

COVID-19

Airline industry cash burn now expected to continue through 2021

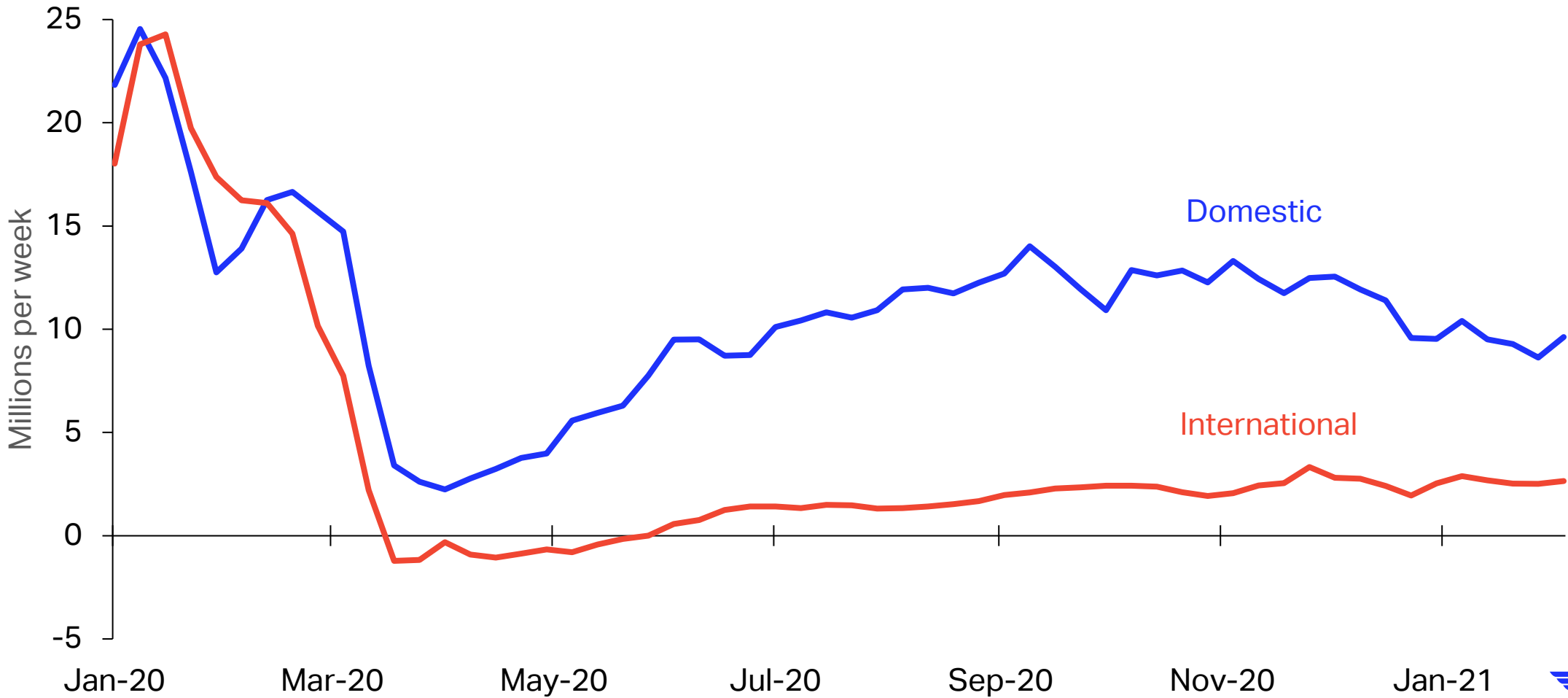
24th February 2021



Bookings indicate a weak H1, before any vaccine boost

