



# Quarterly Air Transport Chartbook

IATA Sustainability & Economics  
Q1 2024





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## Glossary

- ACTK** – Available Cargo Tonne-Kilometers
- ASK** – Available Seat-Kilometers
- ATJ** – Alcohol-to-Jet
- ATK** – Available Tonne-Kilometers
- bbf** – Barrel
- BLF** – Breakeven Load Factor
- CLF** – Cargo Load Factor
- CORSIA** – carbon offsetting and reduction scheme for international aviation
- CTK** – Cargo Tonne-Kilometers
- EBIT** – Earnings before interest and taxes
- FT** – Fischer-Tropsch
- GDP** – Gross Domestic Product
- HEFA** - Hydro-processed Esters and Fatty Acids
- LF** – Load Factor
- MoM** – Month-on-month
- MoUs** – Memoranda of understanding
- OPEC** – Organization of the Petroleum Exporting Countries
- O-D** – Origin-Destination
- PLF** – Passenger Load Factor
- PMI** – Purchasing Managers' Index
- PtL** – Power-to-Liquid
- PPP** – Purchasing power parity
- ppt** - Percentage points
- RPK** – Revenue Passenger-Kilometers
- RTK** – Revenue Tonne-Kilometers
- SA** – Seasonally adjusted
- SAF** – Sustainable Aviation Fuel
- QoQ** – Quarter-on-quarter
- USD** – United States Dollar
- YoY** – Year-on-year



# Route Areas Abbreviations

- AE** – Africa - Europe
- AF** – Africa - Far East
- AM** – Africa - Middle East
- CS** – Central America / Caribbean - South America
- EC** – Europe - Central America / Caribbean
- EF** – Europe - Far East
- EM** – Europe - Middle East
- EN** – Europe - North America
- ES** – Europe - South America
- FN** – Far East - North America
- FP** – Far East - Southwest Pacific
- MF** – Middle East - Far East
- MN** – Middle East - North America
- NC** – North America - Central America / Caribbean
- NS** – North America - South America
- PS** – North / South America - Southwest Pacific
- WC** – Within Central America
- WE** – Within Europe
- WF** – With Far East
- WS** – Within South America

Notes:

North America: Bermuda, Canada, St. Pierre and Miquelon, United States including Alaska and Hawaii, but excluding Puerto Rico and United States Virgin Islands

Central America / Caribbean: Anguilla, Antigua and Barbuda, Aruba, Bahamas, Barbados, Belize, British Virgin Islands, Cayman Islands, Costa Rica, Cuba, Dominica, Dominican Republic, El Salvador, Granada, Guadeloupe, Guatemala, Haiti, Honduras, Jamaica, Martinique, Mexico, Monserrat, Netherlands Antilles, Nicaragua, Panama, Puerto Rico, St. Kitts-Nevis, Saint Lucia, Saint Vincent and the Grenadines, Trinidad & Tobago, Turks and Caicos Islands, United States Virgin Islands

South America: Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, French Guiana, Guyana, Paraguay, Peru, Suriname, Uruguay, Venezuela

Europe: Albania, Andorra, Armenia, Austria, Azerbaijan, Belarus, Belgium, Bosnia Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Faeroe Islands, Finland, France, Georgia, Germany, Greece, Greenland, Hungary, Iceland, Ireland (Republic of), Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Macedonia (former Republic of Yugoslavia), Malta, Moldova, Monaco, Netherlands, Norway, Poland, Portugal, Romania, Russian Federation, San Marino, Serbia and Montenegro, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine, United Kingdom

Middle East: Bahrain, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, Syrian Arab Republic, United Arab Emirates, Yemen

Northern Africa: Algeria, Egypt, Libya, Morocco, Sudan, Tunisia

Southern Africa: Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo, Cote d'Ivoire, Democratic Republic of the Congo, Djibouti, Eritrea, Equatorial Guinea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Mayotte, Mozambique, Namibia, Niger, Nigeria, Reunion, Rwanda, Sao Tome & Principe, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, South Sudan, Swaziland, Tanzania, Togo, Uganda, Zambia, Zimbabwe

Far East: Afghanistan, Bangladesh, Bhutan, Brunei Darussalam, Cambodia, People's Republic of China, Hong Kong (SAR, China), India, Indonesia, Japan, Kazakhstan, Korea (Democratic People's Republic of), Korea (Republic of), Kyrgyzstan, Lao People's Democratic Republic, Macao (SAR, China), Malaysia, Maldives, Mongolia, Myanmar, Nepal, Pakistan, Philippines, Singapore, Sri Lanka, Chinese Taipei, Tajikistan, Thailand, Timor Leste, Turkmenistan, Uzbekistan, Vietnam

Southwest Pacific: American Samoa, Australia, Cook Islands, Fiji, French Polynesia, Guam, Kiribati, Marshall Islands, Micronesia, Nauru, New Caledonia, New Zealand, Niue, Northern Mariana Islands, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, United States Minor Outlying Islands, Vanuatu, Wallis & Futuna Islands



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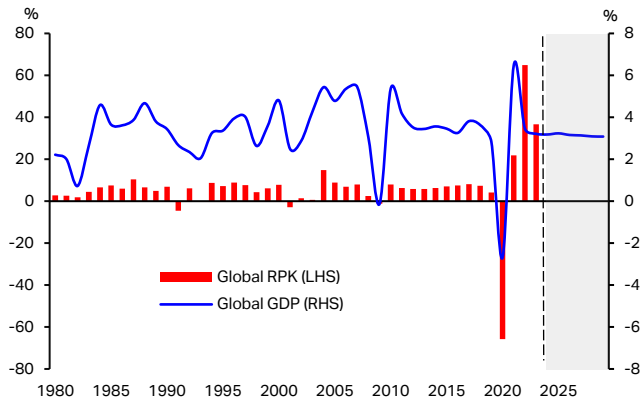
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## I. The Business Cycle

- The global business cycle has surprised many on the upside (Chart 1). In the US, GDP in the first quarter of 2024 grew by 1.6% annualized (the quarter-on-quarter (QoQ) growth rate multiplied by four, so 0.4% QoQ), down from 3.4% annualized in the fourth quarter (Q4) of 2023 (Chart 2). While that does suggest some loss of momentum, it is important to note that the year-on-year (YoY) evolutions were 3.1% in Q4 2023, and almost imperceptibly slower at 3.0% in Q1 2024. This solid performance is supported by a labor market that continues to be exceptionally buoyant (Chart 3). In April, 175,000 new jobs were created in the US, and the unemployment rate stood at 3.9%. The US is enjoying the longest stretch of unemployment below 4% in 50 years. This fact likely explains, at least in part, why consumer price inflation (CPI) tends to be sticky and does not fall quite as rapidly as many central banks had hoped. CPI rose by 3.4% YoY in April in the US, and this is too high for the Federal Reserve to be able to cut its policy interest rate significantly this year (Chart 4).
- China's GDP exceeded expectations in the first quarter of 2024, rising by 5.3% YoY and by 1.6% QoQ. The targeted growth rate is "around 5%". Concerns regarding the business cycle in China pertain primarily to the property sector. The government announced a new package of measures on 17 May 2024 in support of the property sector. These measures aim to ensure that financial institutions will still lend to the property sector, while also stimulating home buying. The most emblematic property developer at the root of the sector's difficulties is the Evergrande Group, which liquidation was ordered in January this year after the company was unable to restructure its USD 300 billion debt. The backlog of built pre-sold but unfinished homes runs in the millions and the issue is likely to weigh on Chinese growth for a few years to come. On the upside, China's deflation trend is abating with April CPI posting the third monthly increase at 0.3% YoY and 0.1% on the month.
- India is the fastest growing of the world's major economies, and GDP is expected to show a gain of 6.2% in the first quarter of 2024, YoY. To be sure, the economies of Japan and Germany are still ahead of India, (and behind the US and China), in terms of GDP ranking, but it is possible that India will take third place within the current decade. Inflation in India stood at 4.8% in April, down from 5.1% in January. The unemployment rate, on the other hand, remains stubborn at 6.7% in Q1 2024 and only a touch lower than the same quarter in 2023. Economic growth is not generating enough new jobs, and younger job seekers are finding it particularly difficult to enter the workforce. Meanwhile, Prime Minister Narendra Modi won a third term in India's election, though his party fell short of an outright majority and will therefore depend on the support of key allies in the coalition going forward. More than 640 million votes were cast in India's election.
- The European Union (EU), with its 27 economies, would rank third by GDP in the world if it were a country. The EU's economy grew by 0.3% QoQ in the first quarter, and by 0.7% YoY. In March, the unemployment rate for the region fell to 6.0%. This rate is a historic low that was also touched for much of 2023. Inflation was stable in April at 2.6% in the EU and 2.4% in the euro area, YoY. In April 2023, the respective YoY rates were 8.1% and 7.0%. This impressive progress toward the European Central Bank's (ECB) inflation target of 2% allowed the central bank to cut its three policy rates by 25 basis points at its 6 June meeting. The ECB's marginal lending facility rate will thus be 4.5% (from 12 June), and the US Federal Reserve's upper limit for the federal funds rate is 5.50%.
- Given the inflation numbers cited above, real interest rates (the nominal interest rate minus the rate of inflation) are in positive territory (Chart 5), a fact that enhances the US dollar's role as a safe-haven currency and weighs on economic activity (Chart 6). This is a challenge for all who do not earn revenue in US dollars, and a greater problem still for the many debt-distressed countries in the world, now numbering 60 in total.

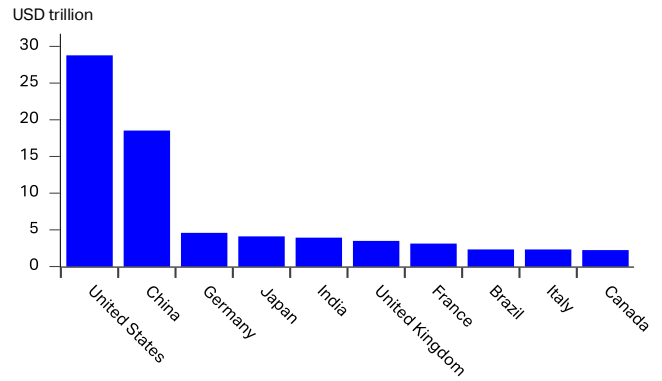


**Chart 1: Global GDP and RPK, YoY, %**



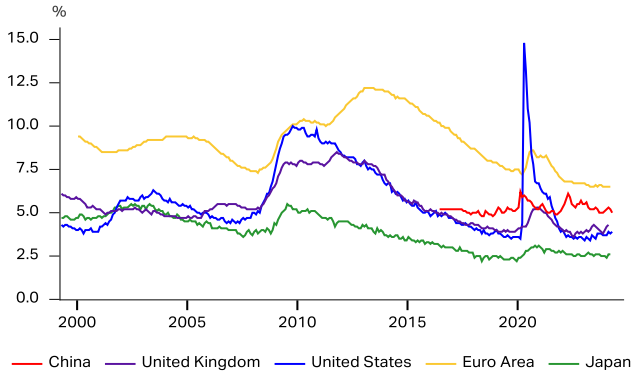
Source: IATA Sustainability & Economics and IMF World Economic Outlook

