the last two years. Given that the supply of available seats, measured in Available Seat-Kilometers (ASK), consistently followed the expansion of passenger traffic, latest figures continue to indicate resilient demand for air travel (**Chart 2**). Industry ASK increased 12.3% over the year while total load factor reached 82.0%, 1.0 percentage point (ppt) higher than the previous year.

Chart 2 – Industry PLF, %share of ASK



Sources: IATA Sustainability and Economics, IATA Monthly Statistics

Airlines of the Asia Pacific still bring the largest contribution to industry total growth in passenger traffic, followed by European carriers. These two

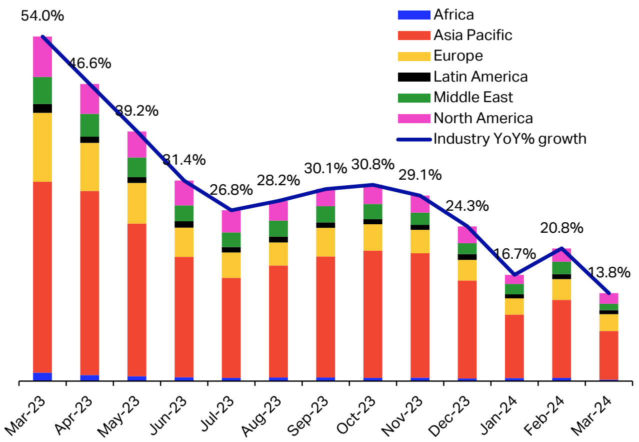
Air passenger market in detail - March 2024

	World share[1]	March 2024 (% year-on-year)				March 2024 (% year-to-date)			
		RPK	ASK	PLF (%-pt)	PLF (level)	RPK	ASK	PLF (%-pt)	PLF (level)
TOTAL MARKET	***100.0%***	**13.8%**	**12.3%**	**1.0%**	**82.0%**	**16.9%**	**14.8%**	**1.5%**	**80.8%**
International	*60.1%*	18.9%	18.8%	0.1%	81.6%	21.5%	21.3%	0.1%	80.2%
Domestic	*39.9%*	6.6%	3.4%	2.5%	82.6%	10.4%	5.8%	3.4%	81.7%

[1]% of industry RPKs in 2023

regions had not totally recovered their traffic levels when 2023 ended and seeing a strong growth momentum on their way to recovery, especially on the international side (**Chart 3**).

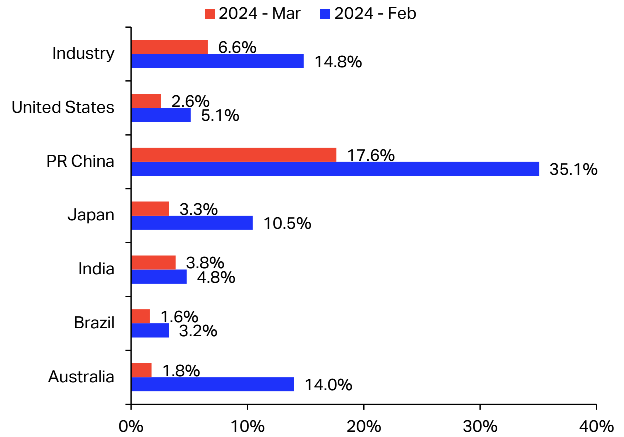
Chart 3 – Regional contribution to industry annual total RPK growth



Sources: IATA Sustainability and Economics, IATA Monthly Statistics

Total domestic traffic increase was close to pre-pandemic average growth

Chart 4 – Domestic RPK growth by market, YoY%



Sources: IATA Sustainability and Economics, IATA Monthly Statistics

Industry total domestic RPK continued to grow in March, at a slower pace of 6.6% YoY. Prior to the pandemic, domestic traffic growth was in the range of 5 to 7%. All monitored markets have seen similar developments, while experiencing persistent growth.

PR China remained the leading market in terms of expansion as RPK increased 17.6% YoY. In seasonally adjusted terms, passenger traffic in China was on a stark rise since November 2023, March 2024 saw a pause in this positive trend as RPK contracted 4.7% MoM (**Chart 4**). The month of February was marked Lunar New Year festivities and the seasonal peak travel in this market.