Bookings for future travel declining after mid-year rise in domestic travel

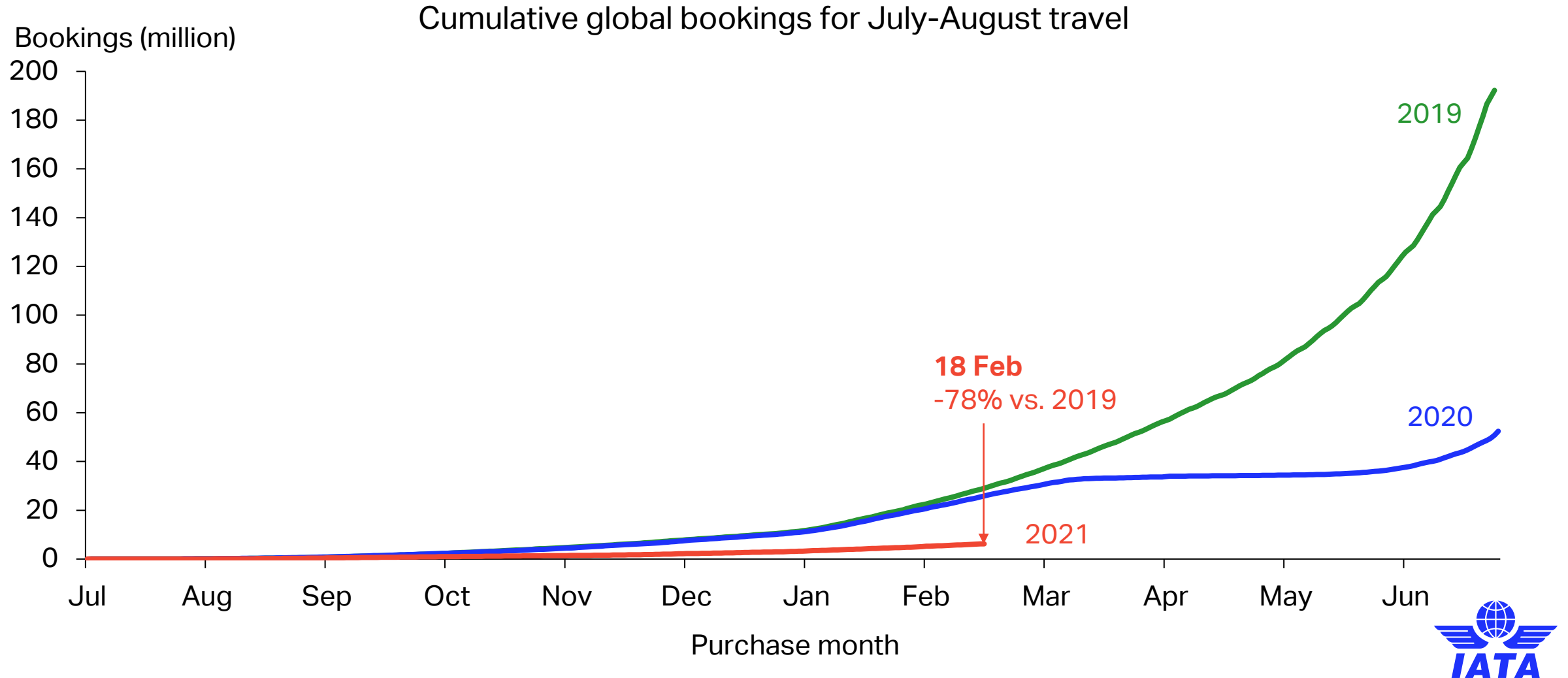
Global bookings (inc. refunds), millions per week



