Quarterly Air Transport Chartbook

IATA Sustainability and Economics

Q1 2025

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Glossary

ACTK – Available Cargo Tonne-Kilometers

ASKs – Available Seat-Kilometers

ATJ – Alcohol-to-Jet

ATKs – Available Tonne-Kilometers

BBL – 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

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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1. The business cycle

- Global GDP has been unusually stable and holding just above 3% since 2023. Now the downside risks have come to the fore with the imposition of a universal tariffs on merchandise trade by the US government, coupled with higher tariff rates on selected countries and goods, as well as the various countermeasures taken by targeted US trade partners. We now expect global GDP to slow by half a percentage point to 2.5% in 2025, and US GDP to lose a full percentage point to 1.5%. This scenario is not a recessionary one, predicated on there not being any further escalation in protectionism, though the probability of recession has increased to around 50%. However, any slowdown in the business cycle will dampen growth also in the airline industry.
- The impact on GDP of the new tariffs is influenced by multiple factors that all interact and change over time. One mitigating factor is that manufacturing represented a mere 9.9% of GDP in the US in the fourth quarter (Q4) of 2024, down from 28% in the early 1950s. Manufactured output has of course been growing, but services have been expanding more rapidly, shrinking manufacturing's share of the total. Services made up as much as 72.2% of US Q4 GDP, and they make up around 67% of the global economy. As services are not subjected to tariffs, at least not at this stage, a smaller part of the total economy is exposed to the trade measures today than in earlier periods of protectionism.
- Trade nevertheless remains a key driver of GDP growth, and any weakening of trade will have an impact on the global business cycle (Chart 1). Trade growth will likely struggle to remain positive in 2025.

  Another factor is the US dollar exchange rate which has cheapened recently against the euro and the Swiss franc, for example (Chart 2). However, against all trading partners, trade-weighted and inflation-adjusted, (the real broad effective exchange rate), the dollar stood at 112.9 in March 2025, just off the high since 1994 set in January 2025 at 115.1, a negligible 2% depreciation. Any more meaningful decline in the USD's external value would tend to support global growth.

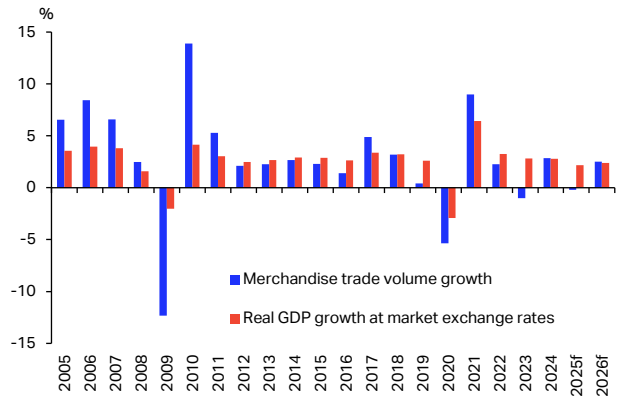
  Helpful too is the lower price of oil. Brent crude is priced at USD 64 per barrel at the time of writing (Chart 3). As fossil fuels comprise over 80% of global energy consumption, and 30% of airlines' cost base, this is beneficial to the global economy and to our industry.
- Going into the first quarter of 2025, the US economy was doing well (Chart 4). New jobs were added at a pace of 177, 000 in April and the unemployment rate stood at 4.2% in that month (the record low was 3.2% in 2023). A rough rule of thumb would suggest that job creation needs to fall below 100, 000 per month to send a recessionary signal. March consumer price inflation fell 0.1% month-on-month (MoM) and rose 2.4% year-on-year (YoY) (Chart 5). Core inflation, excluding food and energy, is still higher than the headline inflation rate, at 2.8% YoY. However, with the new policy on tariffs, consumers' inflation expectations were up by 0.5 percentage points to 3.6% in the March survey by the New York Fed, impeding any imminent rate cuts by the Federal Reserve. GDP rose by 2.4% annualized[1] in Q4, which means 0.6% quarter-on-quarter (QoQ), 2.5% YoY, and 2.8% for the full year. From that rather rosy position, Q1 2025 GDP contracted at a 0.3% annualized rate, a decline explained overwhelmingly by an increase in imports – goods imports rose by as a rather stunning 14.5% YoY, in anticipation of the incoming tariffs. Despite this quarterly decline, Q1 GDP rose by 2.0% YoY.
- The European Union did better than the US in the first quarter of 2025. GDP growth in the euro area gained 0.4% and in the European Union (EU) it was up by just a touch less at 0.3%, both QoQ. This means 1.2% and 1.4% respectively YoY. The variance with respect to Q4 2024 GDP is small as it was up 0.1% QoQ in the euro area and 0.2% QoQ in the EU, but it is somewhat stronger than the Q4 YoY rates of 0.9% and 1.1% respectively. Ireland recorded a stunning 13.3% YoY growth in Q1 (3.2% QoQ), followed by strong a strong performance also from Lithuania, up 3.2% YoY. Germany and Austria saw YoY declines but only Hungary showed a QoQ drop. Unemployment fell to 6.1% in February in the euro area, down from 6.2% in January