**Chart 2: Top-10 economies by GDP, USD trillion**



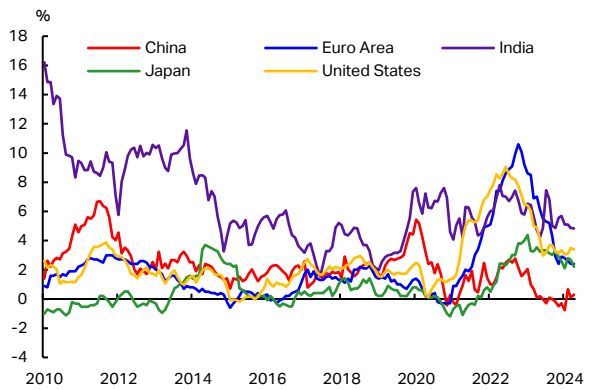
Source: IMF World Economic Outlook

**Chart 3: Unemployment rate in major economies, %**



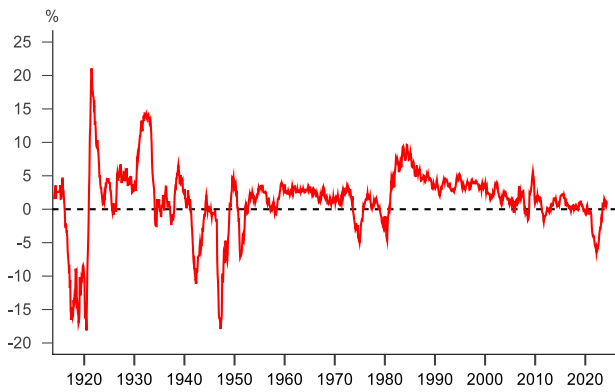
Source: MacroBond

**Chart 4: Consumer Price Inflation in major economies, YoY, %**



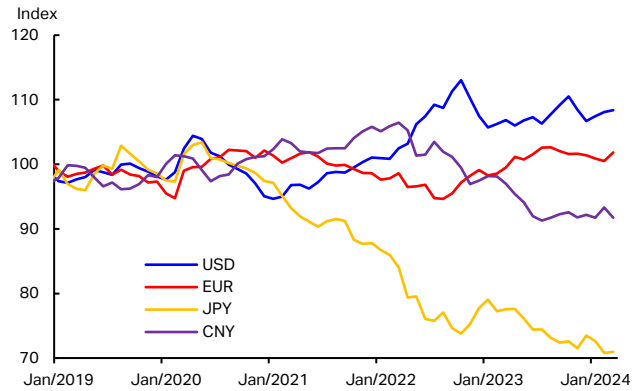
Source: MacroBond

**Chart 5: Real US 10-year interest rate, %**



Source: MacroBond

**Chart 6: Real Effective Exchange Rate Index, Broad, 2019=100**



Source: Bank for International Settlements



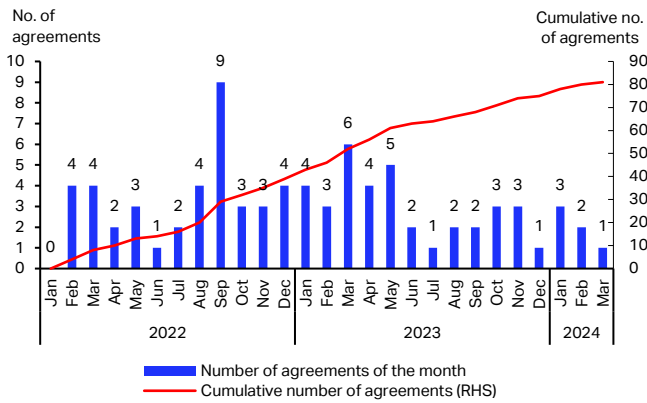


## II. Sustainable Aviation Fuel

- The aviation industry has signed 81 Sustainable Aviation Fuel (SAF) offtake agreements since 2022, with the participation of both aircraft manufacturers and airlines (Chart 7). Of the total number of agreements, 58 are binding and 23 are non-binding. As of March 2024, 66 airlines worldwide have publicly disclosed their SAF purchase agreements.
- Most agreements, 68 to be precise, are based on bio-SAFs from four primary pathways, of which the Hydro-processed Esters and Fatty Acids (HEFA), and HEFA Co-Processing, continue to dominate due to their maturity and commercial viability. The remaining 13 agreements are associated with e-fuel SAF, derived from various Power-to-Liquid (PtL) projects.
- Our assessment of global renewable fuel capacity (Chart 8) has been revised down to reflect projects that have not progressed as expected attributed to various reasons like feedstock, financing, project economics etc. The current level of renewable fuel capacity in 2030 is estimated to be just over 50 million metric tonnes.
- How much of that total renewable energy production will be in the form of SAF will depend on the production pathway and on the operators' optimization of the product mix at refineries. There is a clear opportunity to prioritize SAF production at bio-refineries thanks to the falling demand for diesel for road transportation, to the extent that internal combustion engines are replaced with electric vehicles. In this context, government policies could helpfully encourage SAF production relative to renewable diesel and promote the diversification of feedstock and technologies that maximize the SAF production potential at bio-refineries.
- The spread of different technologies and pathways is increasing. In 2023, we forecasted over 85% of the total renewable fuel capacity out to 2030 would be based on the HEFA pathway, whereas now this is reduced to below 80% (Chart 9).
- However, the current share of SAF production in the overall renewable fuel capacity was a mere 3% (2023) and projected to increase to just 6% during 2024. Both this share and the absolute volume of SAF production need to rise rather dramatically in order to reach the 14 million tonnes required in 2030 that would satisfy the 5% reduction in CO<sub>2</sub> emissions vision for 2030 set by ICAO member states in 2023.

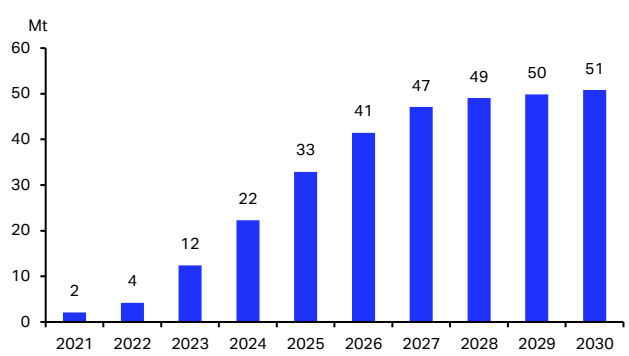


**Chart 7: Number of SAF offtake agreements, as of March 2024**



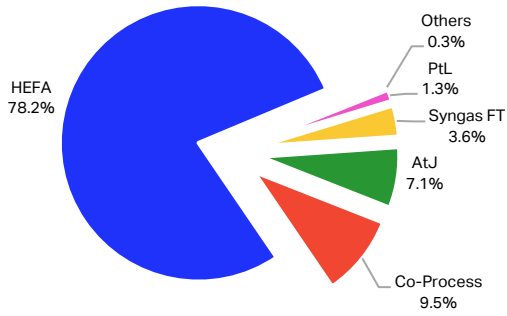
Source: IATA Sustainability and Economics

**Chart 8: Cumulative renewable fuel capacity, million tonnes**



Source: IATA Sustainability and Economics

**Chart 9: Total renewable fuel production by technology by 2030, % of total capacity**



Source: IATA Sustainability and Economics



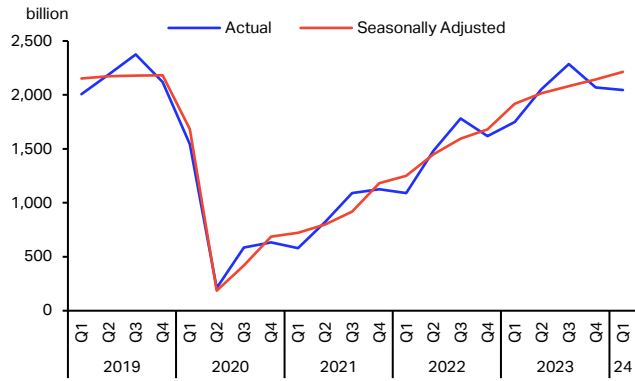
## III. Passenger and Cargo Traffic

### Passenger Traffic

- After a four-year journey, the aviation industry surpassed its pre-pandemic traffic level for the first time in the first quarter (Q1) of 2024. Total Revenue Passenger-Kilometers (RPK) climbed 16.9% year-on-year (YoY) and 3.2% from fourth quarter (Q4) 2023, in seasonally adjusted terms (Chart 10). Sustained economic growth and low unemployment rates globally have bolstered consumer confidence and purchasing power and allowed demand for air travel to continue to expand. On the other hand, demand is capped to some extent by stubborn inflation and by armed conflict in specific regions.
- All regions saw growth in traffic in the first quarter, though all regions' pace of growth slowed from the last quarter of 2023. The pace is slowing (Chart 11). Airlines in the Asia Pacific region led the industry in Q1 with a 30.9% YoY increase in RPK. This is very much explained by the later reopening of key markets such as China and Japan, and the fact that they are growing from a lower base, relatively speaking. Similarly, Africa saw a solid growth rate of 16.8% YoY in the first quarter. The Middle East airlines followed with a robust 15.3% YoY increase in traffic. The region has benefited from redirected traffic because of the war in Ukraine. Next in order we find Europe with an expansion of 11.3% YoY, just slightly ahead of Latin America's and the Caribbean's 11.1%. The fact that the North America region is the runner-up at a still solid 6.8% rise in RPK masks the already higher level of activity in this region.
- The growth in demand for air travel has allowed airlines to fill more seats per aircraft. Passenger load factors (PLF), or average seat occupancy, rose by another 1.5 percentage points (ppt) to 80.8% in Q1 2024 (Chart 12). This was notably thanks to significant improvements in Asia Pacific airlines, where the PLF rose by 4.0 ppt to 82.8%, and Latin American carriers, whose PLF reached 83.6%, both historic highs. In addition, carriers in North America and Europe maintained relatively stable PLF close to 80%, suggesting balanced growth in both passenger demand and seat capacity. Conversely, African and Middle East carriers experienced a slight decline in PLF as seat capacity continued to expand, though they remained close to their historic highs.
- Domestic and international RPK expanded in the first quarter of 2024 (Chart 13). Domestic traffic has surpassed 2019 levels and grew by 2.1% QoQ in Q1, driven by strong performance in key markets. In China, air traffic demand achieved a significant 28.4% YoY increase in domestic travel (Chart 14). Australia also saw strong growth of 7.2% YoY in domestic air traffic. In Japan, domestic traffic continued to grow, outpacing capacity that actually contracted during the quarter.
- International traffic has yet to recover to pre-pandemic levels, though it is benefitting from continued momentum (Chart 15:). Asia Pacific is the region that still lags, although the gap has narrowed significantly thanks to a remarkable 65.5% YoY gain in Q1.
- In line with this progress, important route areas to and from the Asia Pacific region have seen a surge in both passenger traffic and seat capacity (Chart 16). The number of passengers flying within Asia and between Asia and the Southwest Pacific area, has risen by more than 50% YoY. Following these are routes between Asia and Europe, and between Asia and North America. The Trans-Atlantic and Europe-Middle East routes were the only ones where growth in passenger demand surpassed that in capacity, suggesting an increase in efficiency.

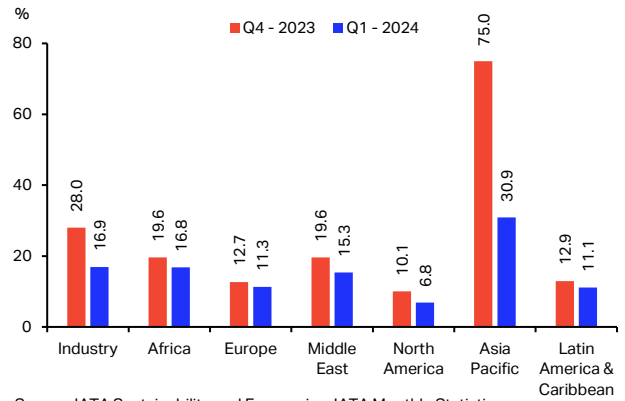


**Chart 10: Industry RPK, billion**



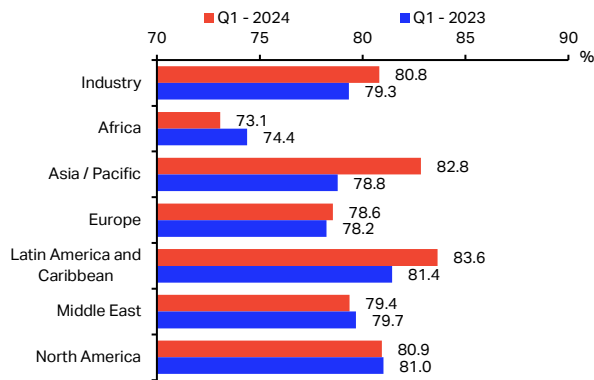
Source: IATA Sustainability & Economics, IATA Monthly Statistics

**Chart 11: Total RPK, YoY, %**



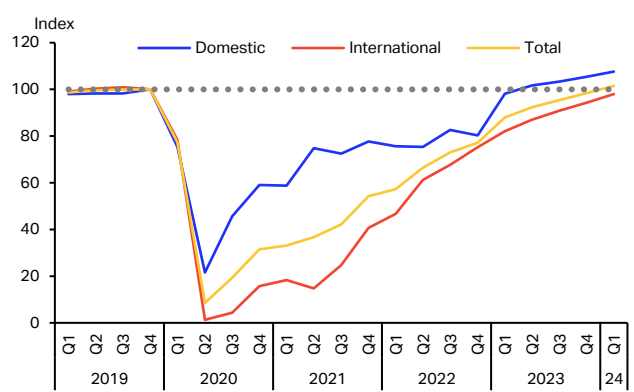
Source: IATA Sustainability and Economics, IATA Monthly Statistics

**Chart 12: Passenger load factor, share of ASK, %**



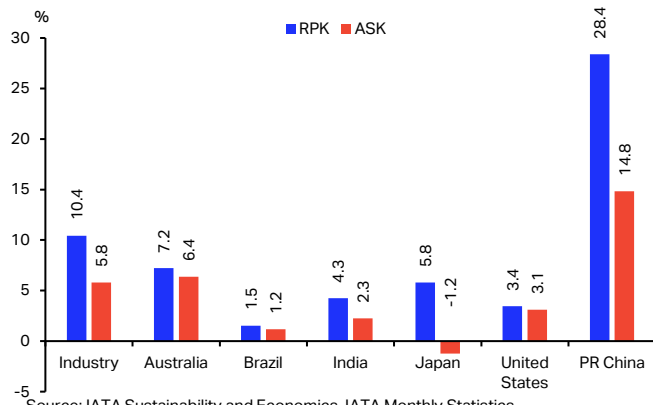
Sources: IATA Sustainability and Economics, IATA Monthly Statistics

**Chart 13: Global RPK, index, Q4 2019 = 100 (s.a.)**



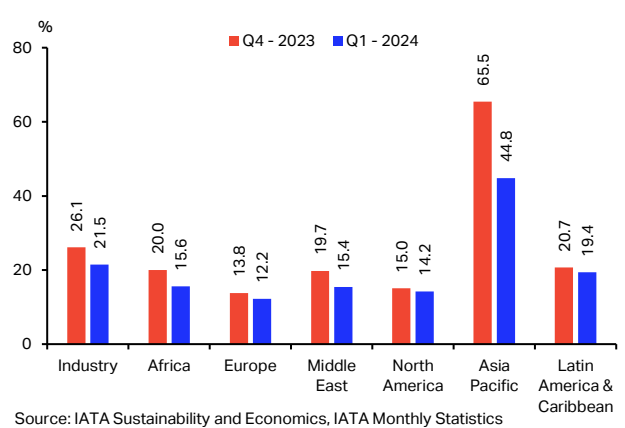
Source: IATA Sustainability and Economics, IATA Monthly Statistics

