

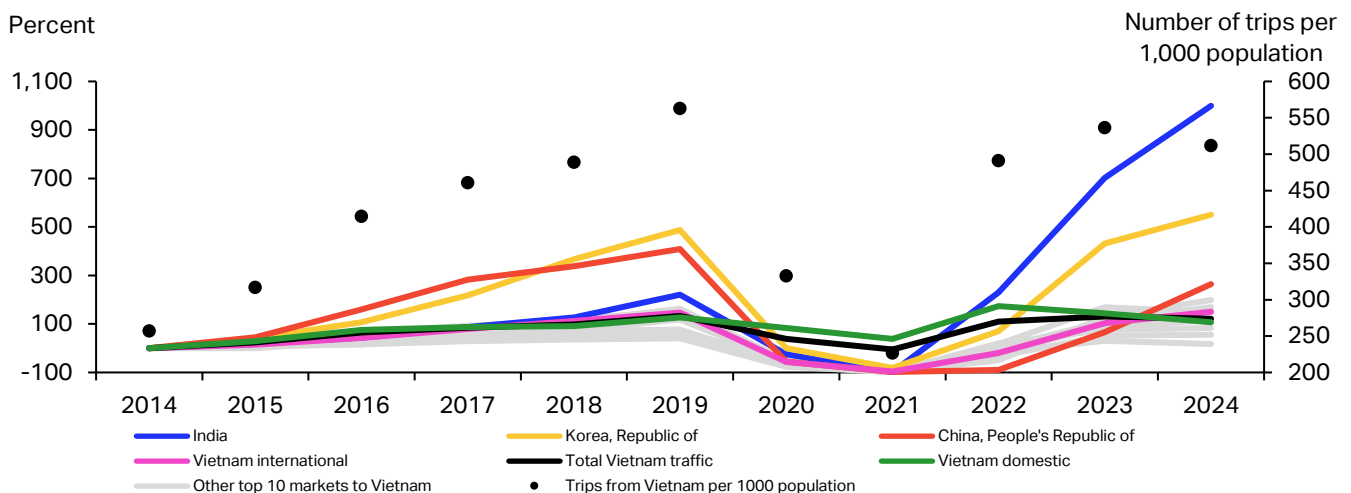


Chart of the Week

16 May 2025

Growth in Vietnam's Air Passenger Market

Air passenger growth in top-10 international markets to Vietnam from 2014 to 2024



Source: IATA Sustainability and Economics; estimated number of passengers for international and domestic arrivals in Vietnam; trips per population calculated using the number of passengers departing Vietnam divided by IMF population data for Vietnam.

- Vietnam has seen strong growth in its air transport market over the past decade. It has advanced from being Asia Pacific's 11th largest air passenger market in 2014 to the 8th largest in 2024. It also registered the highest growth rate amongst the top 10 markets in the region, at 121% from 2014 to 2024. This surge results from the country's strong economic performance and growing appeal as a travel destination. Vietnam's GDP grew by an average rate of 6.2% per year from 2000 to 2024, and by 7.1% in 2024, one of the highest in the region, according to the National Statistics Office of Vietnam.
- Seven of the top-10 international markets for travel to Vietnam more than doubled from 2014 to 2024. Traffic from India grew tenfold during this period. The annual trade turnover between Vietnam and India gained 11% over the past decade, reaching USD 15 billion in 2024. The simplification of visa processes and the increase in direct flights – particularly between New Delhi and Mumbai in India and Ho Chi Minh City and Hanoi in Vietnam – have boosted tourism. Traffic from the Republic of Korea also expanded significantly, rising more than five times in the past decade. South Korea is by far the largest source of international arrivals for Vietnam, at more than twice that of China PR, and the second largest source of foreign direct investment in 2024.
- The 107% growth in domestic traffic in Vietnam, however, lags the 150% growth in international traffic from 2014 to 2024. Domestic traffic in 2024 stood 24% below that in 2022 when domestic travel recovery was in full swing post-pandemic. Vietnamese carriers have faced capacity constraints, with some aircraft grounded due to engine issues, and aircraft capacity has been diverted to the fast-growing international segment.
- Vietnam could face a 46% tariff on exports to the US. These exports totaled USD 119.5 billion, accounted for 30% of Vietnam's export turnover, and represented 25% of Vietnam's GDP in 2024. The US tariff could impact the air cargo sector, which revenue grew by more than 30% YoY in 2024. Passenger revenue still accounts for the bulk of total revenue for Vietnamese carriers, with a share of 53-71% of total revenue. The increasing propensity to travel and the strengths of Vietnam's tourism industry will continue to support the longer-term outlook of the aviation sector in the country.

Terms and Conditions for the use of this IATA Economics Report and its contents can be found [here](#).
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.

IATA Sustainability & Economics

economics@iata.org