Source: IATA Economics using data from DDS

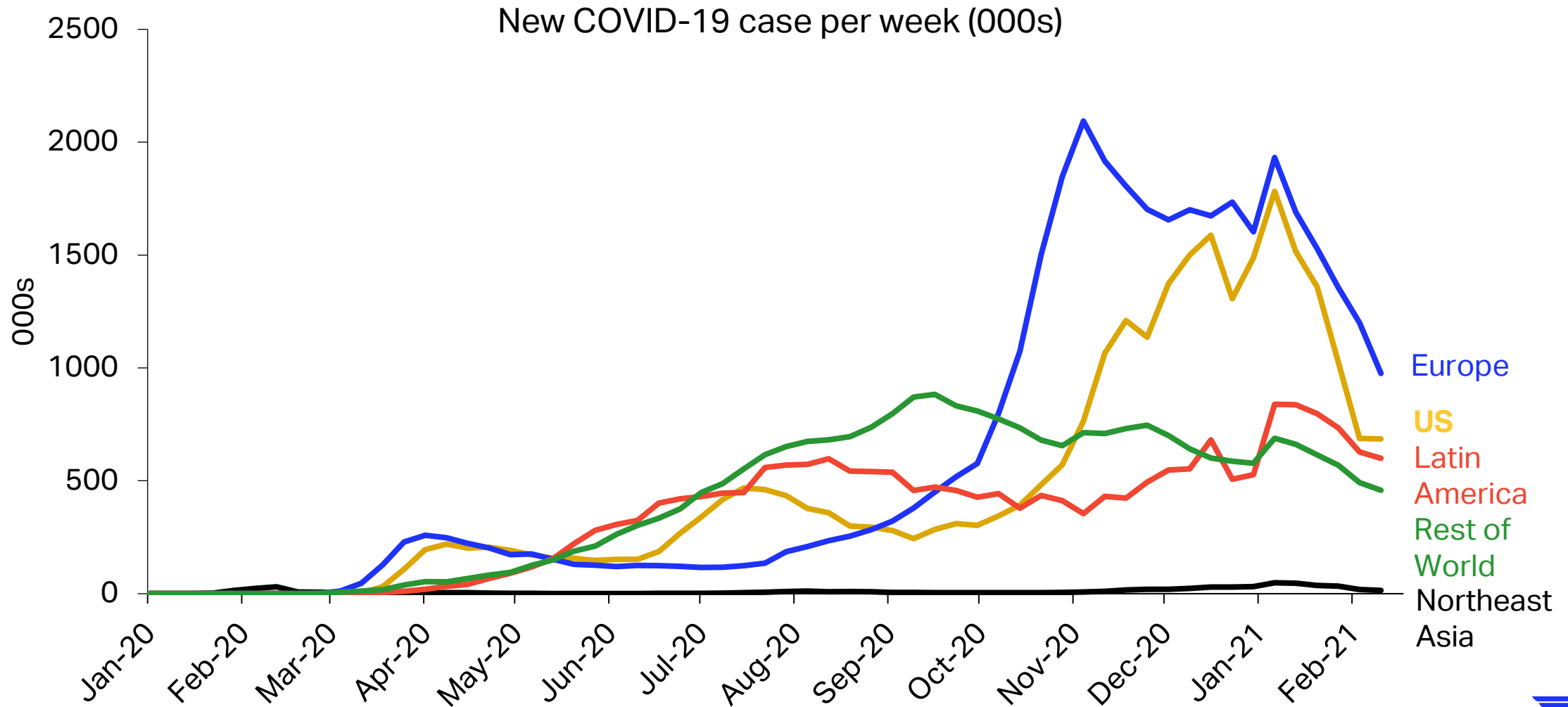
Bookings for critical summer period remain weak

Pre-crisis only 7% summer travel booked by now, but still a concern



New COVID-19 cases remain high in most regions

New variants have meant virus control much harder than expected



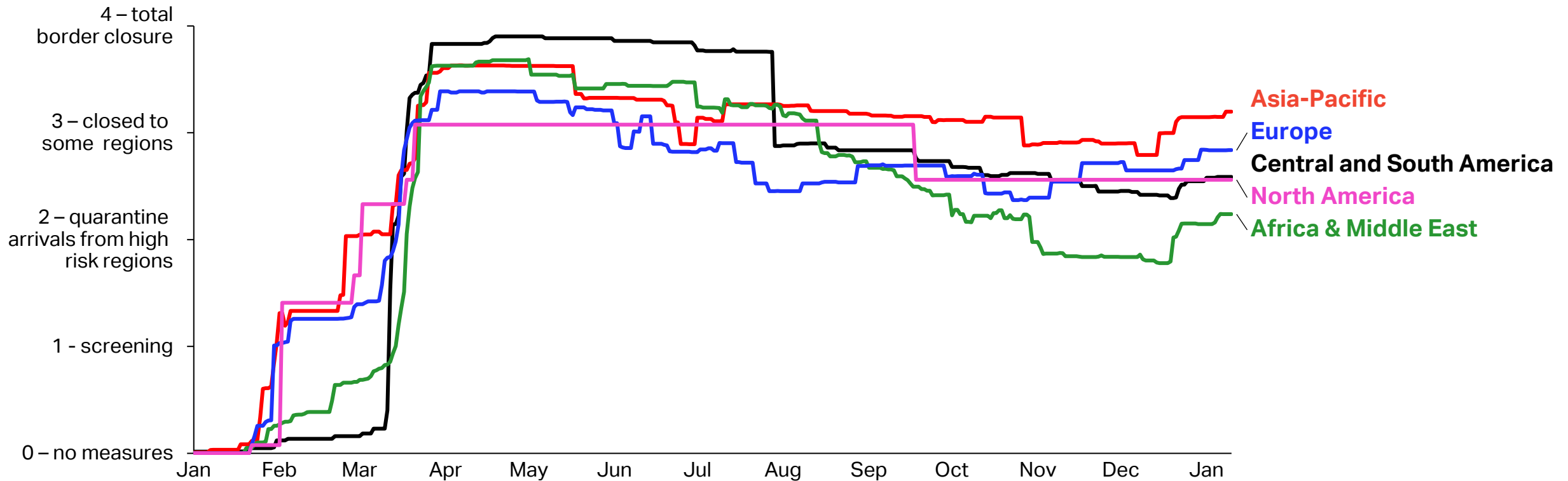
Source: IATA Economics using data from European Centre for Disease Control