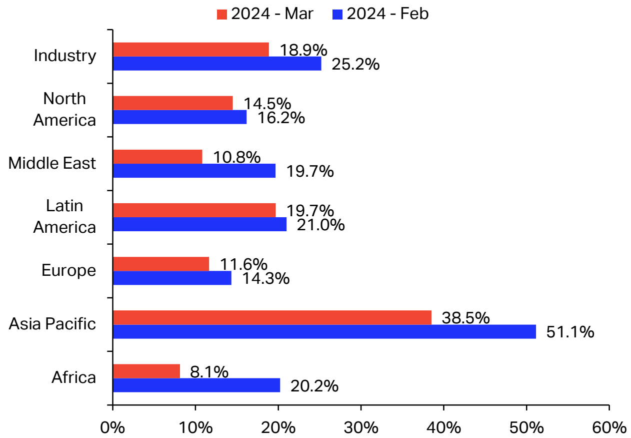
Japan domestic RPK rose 3.3% YoY. The country had experienced a general economic slowdown over the second half of 2023. Positive signs emerged over the last few months and domestic passenger traffic growth accelerated coincidentally. India passenger traffic continue to climb at a stable rate, increasing 3.8% YoY. Australia experienced a significant drop in annual growth rate from the month prior, from 14.0% in February to 1.8% YoY in March respectively. The country saw deterioration in economic conditions from January to March 2024, a development that could partly explain the decrease in RPK in comparison to March 2023.

In the US, passenger traffic increased by 2.6% over the year while the seasonally adjusted figures remained broadly in line with the positive trend the country has seen over the last three years. Brazil RPK grew by 1.6% YoY with climbing 0.6% MoM in seasonally adjusted terms (**Chart 4**).

International traffic growth remains solid while some challenges persist

Total international passenger traffic drove most of the industry's total growth in March, increasing 18.9% YoY (**Chart 5**). Airlines in all regions reported consistent growth. Asia Pacific carriers led once again, as performed international traffic surged by 38.5% YoY.

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

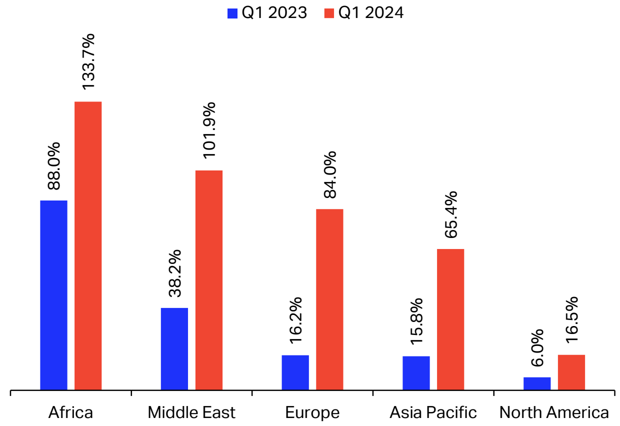


Sources: IATA Sustainability and Economics, IATA Monthly Statistics

While those positive developments indicate great momentum within the region, connectivity to various locations has recovered unevenly so far. PR China became an important international market for many countries over the years. Air connectivity to those economies was greatly restored in Africa and Middle East since early 2023, however the level of air service to North America remains largely impacted by the ongoing political tensions between China and the US. The first quarter of 2024 saw some improvements in that regard, although the number of scheduled flights remained at 16.5% of pre-pandemic levels (**Chart 6**).

Asia Pacific is by far the largest international destination from the country, in Q1 2024 scheduled capacity was at 65.4% of 2019 levels. (**Chart 6**).

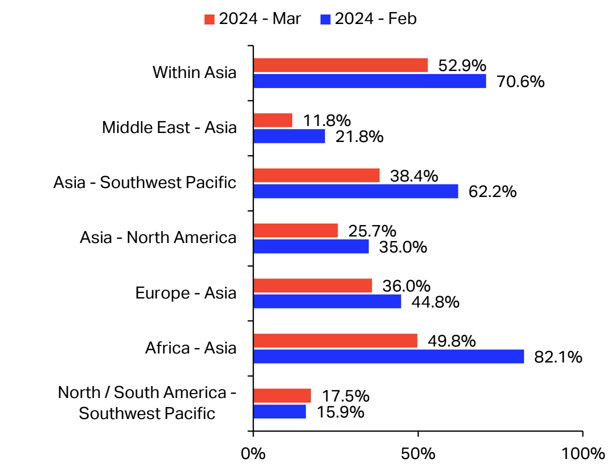
Chart 6 – Scheduled international flights between PR China and specified region, %share of Q1 2019 levels



Sources: IATA Sustainability & Economics, OAG

Major route areas from Asia Pacific still display outstanding growth rates (**Chart 7**). Traffic Within Asia, which is now the second most active route area globally, saw 52.9% rise in RPK. From Europe to Asia, passenger flows were 36.0% superior to the previous year, showing resilience despite the disruptions linked to the ongoing conflicts in Europe and the Middle East.