**Chart 14: Domestic RPK and ASK by market, YoY, % Q1 2024**



Source: IATA Sustainability and Economics, IATA Monthly Statistics

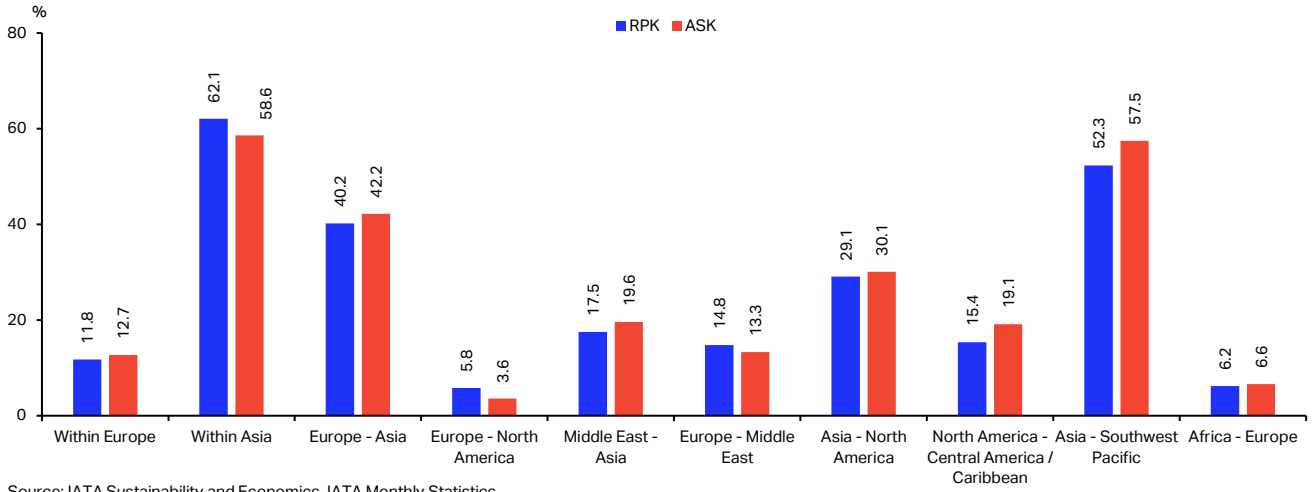
**Chart 15: International RPK, by airline region of registration, YoY, %**



Source: IATA Sustainability and Economics, IATA Monthly Statistics



**Chart 16: Top 10 passenger traffic route areas: International RPK and ASK, YoY, %, Q1 2024**





## Air Connectivity

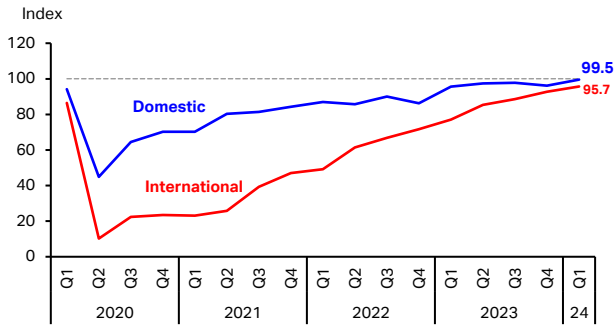
- IATA's Air Connectivity Index measures how well countries around the world are interconnected via air transportation<sup>1</sup>. The index reflects annual seat capacity of direct flights to each destination at airport level, weighted by the size of the destination (number of annual passengers handled). Domestic air connectivity almost halved during the Covid pandemic, while international air connectivity fell by 90%. As of Q1 2024, domestic air connectivity has nearly returned to pre-pandemic levels, closing the gap to less than one percentage point. International air traffic has also made significant strides, restoring connectivity to the height of 95% of pre-pandemic levels (Chart 17).
- Global domestic air connectivity increased by an average of 4.2% YoY in Q1 2024 (Chart 18). Domestic air connectivity in Asia Pacific grew by 6.8% YoY, fully recovering to pre-pandemic levels for the first time since one third of them in early 2020. With this recovery, Asia Pacific joined the Americas in fully restoring domestic air connectivity. In the meantime, the Middle East and Africa also made significant progress, with connectivity rising by 10.7% YoY and 6.3% YoY, respectively, closing the gap to pre-pandemic levels. However, Europe continued to lag, with a substantial 18.2% gap compared to pre-pandemic levels and only a moderate 3.4% YoY growth.
- International air connectivity has shown significant growth, rising by 24.1% YoY in the first quarter of 2024 (Chart 19). In line with general traffic levels, connectivity as measured by our index is lagging the most in the Asia Pacific region, though the gap is closing. At the other end of the spectrum, we find Africa, Latin America, and the Middle East, all of which exceed their respective pre-pandemic connectivity levels. North America and Europe find themselves in the middle and not far off 2019 levels.
- Simply looking at the number of airport pairs connected by direct flights (Chart 20) shows that the number of international airport pairs connected by direct flights increased by 7.1% YoY in Q1 2024, and the number of domestic airport pairs fell only slightly by 0.4% during the same period.

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<sup>1</sup> IATA Air Connectivity Index is calculated by measuring the annual seat capacity of direct flights to each destination at airport level. The seat capacity to each destination is weighted by the size of the destination (number of annual passengers handled). This means that flights to larger airports, such as hubs, have a greater impact on connectivity as measured by this index than flights to smaller airports. The weighted measure is aggregated at country, regional, major route area, and global level. Furthermore, by exclusively considering domestic or international connections, air connectivity can be categorized as domestic or international air connectivity.

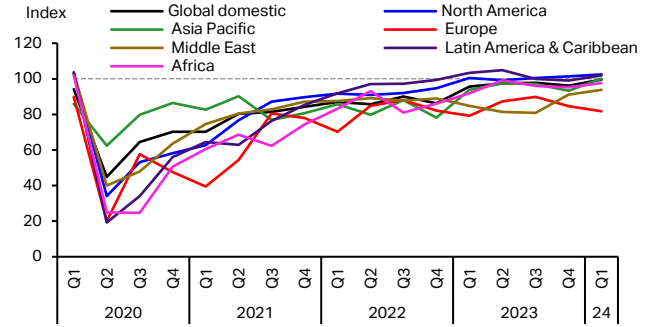


**Chart 17: IATA Global Air Connectivity Index, 2019 = 100**



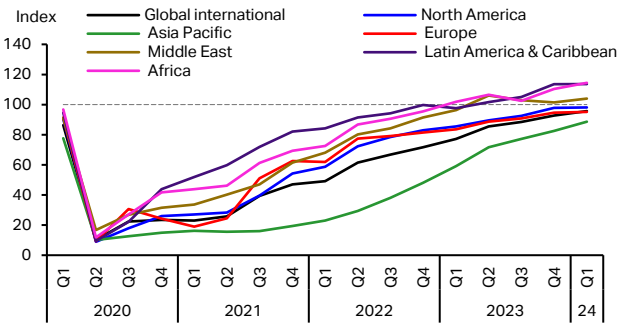
Source: IATA Connectivity Index using data from OAG

**Chart 18: IATA Domestic Air Connectivity Index by region, index, 2019 = 100**



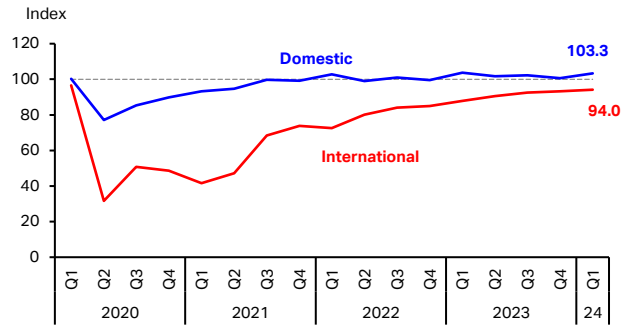
Source: IATA Connectivity Index using data from OAG

**Chart 19: IATA International Air Connectivity Index by region, 2019 = 100**



Source: IATA Connectivity Index using data from OAG

**Chart 20: Global airport pairs connected by direct flights, Index, 2019 = 100**



Source: IATA Connectivity Index using data from OAG



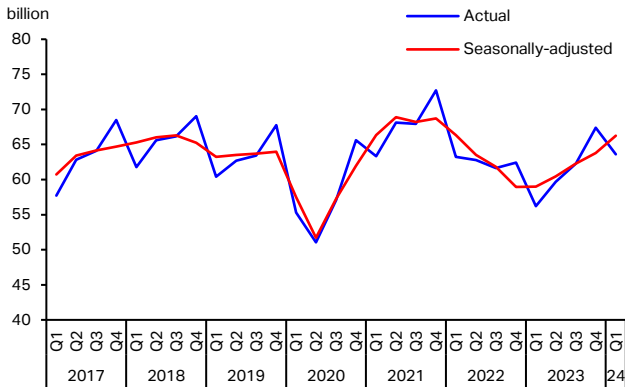
## Cargo Traffic

- Despite geopolitical headwinds and cross-border trade restrictions, the air cargo industry showed remarkable resilience throughout 2023. This trend has carried over to 2024, with the sector commencing the year with a record-breaking first-quarter performance.
- Specifically, the airline industry recorded 63.6 billion cargo tonne-kilometers (CTK) globally in the first quarter of 2024, setting a new Q1 record. This corresponds to an increase of 13.2% YoY and 3.9% QoQ (seasonally adjusted, Chart 21). Notably, this is the industry's third consecutive positive YoY growth in over two years and momentum is growing from the 8% expansion in Q4 2023. All regions benefited from higher demand for air cargo, and much of the increase can be explained by the booming e-commerce sector, perishables, and special cargo such as lithium batteries. There is also an ongoing strategic diversification of supply chains by manufacturers and logistics providers in response to geopolitical developments.
- Among total air cargo traffic, 87% is carried across borders. In this market, Asia Pacific, European, and North American airlines dominate. Notably, Asia Pacific airlines increased traffic by 15.9% YoY, accounting for nearly 40% of global growth in Q1 due to their large market size (Chart 22). European airlines' cargo traffic grew by 12.9%, while North American airlines saw a 6.9% YoY increase, their largest improvement in over two years. Disruptions in the Suez Canal have affected maritime shipping capacity and created a relative advantage for air cargo. As a result, Middle Eastern carriers led all regions with a 23.0% YoY growth. Likewise, after six quarters of decline, African airlines recorded their second consecutive quarter of growth, continuing the positive trend from the previous quarter.
- On the supply side, global air cargo capacity has seen robust growth, maintaining double-digit annual increases for the fourth consecutive quarter (Chart 23). In Q1 2024, available cargo tonne-kilometers (ACTK) reached 138.1 billion, continuing a steady rise from Q1 2022 and 2023 (Chart 24). The primary driver of this growth is the increase in passenger belly-hold capacity, which rose by 24.3% YoY in Q1 2024 (Chart 25). As a result, belly capacity now represents as much as 53% of international ACTK, approaching the pre-pandemic level of 60% (Chart 26). In contrast, dedicated freighter capacity grew by a mere 5.4% YoY during the same period.
- The international air cargo load factor (CLF) stabilized at around 52% on average industry-wide, reflecting a rebalancing between demand and capacity (Chart 27). The highest CLFs can be found on the Asia Pacific-Europe and Asia Pacific-North America routes, both of which have seen CLFs above 60% since 2019. These are also the two routes that handle the largest volumes of air cargo traffic in the world. In contrast, Trans-Atlantic air cargo traffic follows a regular seasonal pattern that is driven by retail cycles and industry activities that tend to peak during the winter season. The sharpest decline was seen in the intra-Asia routes where CLF dropped from 79% in 2021 to just over 50% because of increased passenger belly cargo capacity.
- The average air cargo yield registered a small uptick at the end of 2023 (Chart 28). In Q1 2024, the seasonally adjusted CLF increased further, signaling the start of a potential recovery. Improved logistical conditions, such as easing labor shortages and better fuel cost management, supported this positive trend. The rise in CLF and the increase in air cargo yields indicate that the market is finding its footing and is likely entering a phase of moderate growth and stability.
- The solid upward trend in global air cargo traffic over the past year is particularly remarkable considering the somewhat underwhelming growth rates in global goods trade over the same period. While Q1 2024 delivered a minor 0.2% expansion YoY in foreign trade, air cargo registered an outstanding double-digit increase (Chart 29).
- The Purchasing Managers' Index (PMI), which gauges economic trends in manufacturing and services, is another key indicator of air cargo demand. A PMI above 50 suggests that more purchasing managers expect their business to grow compared to the previous month, while a figure below 50 indicates fewer managers with that outlook. In Q1 2024, the PMI for new export orders moved closer to but remained just



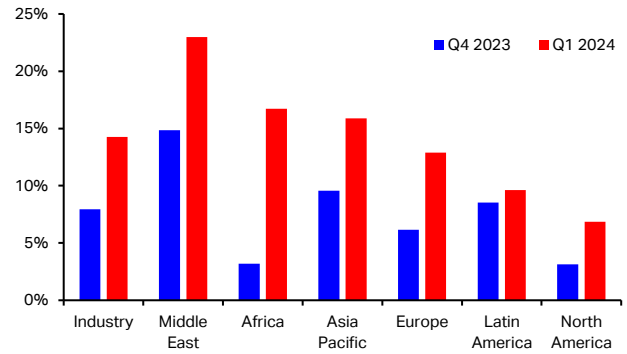
below the critical 50-point benchmark, increasing from 48.8 in January to 49.5 in March (Chart 30). By contrast, the global manufacturing output PMI moved past the threshold at the beginning of Q1 with 50.3 points and rose to 51.9 at the end of the quarter. The rising optimism regarding manufacturing and trade, combined with the high demand for air cargo, provides a positive signal amid an uncertain macro-economic outlook and moderating air cargo yields.

