

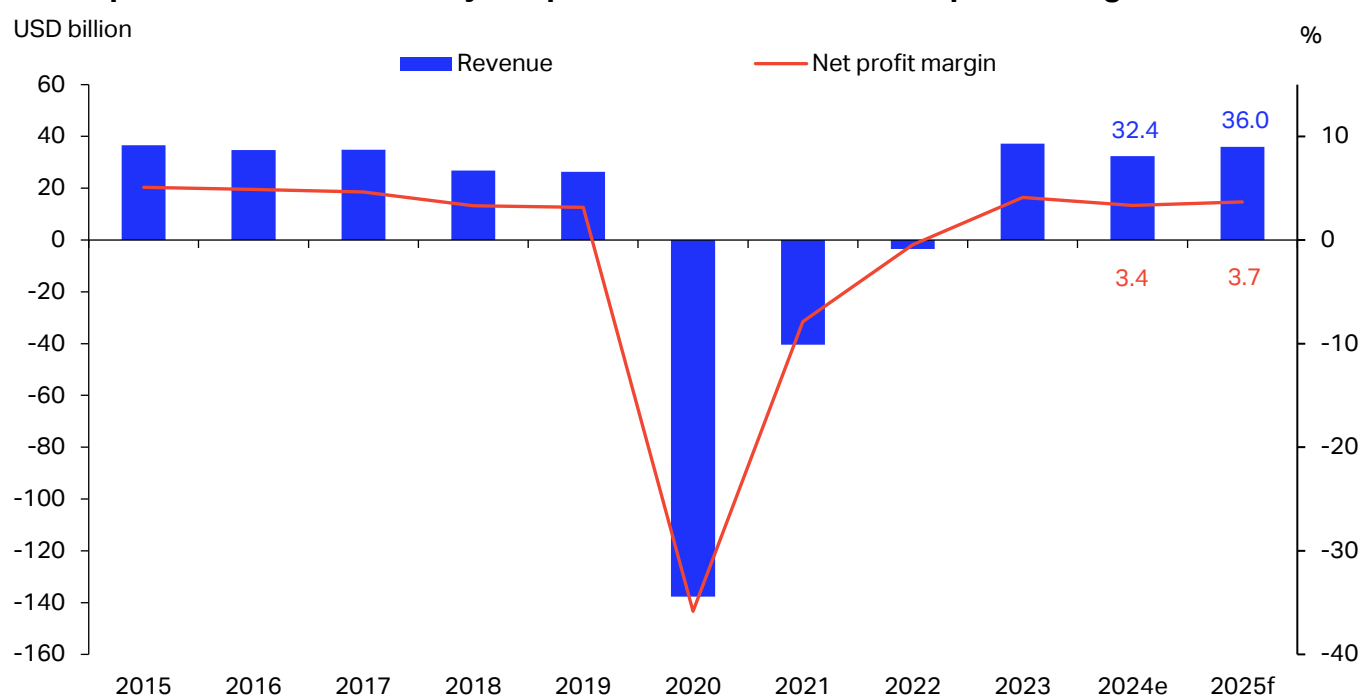


Chart of the Week

13 June 2025

Airline profits hold altitude in 2025 amid headwinds

Development of airline industry net profit, USD billion, and net profit margin, %



Source: IATA Sustainability and Economics, using data from Airfinance Global

- Airline profits are expected to hold up well this year despite ongoing supply chain disruptions and increasingly restrictive trade policies. While overall turnover is projected to stay broadly flat compared to 2024, the industry is forecast to achieve a net profit of USD 36 billion, maintaining a modest 3.7% net profit margin. This translates to an average profit of just USD 7.2 per passenger in 2025, which is low both in absolute terms and relative to the average return fare of USD 374 per passenger anticipated this year.
- Revenue growth in 2025 is expected to be modest, rising by 1.3% year-on-year to USD 979 billion. This represents a downward revision of 3 percentage points from previous forecasts, primarily due to weaker yields in both passenger and cargo segments, as well as reduced traffic projections following downgraded GDP and trade outlooks.
- Lower fuel prices have helped to mitigate the impact of these challenges, potentially bolstering demand, which should protect profit margins. Although supply chain disruptions affect airlines, they also encourage improved operational efficiency and maximized utilization of fleets.
- This performance ranks among the strongest in the industry's history. However, it is important to note that the airline sector's net margin remains only about half the average margin achieved across all global industries.

IATA Sustainability & Economics

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