

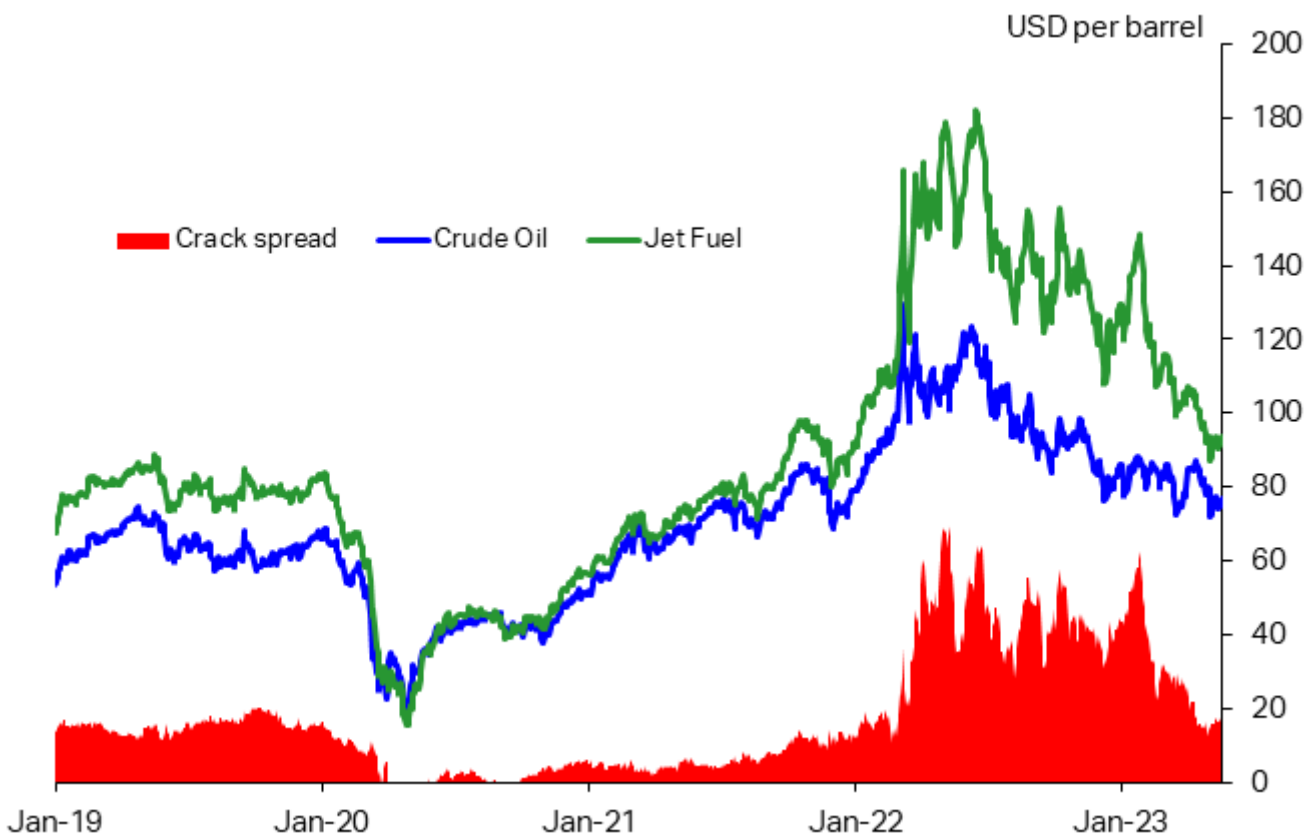


Fuel

Fact Sheet

- The jet fuel price increased by around 75% to USD 136/bbl in 2022, reflecting a combination of both higher crude oil prices and a wider jet crack spread. Both of these are expected to retrace from their 2022 highs.
- The price of Brent crude oil is forecast to ease from just over USD 100/bbl in 2022, to around USD 80/bbl this year. The crack spread is likely to narrow from 35% to around 23%, still a little above the long-run average. Both of these trends have been apparent in recent outcomes (see chart below). The jet fuel price is expected to average around USD 98 over the course of 2023.
- The global airline industry's fuel bill is estimated to reach USD 215 billion this year, accounting for around 28% of operating expenses as the ongoing recovery in traffic volumes works to offset the lower fuel price and narrower crack spread. The fuel bill accounted for almost 30% of operating expenses in 2022.
- Industry net losses of USD 3.6 billion are estimated for 2022, with the industry returning to a profit of USD 9.8 billion in 2023. This profit equates to around USD 2.25 per passenger.

Oil and Jet Fuel prices, USD/bbl



Source: IATA Sustainability and Economics, S&P Global, Macrobond

Updated: 06/2023 Next Update: 12/2023