**Chart 21: Industry CTK, billion**



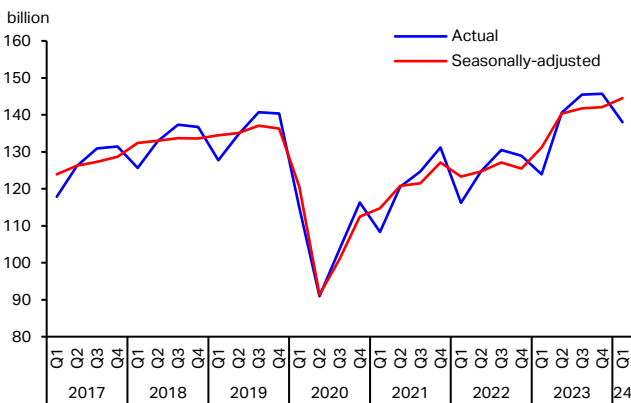
Source: IATA Sustainability and Economics, IATA Monthly Statistics

**Chart 22: International CTK by airline region of registration, YoY, %**



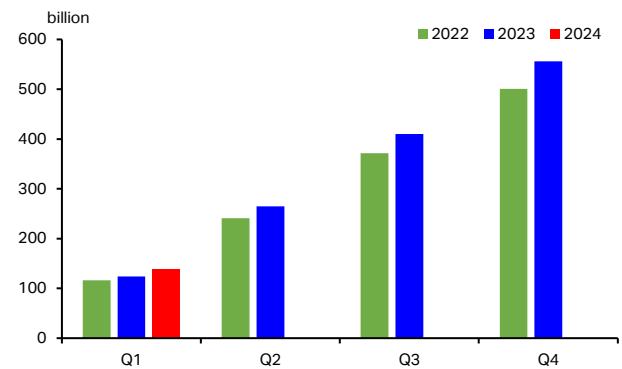
Source: IATA Sustainability and Economics, IATA Monthly Statistics

**Chart 23: Industry ACTK, billion**



Source: IATA Sustainability and Economics, IATA Monthly Statistics

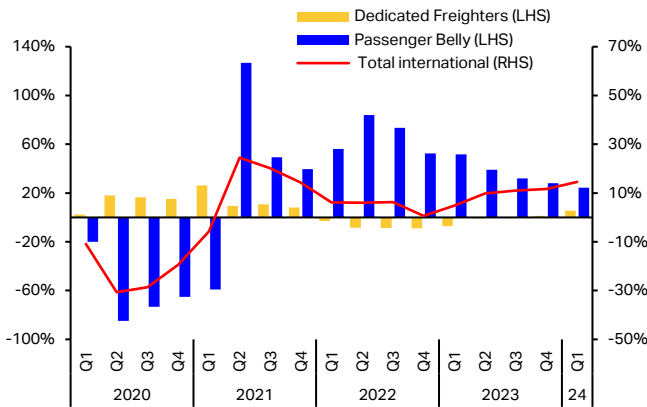
**Chart 24: Industry ACTK, year-to-date, billion**



Source: IATA Sustainability and Economics, IATA Monthly Statistics

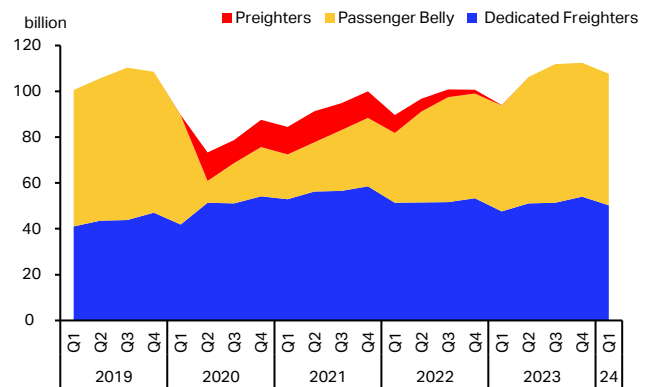


**Chart 25: International ACTK by type, YoY, %**



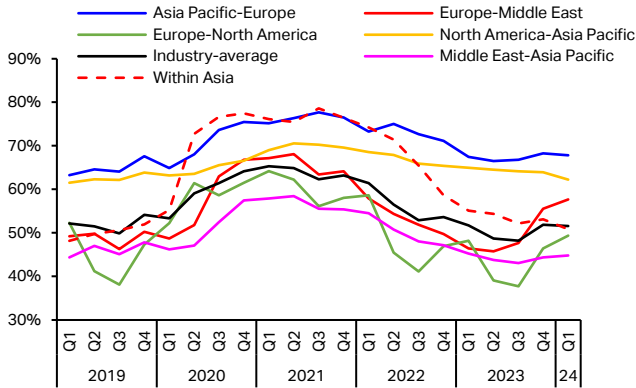
Source: IATA Sustainability and Economics, IATA Monthly Statistics

**Chart 26: International ACTK by type, billion**



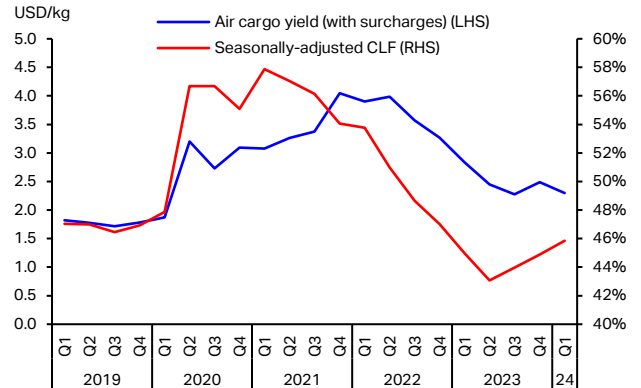
Source: IATA Sustainability and Economics, IATA Monthly Statistics

**Chart 27: Cargo load factors, share of ACTK, %**



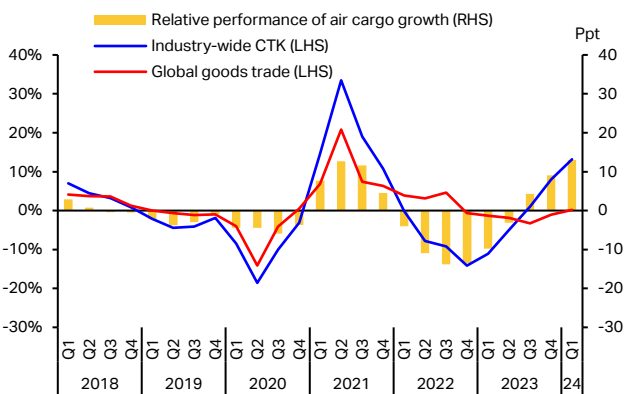
Source: IATA Sustainability and Economics, IATA Monthly Statistics

**Chart 28: Global air cargo yield (with surcharges), USD/kg (left), and seasonally adjusted cargo load factor, % (right)**



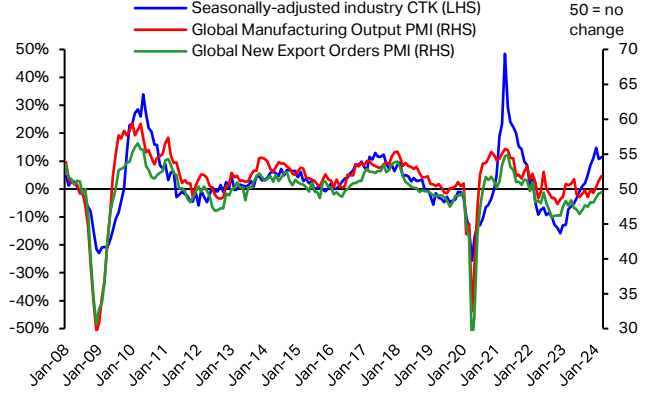
Source: IATA Sustainability and Economics, CargoIS

**Chart 29: Trade in goods and industry CTK, YoY, % (left), and differential, percentage points (right)**



Source: IATA Sustainability and Economics, IATA Monthly Statistics, Macrobond

**Chart 30: Global manufacturing PMIs (right), and industry CTK, YoY, % (left)**



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



## IV. Airline Financial Performance

### Revenue

- The airline industry's revenue is projected to reach USD 996 billion in 2024, marking 10% growth YoY and reaching the highest nominal value in aviation history, just shy of USD 1 trillion (Chart 31). Revenue growth will be driven primarily by increased passenger traffic, some of which will have to offset the expected decline in cargo yields. Overall revenue per available tonne-kilometer (ATK) will be broadly flat compared with 2023 as a result.
- Passenger revenues are expected to reach USD 744 billion in 2024, corresponding to a 15% increase from 2023, and an improvement of 22% compared to 2019. Including ancillaries and other revenue, growth in total passenger revenue is likely to slow to 14% YoY. This is because passengers' enthusiasm for à la carte buying seen during the pandemic years is waning and declining towards the more habitual levels of the pre-pandemic years.
- Cargo revenue is expected to remain under pressure in 2024, with the anticipated decline of 13% YoY after the 33% drop seen in 2023. The projected 5% YoY CTK growth will be offset by a reduction in air cargo yields of 17.5% YoY. Cargo yields will continue to approach pre-Covid levels for a third consecutive year in 2024, though they are 18% higher than the 2017-2019 average.

### Expenses

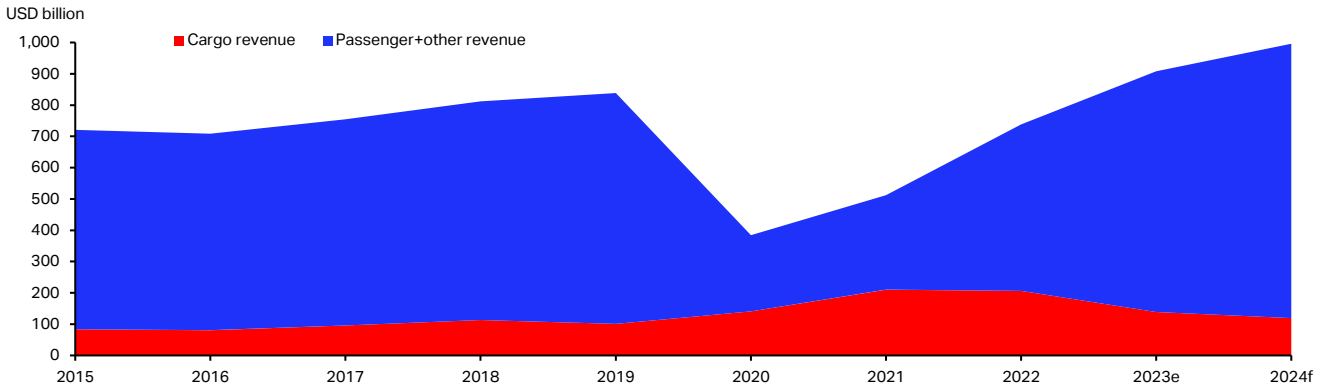
- Jet fuel consumption per ATK has returned to its long-term downward trend, after having risen slightly in the wake of the pandemic caused mostly by limited international travel and shorter average trip distances (Chart 32). Fuel efficiency should improve further in the coming years thanks to the continuous renewal of the global fleet and technological advancements including new engine options.
- In 2023, the airline industry consumed between 450,000 and 500,000 tonnes of sustainable aviation fuel (SAF) at USD 2,500 per tonnes, adding USD 756 million to the fuel bill. In 2024, SAF is projected to reach 0.5% of total fuel consumption, increasing costs by USD 2.4 billion. Additionally, CORSIA-related costs are estimated at USD 600 billion.
- In 2023, 1,378 aircraft were delivered, an 11% increase from 2022, driven by strong demand and a preference for fuel-efficient jets. Asia Pacific, Europe, and North America led this surge. However, supply chain issues will likely cap deliveries in 2024 at 1,583, compared to 1,777 expected previously, cutting added capacity by 11% (Chart 33).

### Profitability

- We currently estimate the overall net post-tax profit to reach USD 30.5 billion in 2024, up from 27.4 billion in 2023, and with a slim operating profit margin of 6.0% (Chart 34). All regions turned to profit in 2023 and are projected to improve their profitability further in 2024. Asia Pacific is the region that will in all probability see the strongest growth in profits (Chart 35).