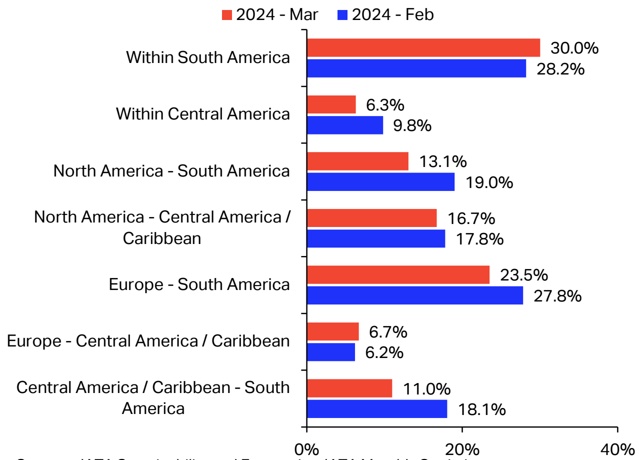
Chart 7 – International RPK, YoY% – Major route areas from and to Asia Pacific



Sources: IATA Sustainability and Economics, IATA Monthly Statistics

Latin American carriers performed 19.7% additional traffic compared to last year. Reflecting those developments, traffic growth within South America accelerated in March, reaching 30.0% against 28.2% in February 2024. Passenger flows from Europe and North America to the region had seen great rebound following the Covid crisis, momentum persisted as tourism to Latin America from these regions gained strength (**Chart 8**).

Chart 8 – International RPK, YoY% **–** Major route areas from and to Latin America and the Caribbean



Sources: IATA Sustainability and Economics, IATA Monthly Statistics

Air passenger market in detail - March 2024

	World share[1]	March 2024 (% year-on-year)				March 2024 (% year-to-date)			
		RPK	ASK	PLF (%-pt)	PLF (level)	RPK	ASK	PLF (%-pt)	PLF (level)
TOTAL MARKET	***100.0%***	**13.8%**	**12.3%**	**1.0%**	**82.0%**	**16.9%**	**14.8%**	**1.5%**	**80.8%**
Africa	*2.1%*	10.0%	12.3%	-1.5%	72.1%	16.8%	18.9%	-1.3%	73.1%
Asia Pacific	*31.7%*	24.2%	17.9%	4.3%	83.5%	30.9%	24.5%	4.0%	82.8%
Europe	*27.1%*	10.6%	10.2%	0.3%	80.9%	11.3%	10.8%	0.3%	78.6%
Latin America	*5.5%*	10.9%	8.8%	1.5%	83.1%	11.1%	8.2%	2.2%	83.6%
Middle East	*9.4%*	10.5%	13.6%	-2.1%	77.5%	15.3%	15.8%	-0.3%	79.4%
North America	*24.2%*	6.3%	7.6%	-1.0%	83.7%	6.8%	7.0%	-0.1%	80.9%
International	***60.1%***	**18.9%**	**18.8%**	**0.1%**	**81.6%**	**21.5%**	**21.3%**	**0.1%**	**80.2%**
Africa	*1.8%*	8.1%	11.0%	-1.9%	70.3%	15.6%	17.6%	-1.2%	72.3%
Asia Pacific	*14.7%*	38.5%	37.4%	0.7%	85.6%	44.8%	45.1%	-0.1%	84.3%
Europe	*23.6%*	11.6%	11.4%	0.1%	79.9%	12.2%	12.0%	0.1%	77.4%
Latin America	*2.7%*	19.7%	18.3%	0.9%	84.3%	19.4%	16.5%	2.0%	84.9%
Middle East	*9.1%*	10.8%	13.9%	-2.1%	77.5%	15.4%	16.1%	-0.5%	79.3%
North America	*8.1%*	14.5%	14.8%	-0.2%	84.7%	14.2%	15.4%	-0.8%	80.7%
Domestic	***39.9%***	**6.6%**	**3.4%**	**2.5%**	**82.6%**	**10.4%**	**5.8%**	**3.4%**	**81.7%**
Dom. Australia	*0.8%*	1.8%	3.9%	-1.7%	79.8%	7.2%	6.4%	0.6%	75.4%
Domestic Brazil	*1.2%*	1.6%	-0.1%	1.3%	79.9%	1.5%	1.2%	0.3%	80.4%
Dom. China P.R.	*11.2%*	17.6%	5.3%	8.5%	80.7%	28.4%	14.8%	8.6%	81.9%
Domestic India	*1.8%*	3.8%	3.5%	0.2%	85.8%	4.3%	2.3%	1.7%	87.8%
Domestic Japan	*1.1%*	3.3%	-1.7%	4.0%	82.5%	5.8%	-1.2%	5.1%	77.4%
Domestic US	*15.4%*	2.6%	4.5%	-1.5%	82.9%	3.4%	3.1%	0.3%	80.7%

[1]% of industry RPKs in 2023

Note: the six domestic passenger markets for w hich broken-dow n 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 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. Historical statistics are subject to revision.

IATA Sustainability & Economics
economics@iata.org
1 May 2024

Get the data

Access data related to this briefing through IATA's Monthly Statistics publication:
www.iata.org/monthly-traffic-statistics

IATA Economics Consulting

To find out more about our tailored economics consulting solutions, visit:
www.iata.org/consulting