1 Annualized = quarter-on-quarter evolution multiplied by 4 (quarters).

(Chart 6). The February EU unemployment rate also declined to 5.7% from 5.8% in January. These are record lows for Europe, and this is an undeniable advantage given the fraught tariff environment.

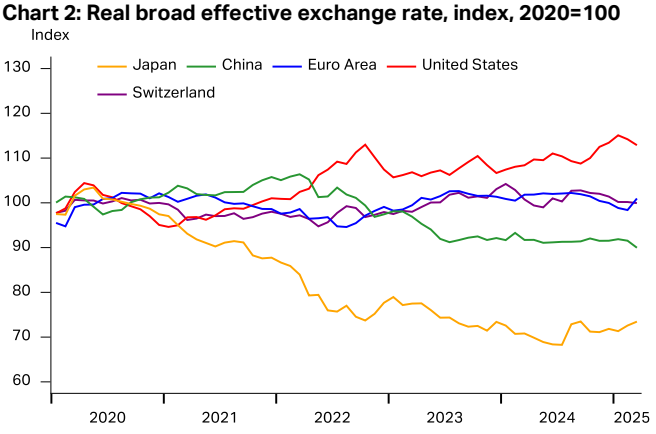
- China's Q1 GDP release beat expectations at 5.4% growth YoY and other countries' front-loading of imports from China allowed Chinese exports to make an exceptional contribution to growth in this quarter. Exports rose by 6.9% YoY in Q1, and by 13.5% in March. This is expected to unwind in coming quarters. Full year 2025 GDP in China is now likely to be in the vicinity of 4%, below the Chinese government's target of 5%. To soften the impact on the economy of the current protectionist wave, the Communist party's Politburo reiterated plans to accelerate debt issuance, ease monetary policy, and support employers to safeguard jobs. China's public debt level will approach 68% of GDP in 2025, and contingent liabilities, i.e. debt with implicit government support, of non-financial corporates reached 168.4% in Q4 2024 – among the highest globally. These numbers will curtail China's ability to provide fiscal stimulus. One expression of the challenges that lie ahead for the Chinese economy is that Fitch, the credit rating agency, downgraded China's rating to "A", from "A+" on 3 April.
- The Indian government will start publishing unemployment figures from mid-May, with the first release covering Q1 2025, to be followed by monthly reports, after having stopped such releases in 2019. This will undoubtedly bring improved insights into the state of the labor market. In 2024, the official overall unemployment rate for individuals aged 15 and above was 4.9%, though private sources would put it higher. GDP growth in India has tended to generate insufficient numbers of new jobs for the growing population. Faced with US tariffs to boot, the Reserve Bank of India was prompted to deliver the second consecutive policy interest rate cut and reduced the repo rate by 25 basis points to 6% at the April meeting (Chart 7). Moreover, the policy stance was changed to accommodative from neutral. With a public debt-to-GDP ratio of 83% of GDP, the scope to support the economy fiscally is rather limited. GDP growth in 2025 is likely to be in the vicinity of 6%, down from 6.5% in the 2024/2025 fiscal year that ended in March 2025.
- Japan's business cycle too will be under pressure from tariffs. Net exports of goods and services contributed as much as 0.7 percentage points to the 2.2% annualized GDP growth in Q4 2024. This is unlikely to be repeated going forward. In fact, the accelerated growth momentum into the end of 2024 still only brought the full-year GDP growth to 0.1%. For the first quarter of 2025, GDP might expand by 0.1% QoQ, and for the year as a whole, the rate is unlikely to exceed 0.5% by much. This is in spite of the emergency economic measures that were unveiled at the end of April, which include subsidies of petrol (JPY 10 per liter) and electricity bills, as well as support for corporates in need of financing. The government said additional measures could be rolled out in favor of domestic consumption and the automotive industry. Japan already has the highest public debt among advanced economies, at 252% of GDP in 2024 (Ministry of Finance, Japan) (Chart 8). The rapidly aging population puts pressure on the budget and will weigh on both the government's spending capacity and on potential GDP growth.