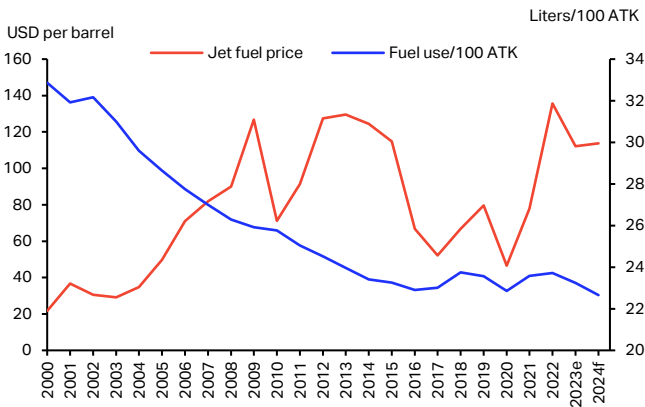


**Chart 31: Global airline revenue, USD billion**



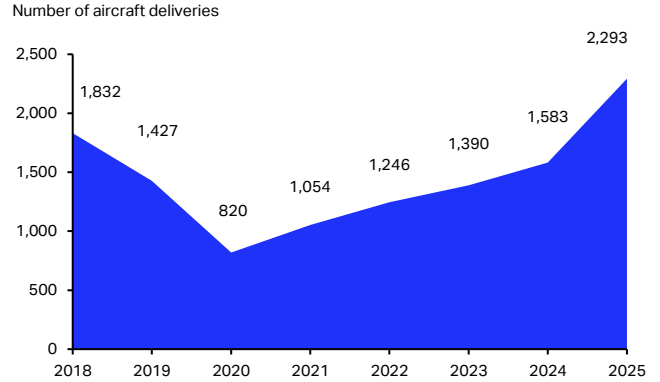
Source: IATA Sustainability and Economics, The Airline Analyst

**Chart 32: Jet fuel price, USD per barrel (left), and fuel consumption, liters/100 ATK (right)**



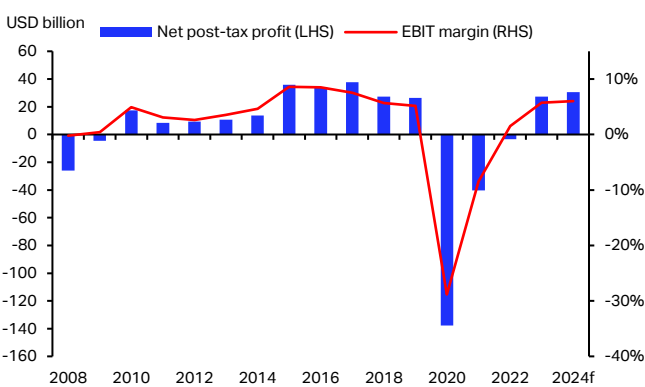
Source: IATA Sustainability and Economics

**Chart 33: Aircraft deliveries in 2018-23 and scheduled for 2024-25**



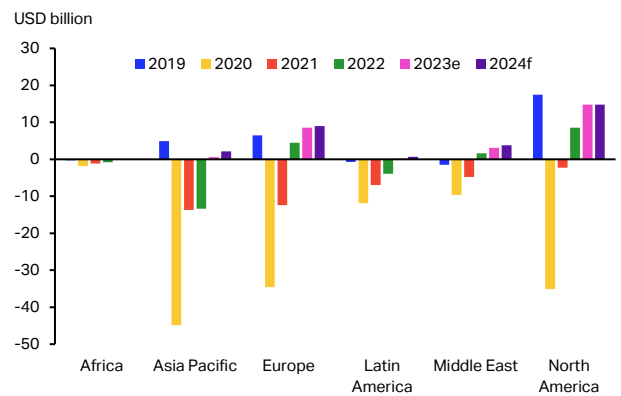
Source: IATA Sustainability and Economics, Cirium

**Chart 34: Airline industry net profit, USD billion (left) and EBIT margin, % (right)**



Source: IATA Sustainability and Economics, The Airline Analyst

**Chart 35: Airline industry net profit by region, USD billion**



Source: IATA Sustainability and Economics, The Airline Analyst

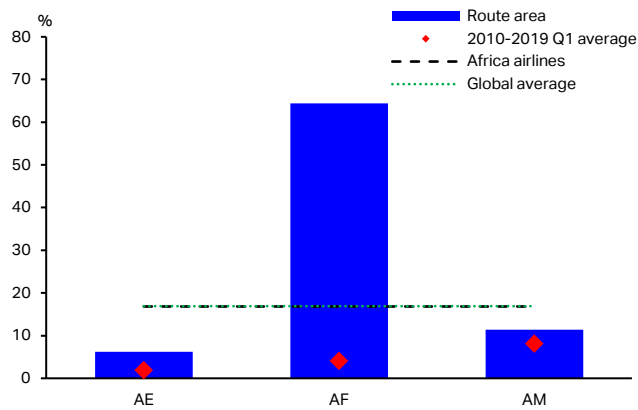


## V. Regional Performance

### Africa

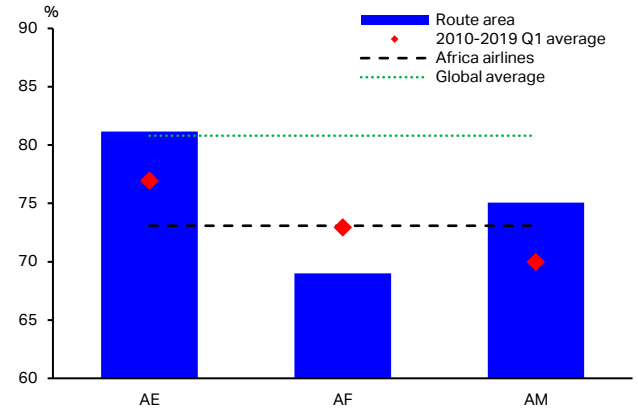
- Passenger traffic rose by 16.8% YoY in Africa in Q1 2024, mirroring the global growth rate of 16.9% as measured in RPK (Chart 36). This surge was fueled primarily by a staggering 64.4% rise in traffic between Africa and Asia, a phenomenal leap from the modest 4.1% YoY recorded between 2010 and 2019. The reopening of China and other Asian countries post-Covid lockdowns, coupled with new policies to attract tourists and businesses played a pivotal role in this growth. Additionally, passenger traffic on routes from Africa to the Middle East and Europe saw increases of 11.4% and 6.2%, respectively, surpassing their average Q1 growth rates during the previous decade.
- Air cargo carried by African airlines grew by 16.8% in Q1, outperforming the global average by over 3 ppt (Chart 38Chart 40). The Africa-Asia route boosted the region's performance, at 38% YoY - more than triple the historical average growth rate for this route in Q1. E-commerce is the main contributor to this outstanding performance. Moreover, air cargo volumes between Africa and the Middle East grew by 11% YoY, and between Africa and Europe by 8%, both significantly exceeding the historical average growth rates for these routes in Q1.
- As for load factors, the passenger load factor of African airlines in Q1 2024 underperformed in comparison to that of airlines in other regions, at 73.1% (Chart 37). On routes between Africa and Asia, the PLF dropped below 70%, lagging the historical average of 73% on the same route area. The cargo load factor, on the other hand, was nearly double the historical average, reaching 34% in Q1, and indicating a significant traffic shift toward cargo on this route. The Africa-Asia route now has the lowest PLF but also the highest CLF compared to the other two major international routes from Africa: to the Middle East and to Europe.
- African air ticket sales saw a notable YoY increase in Q1 2024, with Egypt, South Africa, and Morocco being the most buoyant markets (Chart 39). Ticket sales were particularly robust during January and February. However, Ramadan began on 10 March this year, approximately 12 days earlier than last year. The earlier start of Ramadan has directly affected March travel statistics this year, reflected in declining ticket sales in late March from key African markets such as Egypt and Morocco.
- Within the region, Q1 air passenger traffic from Africa to most major destinations saw gains, with the exception of Nigeria (Chart 40). Nigeria recorded a small decline from Q1 2023, partially due to the continuous diplomatic and immigration issues between Nigeria and UAE, as well as operational disruptions including a series of lockouts that led to flight delays and cancellations. Kenya saw a moderate 4% increase. All other major destinations recorded over 20% growth in air passenger traffic. Ethiopia led with a 37% increase, supported by Ethiopian Airlines, Africa's largest airline in terms of the number of air passengers it serves.
- African airlines have been increasingly buying aircraft since 2022, suggesting confidence in the region's aviation future. Thirty aircraft are scheduled for delivery in 2024 (Chart 41).

**Chart 36: Africa: International air passenger traffic by route area, YoY, %**



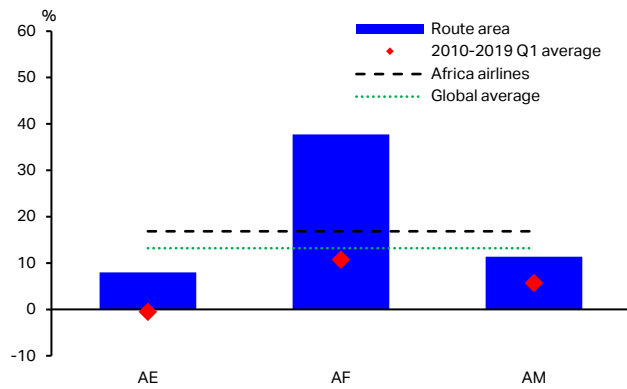
Source: IATA Sustainability & Economics

**Chart 37: Africa: Air passenger load factor by route area, share of ASK, %**



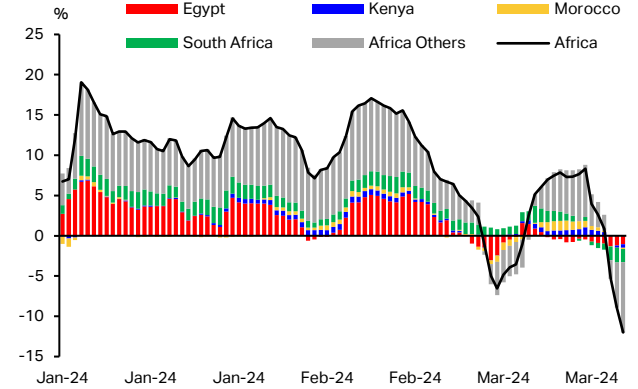
Source: IATA Sustainability & Economics

**Chart 38: Africa: International air cargo traffic by route area, YoY, %**



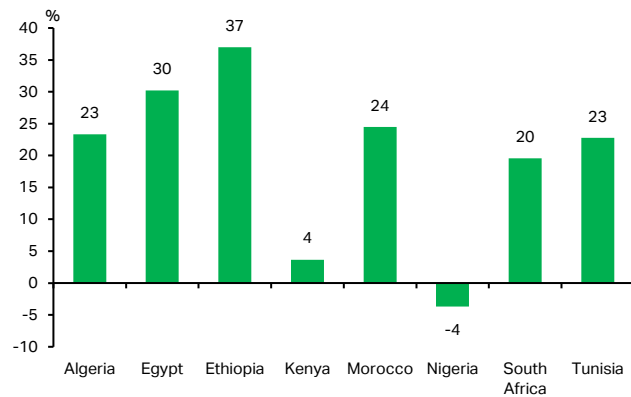
Source: IATA Sustainability & Economics

**Chart 39: Africa: Ticket sales by country of origin, YoY, %**



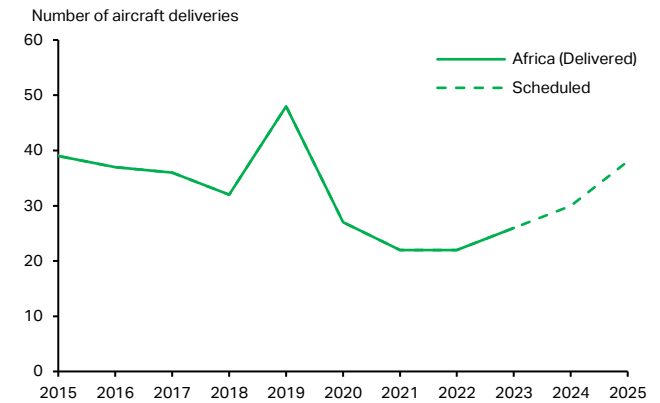
Source: IATA Sustainability & Economics, based on data from DDS

**Chart 40: Africa: Passenger traffic (O-D) by country, Q1 2024, YoY, %**



Source: IATA Sustainability and Economics, based on data from DDS

**Chart 41: Africa: Aircraft deliveries, 2015-2023 (delivered), 2024-2025 (scheduled)**



Source: IATA Sustainability and Economics using Cirium

|                     | Share of total, % <sup>1</sup> | Q1 2024, %  |             |             |             |             |             | Q1 2024 versus 2010-2019 Q1 average, ppt |            |            |            |            |             |
|---------------------|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|--|------------|------------|------------|------------|-------------|
|                     |                                | YoY         |             |             |             | PLF         | CLF         | RPK                                      | ASK        | CTK        | ATK        | PLF        | CLF         |
| <b>TOTAL MARKET</b> | <b>100</b>                     | <b>16.9</b> | <b>14.8</b> | <b>13.2</b> | <b>13.5</b> | <b>80.8</b> | <b>17.0</b> | <b>10.0</b>                              | <b>7.8</b> | <b>9.1</b> | <b>8.2</b> | <b>2.2</b> | <b>-1.5</b> |
| Africa              | 2.1                            | 16.8        | 18.9        | 16.8        | 20.8        | 73.1        | 15.0        | 11.2                                     | 5.9        | 14.1       | 15.0       | 5.0        | 4.1         |

