

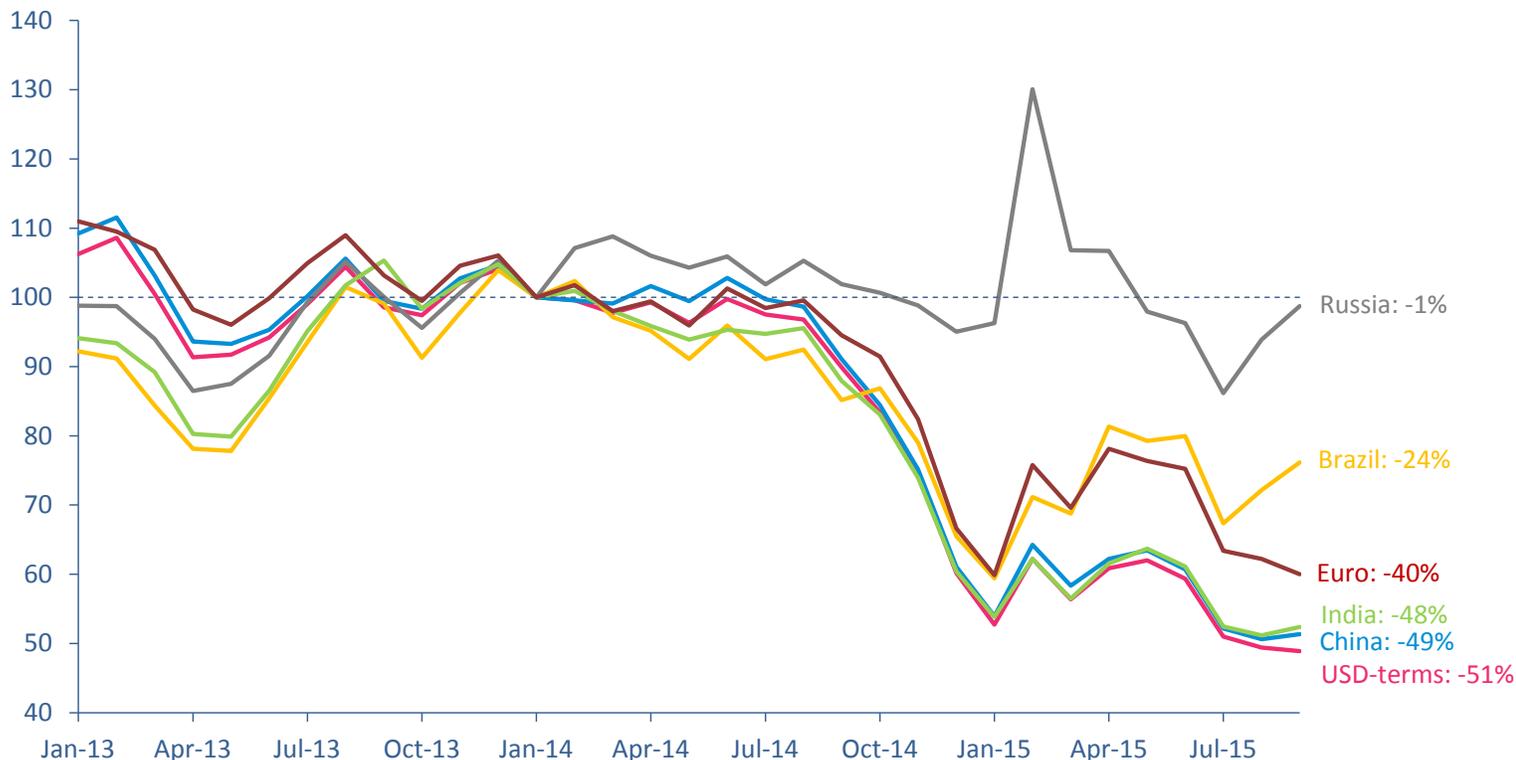


IATA ECONOMICS' CHART OF THE WEEK

2 OCTOBER 2015

FALLS IN USD JET FUEL PRICES HAVE NOT BEEN FELT EVENLY

Jet Fuel Prices, Index (Jan 14 = 100)



Sources: IATA, Platts, Thomson Datastream

- Jet fuel prices have plunged by over 51% in US dollar terms since the start of 2014. However, large swings in the value of currencies against the dollar over the same period – particularly in the emerging markets – means that the benefit from the drop in USD-priced jet fuel has not been felt evenly.
- This week's *Chart of the Week* focuses on the impact for a handful of countries. Just modest depreciations in the value of the Indian rupee and the Chinese renminbi mean that jet fuel prices in both of these currencies have broadly fallen in line with the US dollar benchmark over the past two years or so.
- However, in Russia's case, the fall in US dollar-priced jet fuel prices has coincided with an almost identically sized drop in the value of the rouble. Consequently, when measured in rouble terms, jet fuel prices are broadly unchanged from where they were at the start of 2014. The sharp fall in the value of the euro and the Brazilian real have also limited the benefit for airlines in the euro area and Brazil. Jet fuel prices measured in EUR and BRL-terms have fallen by around 40% and 24% respectively since January 2014.

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