Chart 1: World merchandise trade volume and GDP growth, YoY, %



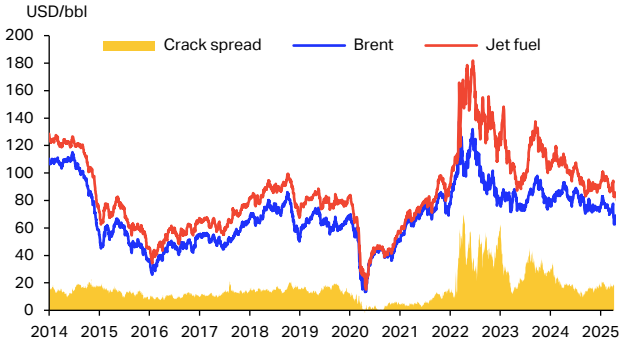
Source: IATA Sustainability and Economics, using data from WTO and IMF.

Chart 2: Real broad effective exchange rate, index, 2020=100



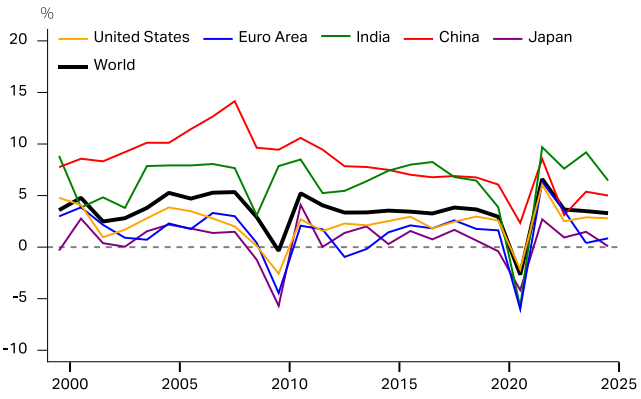
Source: IATA Sustainability and Economics, using data from MacroBond.

Chart 3: Brent crude oil, jet fuel, and crack spread, USD per barrel



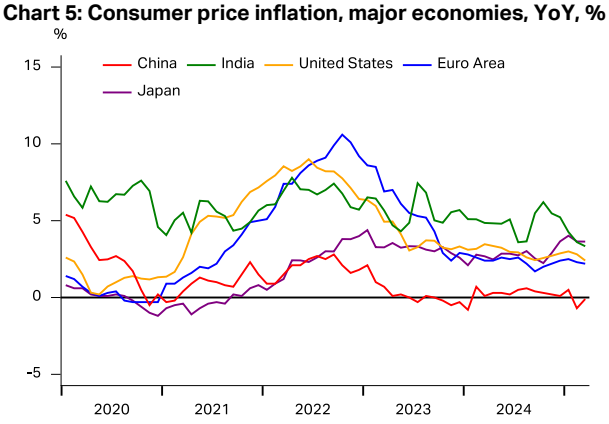
Source: IATA Sustainability and Economics, using data from S&P Global Commodity Insight.

