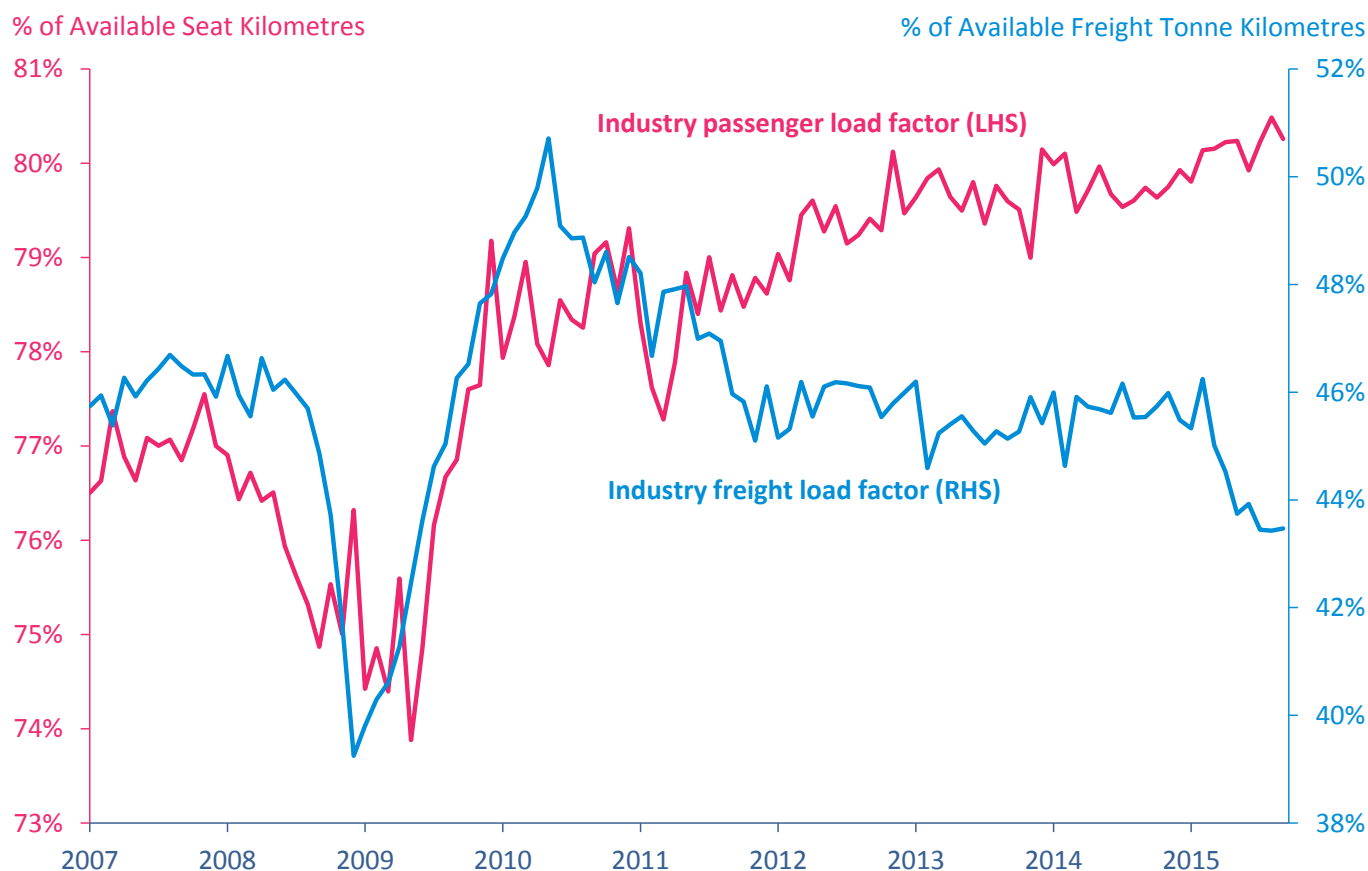




IATA ECONOMICS' CHART OF THE WEEK

6 NOVEMBER 2015

DIVERGING TREND IN PASSENGER AND FREIGHT LOAD FACTORS



Source: IATA BIS Monthly Statistics

- The industry passenger load factor (the pink line) has trended steadily upwards over the past four years, and reached an all-time high of 80.5% in August 2015. The recent pick-up since the end of 2013 was driven almost entirely by a surge in load factors on domestic routes, which reached their own all-time high of 82.0% in September 2015 driven by higher loads in the US, China, and notably India.
- By contrast, the industry freight load factor (the blue line) has fallen away sharply since the start of the year, to a level that has only previously been seen during periods of acute economic stress (most recently during the global financial crisis in 2009).
- Leading indicators suggest that global trade will remain in the doldrums in the near term, while ongoing deliveries of wide-body passenger aircraft are expected to continue to add to available freight capacity. Both factors will place further downward pressure on the industry freight load factor. In fact, if recent demand and capacity trends are continued, it could fall to around 40% by the end of 2016 – fully half the passenger load factor.

Terms and Conditions for the use of this IATA Economics Report and its contents can be found here: www.iata.org/economics-terms
By using this IATA Economics Report and its contents in any manner, you agree that the IATA Economics Report Terms and Conditions apply to you and agree to abide by them. If you do not accept these Terms and Conditions, do not use this report.

David Oxley
oxleyd@iata.org