Causing renewed travel restrictions in all regions

Asia remains most stringent but travel barriers rising in all regions

International travel stringency index weighted by population (Jan 2020-Jan 2021)



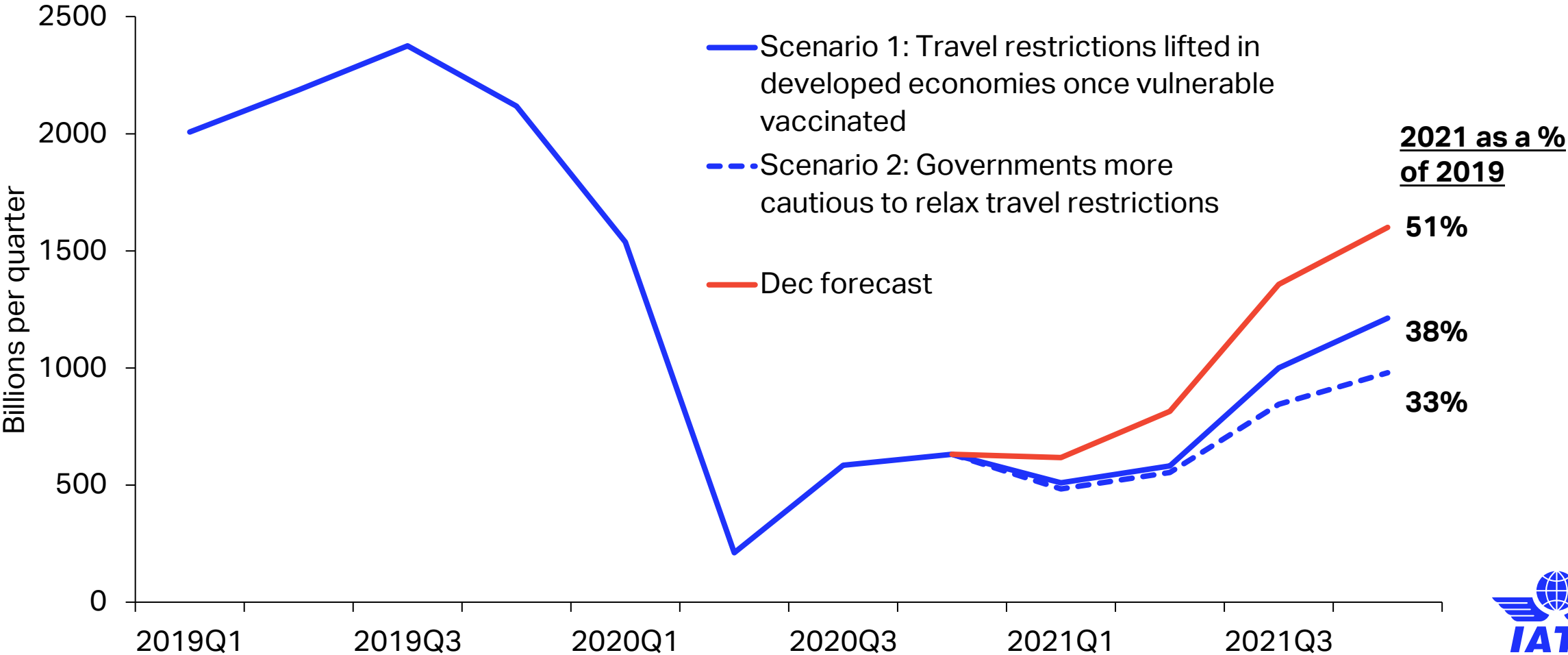
Source: IATA Economics using data from Oxford University