Chart 4: Real GDP growth rate, YoY, %



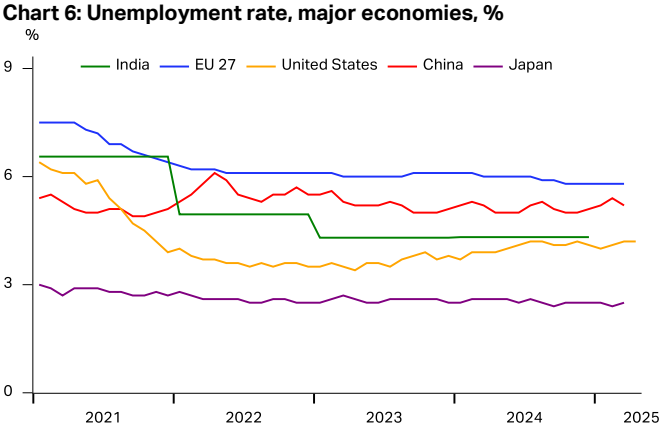
Source: IATA Sustainability and Economics, using data from Macrobond.

Chart 5: Consumer price inflation, major economies, YoY, %



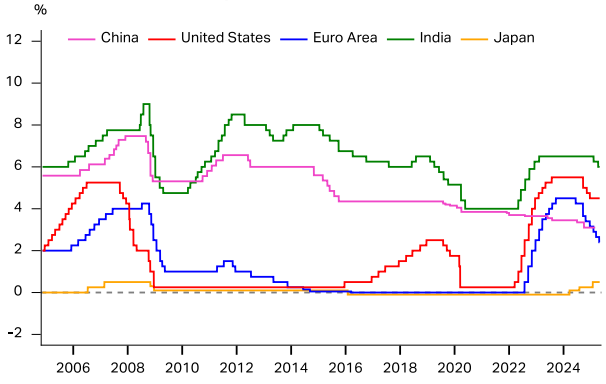
Source: IATA Sustainability and Economics, using data from Macrobond.

Chart 6: Unemployment rate, major economies, %



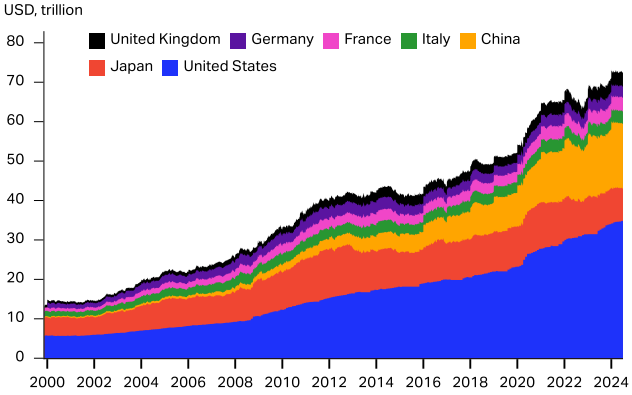
Source: IATA Sustainability and Economics, using data from the MacroBond.