<sup>1</sup>% of industry RPK in 2023

**Note:** The total industry and regional growth rates are based on a constant sample of airlines combining reported data and estimates for missing observations. Airline traffic is allocated according to the region in which the carrier is registered; it should not be considered as regional traffic

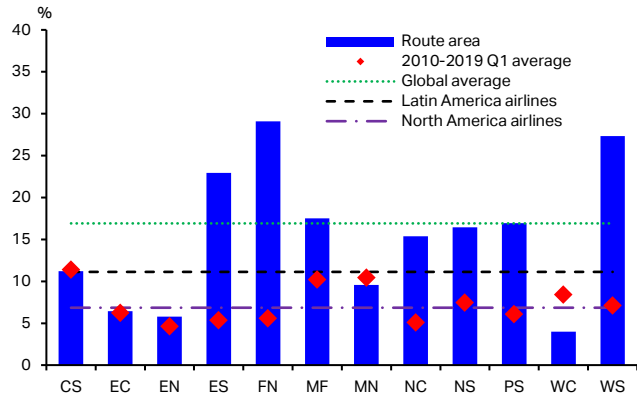


## Americas

- The region's air transport markets are evolving, with airlines focusing on new markets, routes, and non-traditional destinations (Chart 42). The top three routes of Far East to North America, within South America, and Europe to South America, are seeing particularly strong growth, thanks to vibrant country markets including Mexico, Colombia, Ecuador, and the Dominican Republic. Route diversification by low-cost carriers has boosted intraregional routes within South America, strengthening domestic markets such as Brazil. These routes exceeded Q1 2023 levels by over 20% in Q1 2024, standing at least 5 ppt above the global average. They also improved over pre-pandemic levels, increasing growth rates significantly compared to their Q1 2010-2019 average. However, focusing on developing new markets has led to slower growth in, for example, routes within Central America, which grew by 4% in Q1 2024 YoY, placing them 4 ppt below their Q1 2010-2019 average.
- Cargo markets showed mixed results in the Q1 2024. Nearly 50% of cargo is transported in passenger aircraft bellies, so increased passenger routes boosted cargo movement within South America and from Europe to South America. These routes surpassed pre-pandemic levels by over 16 ppt and exceeded the global average by 3 to 6 ppt (Chart 43). In contrast, the Middle East to North America route contracted by 3% in Q1 2024 YoY, placing it 14 ppt below the Q1 2010-2019 average. Cargo markets from Central to South America declined by 10% compared to Q1 2023.
- North American ticket sales grew by an average of 7% YoY, led by the US (Chart 44). Canada's performance has also been strong, driven mainly by international traffic and trans-border transit to the US. Latin American ticket sales grew by 9% on average in Q1 2024 YoY, influenced by advance planning for Holy Week travel (Chart 45). Brazil and Colombia were the main contributors thanks to their market sizes. Argentina, on the other hand, saw fewer ticket sales towards the end of the quarter as inflation and economic instability reduced disposable income.
- In Q1 2024, the United States solidified its position as the leading market in the Americas, hosting 171 million air travelers – a 5% increase from the previous year and the highest Q1 volume since 2019. This surge in air travel is linked to the strong labor market and improved consumer confidence (Chart 46). Brazil, ranking second, also recorded a consistent 5% rise in air traffic. Meanwhile, Canada experienced a 10% YoY growth, extending the growth trajectory initiated in the latter half of 2023. In Central America, countries such as Costa Rica, El Salvador, and Guatemala boosted their air travel capacity by nearly 30% above 2019 levels. Notably, Costa Rica achieved an 18% rise in Q1 2024 over the same period in the previous year, driven by infrastructure enhancements and operational efficiencies.
- As demand grows in North America, and once the shortage of pilots and support personnel eases, US and Canadian carriers will likely need more aircraft. More than 170 aircraft are scheduled for delivery by 2025 (Chart 47). Latin American markets, having rebounded faster than many post-pandemic, have been growing capacity since 2020. As these markets reach optimal fleet levels, aircraft deliveries are expected to decrease by 42% by 2025.

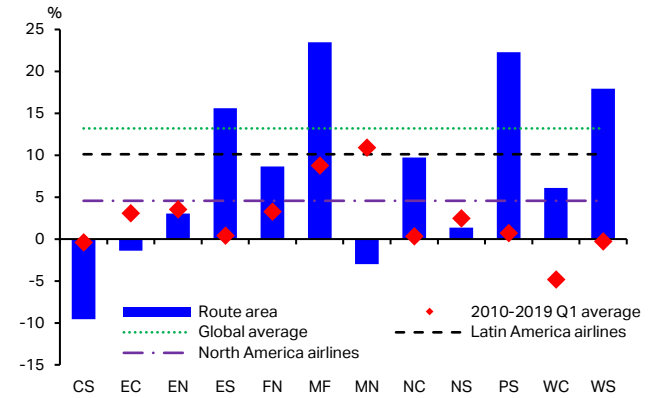


**Chart 42: Americas: International air passenger traffic growth by route areas, YoY, %**



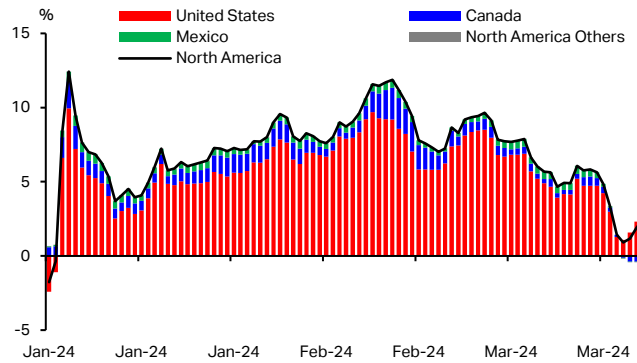
Source: IATA Sustainability & Economics

**Chart 43: Americas: International air cargo traffic by route areas, YoY, %**



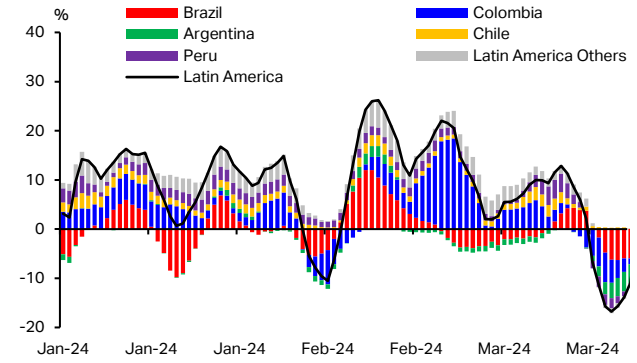
Source: IATA Sustainability & Economics

**Chart 44: North America: Ticket sales by country of origin, YoY, %**



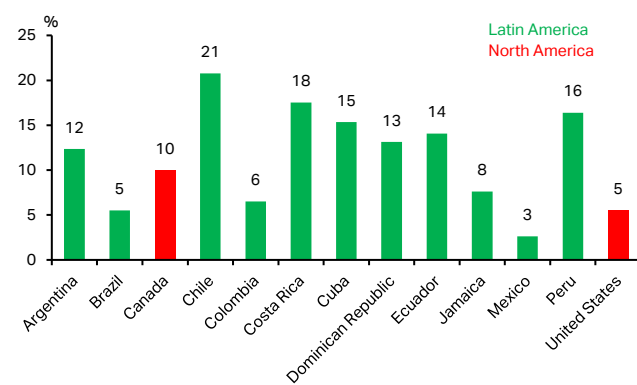
Source: IATA Sustainability & Economics, based on data from DDS

**Chart 45: Latin America: Ticket sales by country of origin, YoY, %**



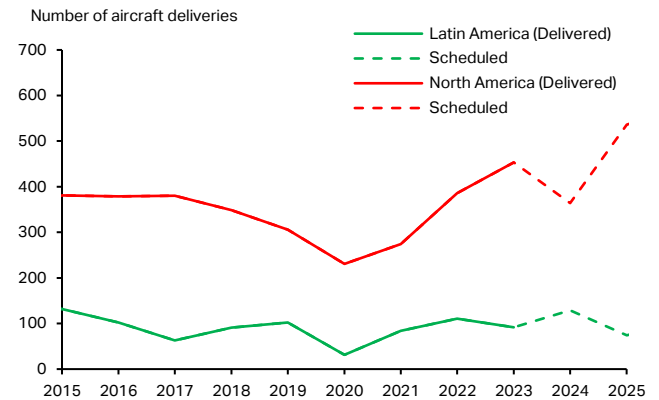
Source: IATA Sustainability & Economics, based on data from DDS

**Chart 46: Americas: Passenger traffic (O-D) by country, Q1 2024, YoY, %**



Source: IATA Sustainability and Economics, based on data from DDS

**Chart 47: Americas: Aircraft deliveries, 2015-2023 (delivered), 2024-2025 (scheduled)**



Source: IATA Sustainability and Economics using Cirium

|                     | Share of total, % <sup>1</sup> | Q1 2024, % YoY |             |             |             |             |             | Q1 2024 versus 2010-2019 Q1 average, ppt |            |            |            |            |             |
|---------------------|--------------------------------|----------------|-------------|-------------|-------------|-------------|-------------|--|------------|------------|------------|------------|-------------|
|                     |                                | RPK            | ASK         | CTK         | ATK         | PLF         | CLF         | RPK                                      | ASK        | CTK        | ATK        | PLF        | CLF         |
| <b>TOTAL MARKET</b> | <b>100</b>                     | <b>16.9</b>    | <b>14.8</b> | <b>13.2</b> | <b>13.5</b> | <b>80.8</b> | <b>17.0</b> | <b>10.0</b>                              | <b>7.8</b> | <b>9.1</b> | <b>8.2</b> | <b>2.2</b> | <b>-1.5</b> |
| North America       | 24.2                           | 6.8            | 7.0         | 4.6         | 4.5         | 80.9        | 16.8        | 3.2                                      | 0.1        | 4.1        | 1.9        | 0.2        | -0.2        |
| Latin America       | 5.5                            | 11.1           | 8.2         | 10.1        | 7.8         | 83.6        | 10.1        | 3.4                                      | 3.0        | 2.3        | 1.1        | 5.2        | -0.8        |

<sup>1</sup> Percent of industry RPK in 2023

**Note:** The total industry and regional growth rates are based on a constant sample of airlines combining reported data and estimates for missing observations. Airline traffic is allocated according to the region in which the carrier is registered; it should not be considered as regional traffic.





## Asia Pacific

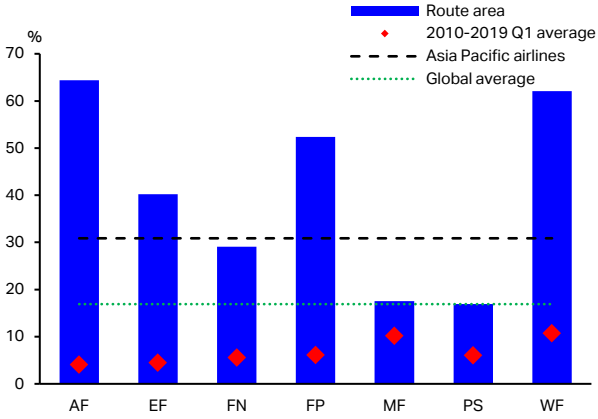
- Airlines in the Asia Pacific region saw traffic (RPK) rise by an impressive 30.9% YoY in Q1 2024, nearly double the global average (Chart 48). This performance was realized thanks to several key routes, with YoY increases of 64% between Africa and Asia, 52% between Asia and the Pacific, and 62% within Asia. Even the routes with the lowest growth in the region, such as the Middle East to Asia at 18% and the Pacific to the Americas at 17%, were close to the global average. This surge in growth comes from a lower base compared to other regions that reopened earlier. Nevertheless, favorable policies, such as the removal of visa requirements, have boosted travel further.
- Air cargo traffic (CTK) grew by 16.8% YoY in Q1 2024, surpassing the global average growth rate of 13.2% (Chart 49). This was particularly evident on routes between Africa and Asia, up 38% YoY, and routes between Asia and the Pacific, gaining 39% YoY, more than twice the global growth rate. Compared to the pre-pandemic average YoY growth rates between 2010 and 2019, all routes showed much higher growth in Q1 2024.
- The number of air passengers from China grew strongly in Q1 2024. Domestic traffic now stands at 17% above 2019 levels, while international air travel is still recovering (Chart 50). Most international air traffic from China was within Asia, accounting for three-quarters of this traffic, and are still one third below pre-pandemic levels.
- China's simplified visa procedures and visa-free policies helped boost travelers from targeted regions, including beyond Asia (Chart 51). The number of foreign travelers to China tripled, with almost 2 million benefiting from the visa exemption policy, demonstrating the effectiveness of these measures<sup>2</sup>. Passenger traffic between China and Europe increased 2.6 times YoY, and traffic between China and Australia tripled YoY in the first quarter. Nonetheless, compared to pre-pandemic levels, these routes still have a gap of more than 40% to close, 50% in the case of Europe, and 70% in the case of North America.
- Air passenger traffic between China and North America did not benefit from the same convenient visa policy. This route area remains the only one from China whose current air passenger traffic are still below that observed in 2020, the year of the onset of the pandemic. The connectivity between the world's two largest economies has been hampered further by political tensions.
- Air passenger traffic from the rest of the Asia Pacific region also grew significantly (Chart 52). India, the second largest and the fastest growing market in the region, registered a 20% surge YoY in Q1 2024, helped by the expansion and upgrades of airport facilities across the country. Advanced economies in the region such as Japan, South Korea, and Singapore, all saw significant growth. Hong Kong recorded 112% YoY growth but remains more than 15% below the 2019 level. This is true also for Chinese Taipei, which recorded a 65% YoY increase but remains some 15% short of 2019 traffic.
- The Asia-Pacific region also benefited from a solid passenger load factor at 82.8%, outperforming the industry average of 80.8%. This load factor could be challenging to improve upon as 509 commercial aircraft deliveries are scheduled for 2024, jumping from 362 deliveries in 2023 (Chart 53).