2021 H1 will be weaker than expected in December

There is also a risk to H2 from policy response to new virus variants

Global RPKs, billions per quarter



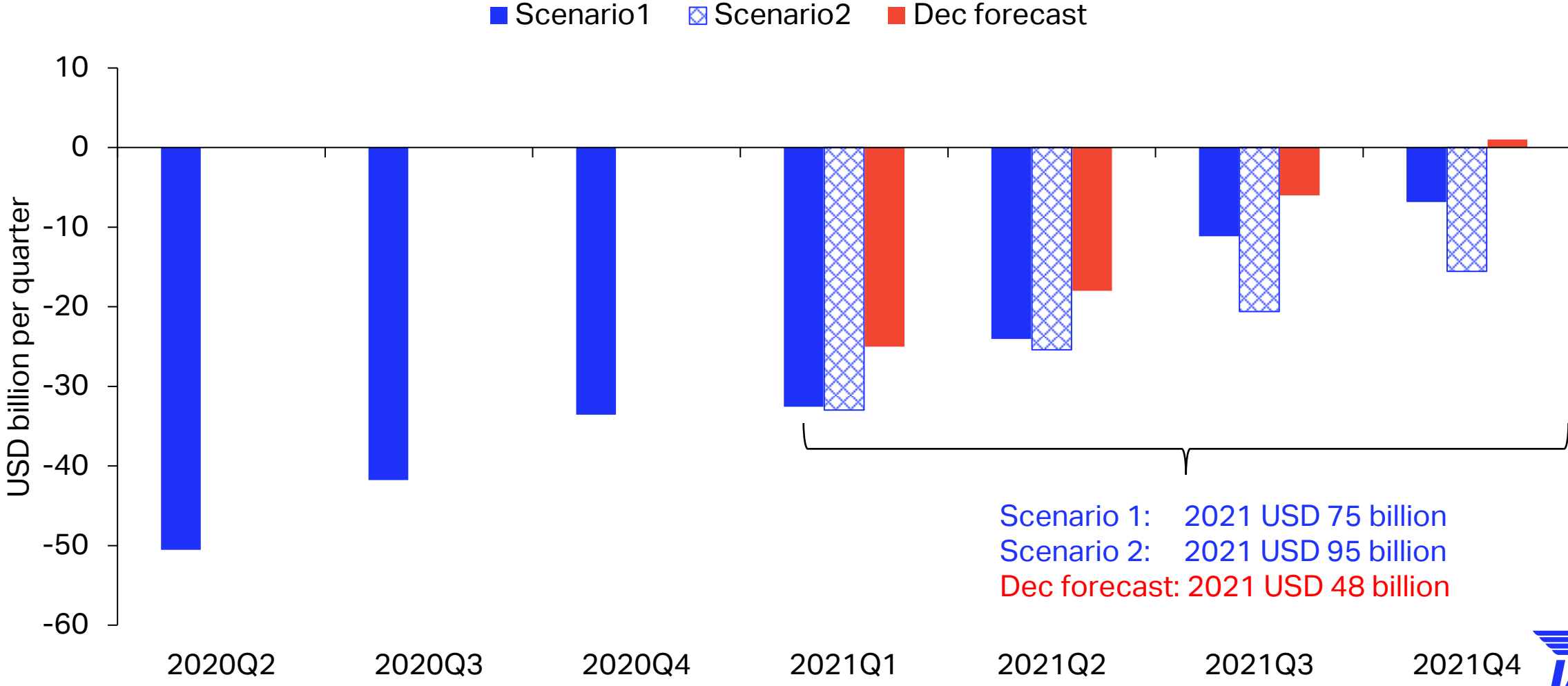
Source: IATA Economics



Airlines' cash burn worse than forecast in December

Delay in travel recovery implies 2021 cash burn of USD 75-95 billion

Global airline industry cash burn forecast, USD billion per quarter



Source: IATA Economics

Contacts

economics@iata.org

www.iata.org/economics



IATA Media Update on COVID-19

Alexandre de Juniac
Director General and CEO

Brian Pearce
Chief Economist

Alan Murray Hayden
Head Airline, Airport and Security
Compliance and Operational Solutions

For questions:
You can use the chat feature, and the
presenters will get to as many as possible.

#ReadyToFly

This session is recorded. It will be
made available to you shortly after.
24 February 2021