Chart 7: Central bank policy rates, major economies, %



Source: IATA Sustainability and Economics, using data from Macrobond

Chart 8: Public debt, selected economies, USD, trillion



Source: IATA Sustainability and Economics, using data from Macrobond

2. Aviation fuel

2.1. Conventional aviation fuel

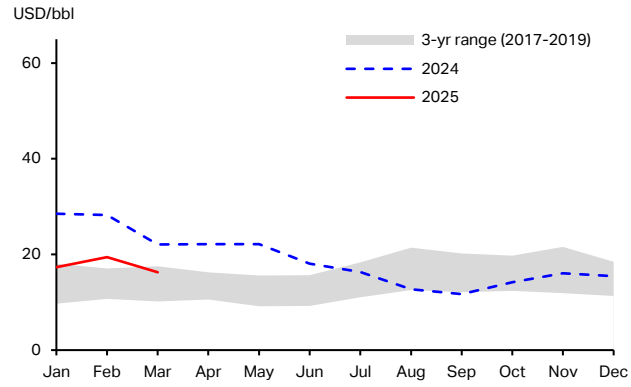
- The global crude oil price benchmark Brent was priced at USD 64 per barrel on 9 May 2025, down from an average of USD 75.7 per barrel in Q1 2025 (Chart 3). Prices had initially surged due to new US sanctions on Iranian and Russian oil, which raised concerns about tighter global supply. Those fears faded in March following the imposition of new US tariffs. Attention has since shifted to the potential economic impact from the tariffs, with worries that slower global trade could weigh on economic growth and exert downward pressure on crude oil prices.
- Reduced global refinery runs supported refinery margins in the first quarter, widening crack spreads across all petroleum products. In the US, planned maintenance lowered refinery throughput, reducing crude oil intake by 1 million barrels per day in January 2025 compared to December. Global jet fuel prices rose 4% QoQ, averaging USD 93.4 per barrel in Q1 (Chart 9).

2.2. Sustainable aviation fuel

- Sustainable Aviation Fuel (SAF) is widely recognized as the biggest lever in achieving the airline industry's net-zero CO_2 target by 2050, contributing 65% of the necessary emissions reductions based on IATA roadmaps. According to IATA estimates, SAF production reached 1 million tonnes (Mt) in 2024, doubling the output from 2023. Production is expected to double again in 2025, reaching 2.1 Mt. However, despite the various policy initiatives and national commitments, production is still slow. Indeed, it constituted only 0.3% of global jet fuel consumption in 2024 and 0.7% in 2025.
- IATA is monitoring the SAF facilities announced globally and their development. The latest data reveals that out of the more than 250 projects announced, 158 are considered operational or progressing toward SAF production by 2030. These projects are distributed across 37 countries and have a renewable fuel capacity of approximately 51 Mt. Most projects are concentrated in the United States and Europe, accounting for 53% and 25% of the total global renewable fuel capacity of projects, in which SAF is an output (Chart 11). This underscores the significant impact of policy on developing renewable fuel projects. However, a wider production landscape must emerge across global feedstock hotspots and infrastructure to ensure a steady supply.
- IATA anticipates that 79% of the renewable fuel capacity of the 158 projects under development will be based on the HEFA (Hydro-processed Esters and Fatty Acids) pathway in 2030. Due to its technological maturity and lower costs compared to other SAF technologies, HEFA is expected to lead across all regions in the coming years (Chart 11).
- Impending mandates drive the momentum for Power-to-Liquid SAF (PtL) announcements, but mandates alone are insufficient. These projects struggle to start operations due to higher capital and operating costs and limited policy support (Chart 12). Technology maturity, funding for scale-up, and incentives to support access to renewable energy are critical to stimulating PtL production. In addition, expediting ASTM approval of the Methanol-to-Jet (MtJ) conversion pathway would further enhance the diversification of technologies for producing E-fuels.
- To support the net-zero transition, the aviation sector signed 124 SAF offtake agreements (Chart 10) between 2022 and March 2025. Of these agreements, 86 are binding purchase commitments, while 38 are non-binding. Various stakeholders throughout the aviation value chain purchase SAF through these supply agreements. Seventy-two airlines, three aircraft manufacturers, and two airports have publicly announced at least one SAF purchase agreement.
- Out of these agreements, 88 have been signed with HEFA SAF producers, including both standalone and co-processing options. This represents 72% of all supply deals. Agreements for E-fuel SAF produced using PtL technology follow, totaling 14 agreements, and accounting for 12% of total deals. The other agreements pertain to the purchase of Fischer-Tropsch (FT) and Alcohol-to-Jet (AtJ) derived SAF, making up 9% and 7%