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<sup>2</sup> According to data from National Immigration Administration of China.

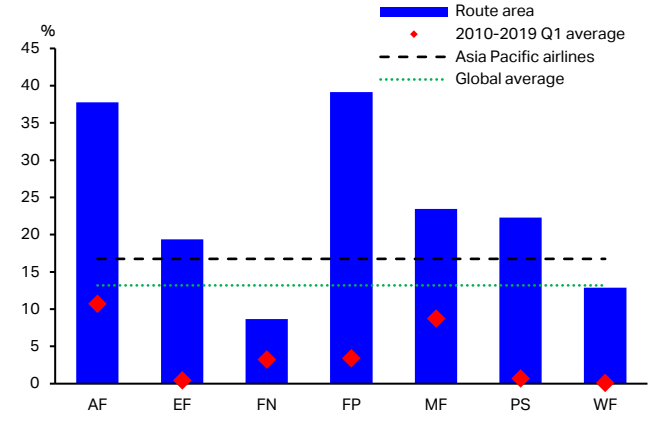


**Chart 48: Asia Pacific: International air passenger traffic by route area, YoY, %**



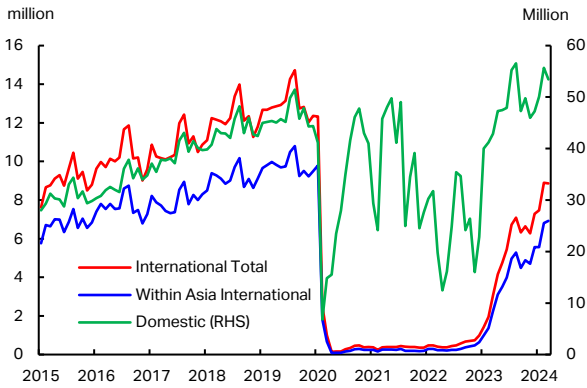
Source: IATA Sustainability and Economics

**Chart 49: Asia Pacific: International air cargo traffic by route area, YoY, %**



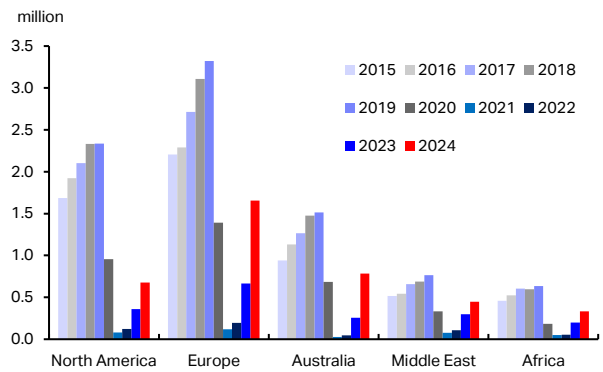
Source: IATA Sustainability and Economics

**Chart 50: China: Domestic and international air passengers, million**



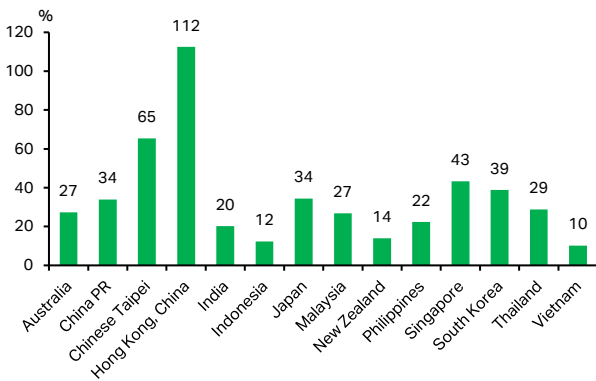
Source: IATA Sustainability and Economics based on data from DDS

**Chart 51: China: Air passengers to and from other regions, Q1 per year, million**



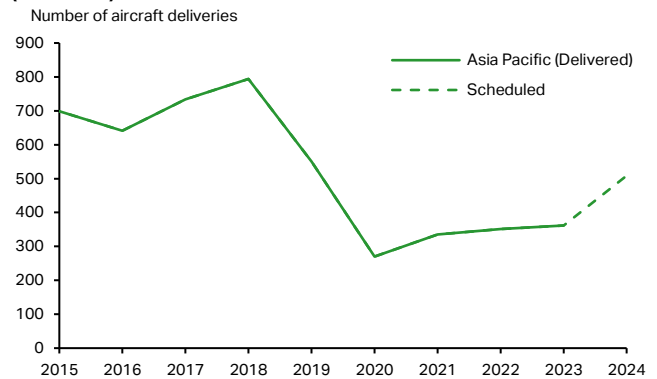
Source: IATA Sustainability and Economics based on data from DDS

**Chart 52: Asia Pacific: Passenger traffic (O-D) by country, Q1 2024, YoY, %**



Source: IATA Sustainability and Economics, based on data from DDS

**Chart 53: Asia Pacific: Aircraft deliveries, 2015-2023 (delivered), 2024 (scheduled)**



Source: IATA Sustainability and Economics using Cirium

|                     | Share of total, % <sup>1</sup> | Q1 2024, % YoY |             |             |             |             |             | Q1 2024 versus 2010-2019 Q1 average, ppt |            |            |            |            |             |
|---------------------|--------------------------------|----------------|-------------|-------------|-------------|-------------|-------------|--|------------|------------|------------|------------|-------------|
|                     |                                | RPK            | ASK         | CTK         | ATK         | PLF         | CLF         | RPK                                      | ASK        | CTK        | ATK        | PLF        | CLF         |
| <b>TOTAL MARKET</b> | <b>100</b>                     | <b>16.9</b>    | <b>14.8</b> | <b>13.2</b> | <b>13.5</b> | <b>80.8</b> | <b>17.0</b> | <b>10.0</b>                              | <b>7.8</b> | <b>9.1</b> | <b>8.2</b> | <b>2.2</b> | <b>-1.5</b> |
| Asia Pacific        | 31.7                           | 30.9           | 24.5        | 16.8        | 22.7        | 82.8        | 16.6        | 21.8                                     | 12.2       | 16.8       | 16.3       | 3.8        | -4.4        |

<sup>1</sup> Percent of industry RPK in 2023

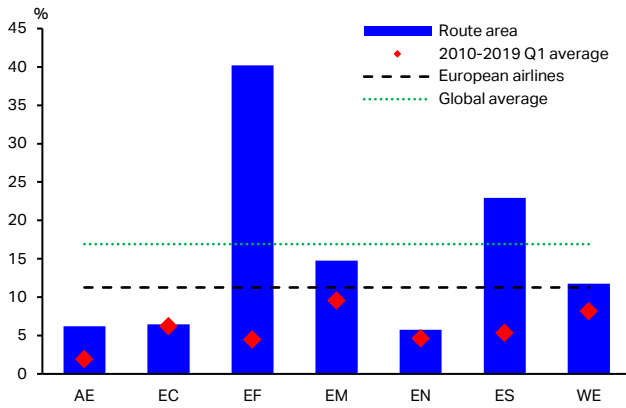
**Note:** The total industry and regional growth rates are based on a constant sample of airlines combining reported data and estimates for missing observations. Airline traffic is allocated according to the region in which the carrier is registered; it should not be considered as regional traffic.



## Europe

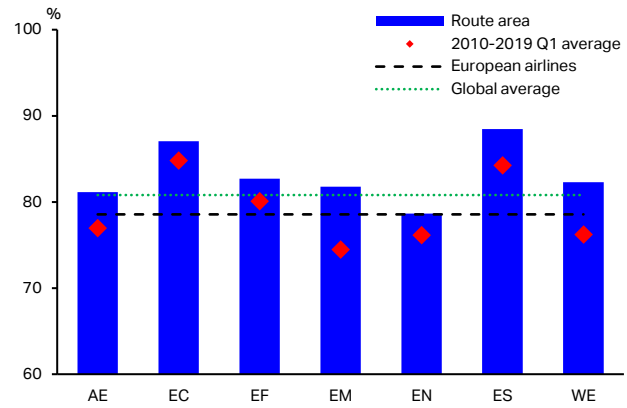
- Despite ongoing airspace closures in Russia and Ukraine, which have severely impacted operational efficiency, European airlines demonstrated strength with an 11.3% YoY increase in air passenger traffic as measured in RPK during Q1 2024 (Chart 54). The restrictions forced carriers to adopt longer, costlier routes, yet they continue to show momentum. In contrast, airlines from China, Turkey, and some Middle Eastern countries still fly the more direct and economically viable flight paths. Although the growth of European airlines is 5 ppt below the global average, their performance remains notable under these challenging conditions.
- Considering all airlines, the air passenger traffic on routes between Europe and Africa, the Caribbean, and North America maintained a steady demand growth of around 6%, surpassing their respective historical average growth rates for the first quarter. Traffic between Europe and Asia surged by an impressive 40%, ten times its historical average, fueled by a strong rebound in Asian markets. Routes between Europe and South America also performed well, growing by 23% YoY, bolstered by a recovery in tourism in the Caribbean and Central America. Air passenger traffic within Europe grew by 12% YoY, reflecting the robust intra-regional demand despite tepid economic growth in the region.
- European airlines reported a PLF of 78.6% in Q1 2024, slightly below the global average of 80.8%. However, PLF for all routes from Europe exceeded historical averages for this quarter (Chart 55). Notably, flights between Europe and Central and South America saw the highest PLF, exceeding 85%.
- On the cargo front, European airlines experienced a 13% YoY increase in air cargo, measured in CTK (Chart 56). The most significant growth was observed on routes between Europe and the Middle East, where air cargo traffic soared by 41% YoY due to difficulties faced by maritime traffic that improved the relative competitiveness of air cargo amid the geographic tensions in the region. In contrast, air cargo traffic between Europe and the Caribbean decreased slightly compared to the previous year. The highest CLF was registered on the air cargo flights between Europe and Asia, which reached 38% – more than double the global average. This surge in CLF is primarily driven by the continued boom in e-commerce with notable suppliers located in Asian countries.
- Air ticket sales originating from Europe have increased compared to 2023, with significant contributions from the region's most populous countries: Germany, the UK, Italy, and Spain. Italy demonstrated consistent and robust growth throughout the first quarter, while Germany accounted for over half of this growth in late January and February, potentially boosted by seasonal events (Chart 57).
- Most European countries experienced strong air passenger growth during the first quarter, except for Sweden, which saw a 6% YoY decrease and remains below 2019 levels (Chart 58). All other European destinations recorded growth led by Central European countries. Hungary gained 30% YoY, followed by Poland at 26%, both far surpassing pre-pandemic passenger levels by around 20%. The Netherlands and Switzerland also grew by 19% YoY.
- European airlines have also placed a growing number of aircraft orders since 2021. Following 347 aircraft delivered in 2023, another 401 are scheduled for delivery in 2024 (Chart 59).

