International pax traffic remains weak while cargo is robust

This week, we released air passenger and air cargo market analysis with July data, that reiterate the divergence in air passenger and cargo markets. While industry-wide revenue passenger-kilometres (RPKs) are still 53.1% lower compared with pre-crisis level (July 2019), industry-wide cargo tonne-kilometres (CTKs) remain robust, hovering above the pre-crisis level for the eighth consecutive month. Today’s chart looks at the details of international air passenger and cargo traffic on different routes.

International CTKs (blue dots) in the three main routes (North America-Europe, North America-Asia, Asia-Europe, representing nearly 50% of global cargo traffic in 2019) posted strong growth. On the other hand, international RPKs (red dots) on the same routes are 70%-89% lower compared to the pre-crisis levels due to the risk-averse behaviour of governments. On the positive side, successful vaccine rollout supported the passenger traffic recovery on within-European routes. Also, Central America-North America market, which has less strict restrictions, rebounded indicating the strong pent-up demand. On the other hand, RPKs on Europe-North America routes remain suppressed despite successful vaccine rollout in both regions, impacting airline financials in both in Europe and North America since the market was an important source of revenue (15% and 30% of total international passenger revenues, respectively.

Source: IATA Economics using IATA Monthly statistics