**Chart 54: Europe: International air passenger traffic by route area, YoY, %**



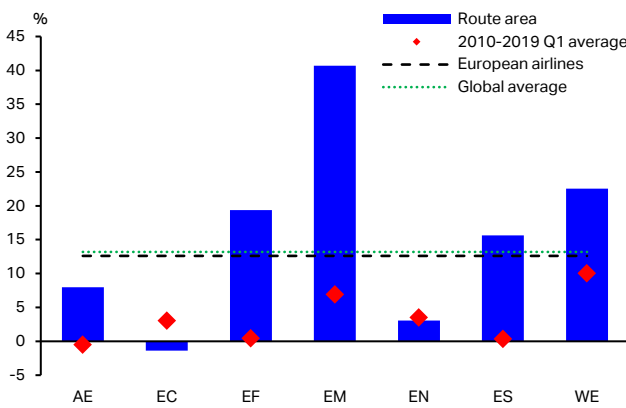
Source: IATA Sustainability and Economics

**Chart 55: Europe: Air passenger load factor by route area, share of ASK, %**



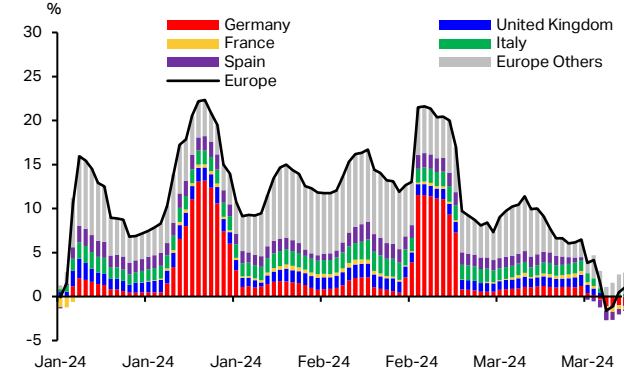
Source: IATA Sustainability and Economics

**Chart 56: Europe: International air cargo traffic by route area, YoY, %**



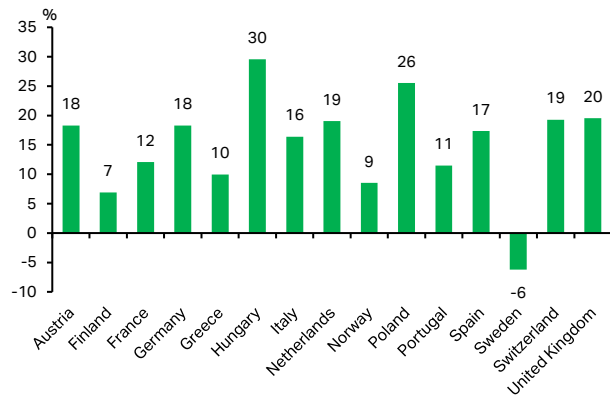
Source: IATA Sustainability and Economics

**Chart 57: Europe: Ticket sales by country of origin, YoY, %**



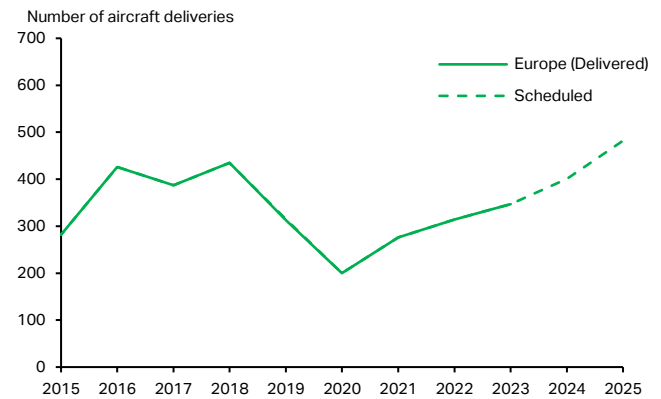
Source: IATA Sustainability & Economics, based on data from DDS

**Chart 58: Europe: Passenger traffic (O-D) by country, Q1 2024, YoY, %**



Source: IATA Sustainability and Economics, based on data from DDS

**Chart 59: Europe: Aircraft deliveries, 2015-2023 (delivered), 2024-2025 (scheduled)**



Source: IATA Sustainability and Economics using Cirium

|                     | Share of total, % <sup>1</sup> | Q1 2024, %  |             |             |             |             |             | Q1 2024 versus 2010-2019 Q1 average, ppt |            |            |            |            |             |
|---------------------|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|--|------------|------------|------------|------------|-------------|
|                     |                                | RPK         | ASK         | CTK         | ATK         | PLF         | CLF         | RPK                                      | ASK        | CTK        | ATK        | PLF        | CLF         |
| <b>TOTAL MARKET</b> | <b>100</b>                     | <b>16.9</b> | <b>14.8</b> | <b>13.2</b> | <b>13.5</b> | <b>80.8</b> | <b>17.0</b> | <b>10.0</b>                              | <b>7.8</b> | <b>9.1</b> | <b>8.2</b> | <b>2.2</b> | <b>-1.5</b> |
| Europe              | 27.1                           | 11.3        | 10.8        | 12.6        | 10.6        | 78.6        | 17.2        | 5.1                                      | 7.4        | 6.2        | 6.1        | 0.6        | -0.7        |

<sup>1</sup> Percent of industry RPK in 2023

**Note:** The total industry and regional growth rates are based on a constant sample of airlines combining reported data and estimates for missing observations. Airline traffic is allocated according to the region in which the carrier is registered; it should not be considered as regional traffic.

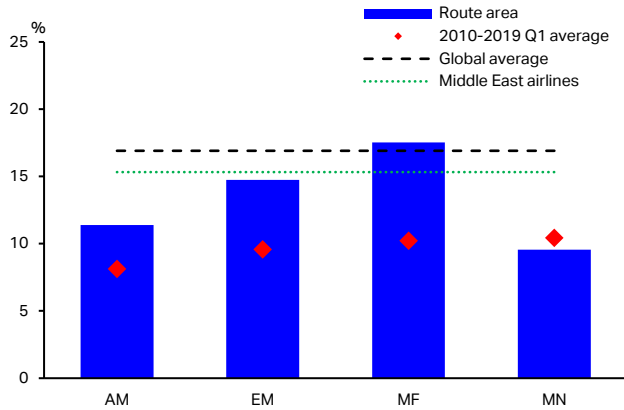


## Middle East

- During the first quarter of 2024, Middle Eastern airlines carried 15% more passengers than in Q1 2023, a figure just below the global average (Chart 60). This increase was dampened by Ramadan in March, offsetting some of the advantage of flying over Russia and Ukraine. The Middle East to Asia routes still grew by 18% YoY, driven by demand in Asian countries. Routes to Africa and Europe also saw increases above historical averages, whereas growth in passenger traffic to North America remained steady at around 10% YoY.
- On the cargo front, less affected by Ramadan, Middle Eastern carriers recorded a remarkable 23% YoY growth, the highest among all regions and 10 ppt above the global average for air cargo traffic (Chart 61). Traffic on routes between the Middle East and Europe surged by 41%, more than five times the historic average growth rate for the first quarter. Routes to Asia grew by 23% YoY in Q1, more than double the historical average. Cargo traffic to North America, which used to lead the growth in the region with an 11% average Q1 growth rate during the 2010s, contracted slightly by 3% in Q1 2024, continuing the downward trend from the peak two years ago.
- In terms of efficiency, Middle Eastern airlines maintained an average PLF of 79%, 2 ppt below the global average (Chart 62). Among major route areas from the Middle East, the highest PLF was seen on the Middle East to North America routes, achieving 85%, an 8 ppt improvement over the past decade's average. PLFs on routes to Europe and Asia also exceeded 80% during the first quarter. Routes to Africa lagged with PLFs at around 75%.
- Ticket sales from Middle Eastern countries exhibit strong seasonality that favors the beginning of the year. In Q1 2024, YoY growth peaked in February at over 20% (Chart 63). This surge can be attributed to travelers from Saudi Arabia, followed by the United Arab Emirates and Qatar. However, the growth turned negative in the middle of March due to Ramadan.
- In Q1 2024, the country markets in the Middle East saw Qatar leading the region with a 29% YoY increase in passenger traffic (Chart 64). Saudi Arabia was a close second at 25% YoY, and the UAE followed closely at 18%. Jordan, on the other hand, saw its air passenger traffic dip below pre-pandemic levels in March for the first time since achieving full recovery in mid-2023 – an outcome that was heavily impacted by the Israeli-Palestinian war.
- Displaying confidence in the industry's future, Middle Eastern airlines are expanding their fleets significantly in the next two years (Chart 65). After successfully taking delivery of 96 aircraft in 2023, another 85 are scheduled for 2024, with a historic high of 133 new aircraft set to join the fleet by 2025.

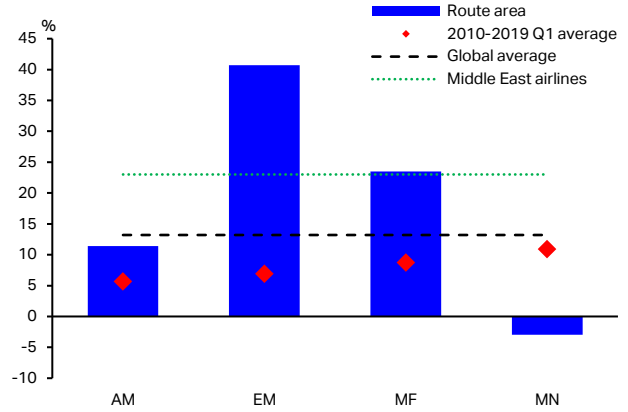


**Chart 60: Middle East: International air passenger traffic by route area, YoY, %**



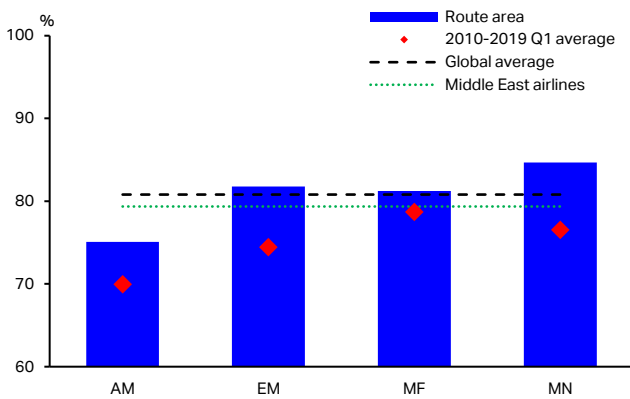
Source: IATA Sustainability and Economics.

**Chart 61: Middle East: International air cargo traffic by route area, YoY, %**



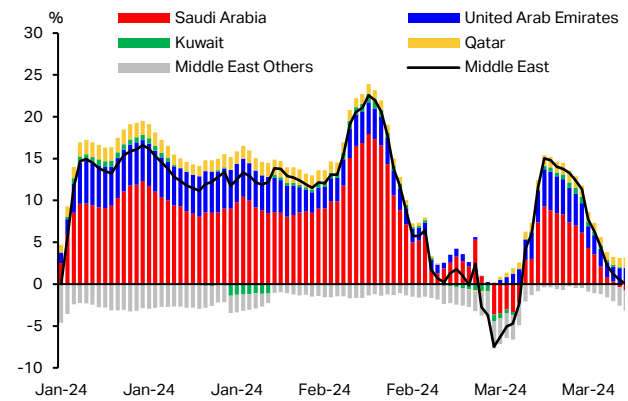
Source: IATA Sustainability and Economics.

**Chart 62: Middle East: Air passenger load factor by route area, share of ASK, %**



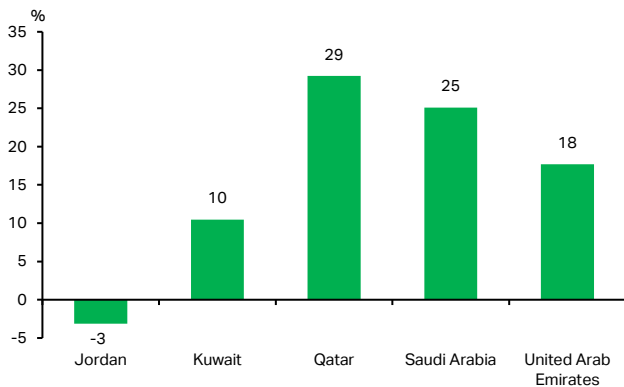
Source: IATA Sustainability and Economics.

**Chart 63: Middle East: Ticket sales by country of origin, YoY, %**



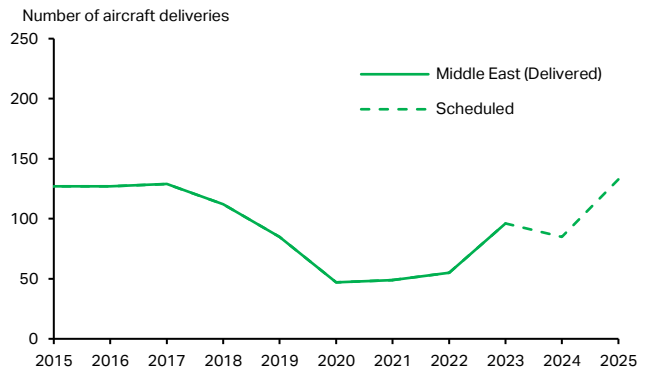
Source: IATA Sustainability and Economics, based on data from DDS.

**Chart 64: Middle East: Passenger traffic (O-D) by country, Q1 2024, YoY, %**



Source: IATA Sustainability and Economics, based on data from DDS

**Chart 65: Middle East: Aircraft deliveries, 2015-2023 (delivered), 2024-2025 (scheduled)**



Source: IATA Sustainability and Economics using Cirium

|                     | Share of total, % <sup>1</sup> | Q1 2024, %  |             |      |      |      |      | Q1 2024 versus 2010-2019 Q1 average, ppt |      |     |     |     |     |
|---------------------|--------------------------------|-------------|-------------|------|------|------|------|--|------|-----|-----|-----|-----|
|                     |                                | YoY         |             | CTK  | ATK  | PLF  | CLF  | RPK                                      | ASK  | CTK | ATK | PLF | CLF |
| <b>TOTAL MARKET</b> | <b>100</b>                     | <b>16.9</b> | <b>14.8</b> |      |      |      |      |  |      |     |     |     |     |
| Middle East         | 9.5                            | 15.3        | 15.8        | 23.0 | 15.3 | 79.4 | 21.1 | 4.2                                      | 11.7 | 5.3 | 4.9 | 2.9 | 0.7 |

<sup>1</sup> Percent of industry RPK in 2023

**Note:** The total industry and regional growth rates are based on a constant sample of airlines combining reported data and estimates for missing observations. Airline traffic is allocated according to the region in which the carrier is registered; it should not be considered as regional traffic.



[lata.org/economics](https://lata.org/economics)  
[economics@iata.org](mailto:economics@iata.org)