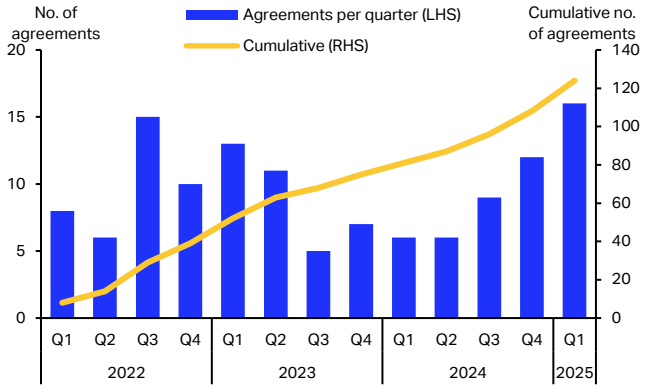
of the total, respectively. Industry essentially emphasizes the need for diversification of feedstocks and the scale-up of new technologies beyond HEFA to enhance SAF production capabilities.

Chart 9: Jet fuel crack spread (global jet fuel price minus dated brent), USD per barrel



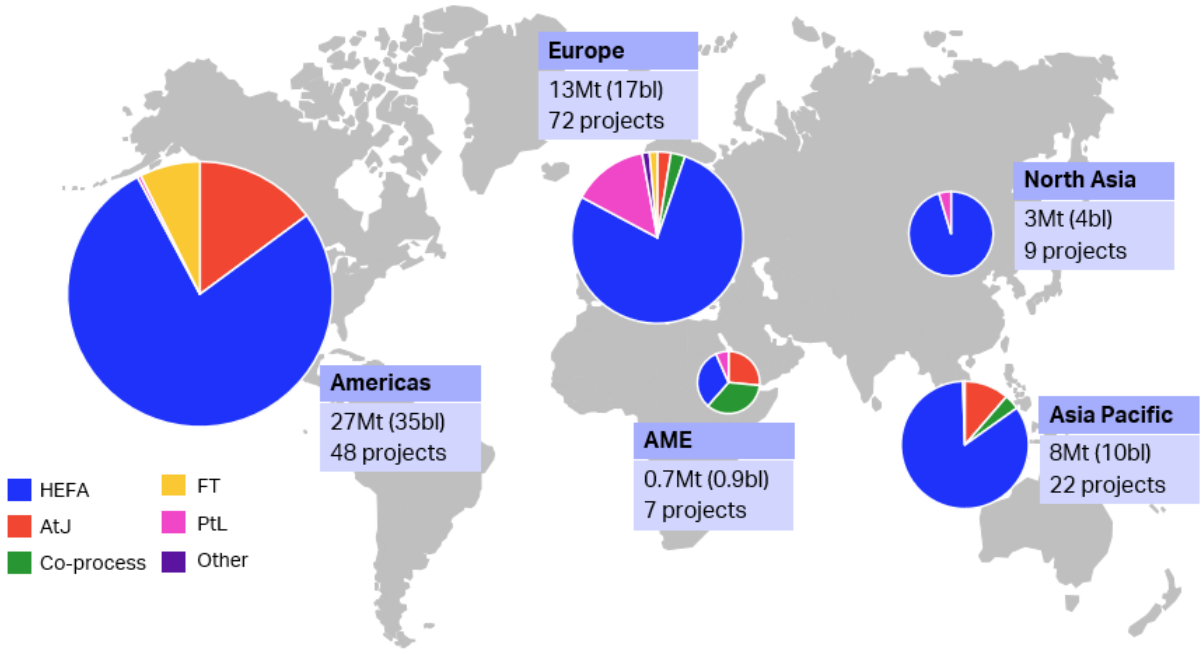
Source: IATA Sustainability and Economics, using data from S&P Global Commodity Insight.

Chart 10: Number of SAF offtake agreements



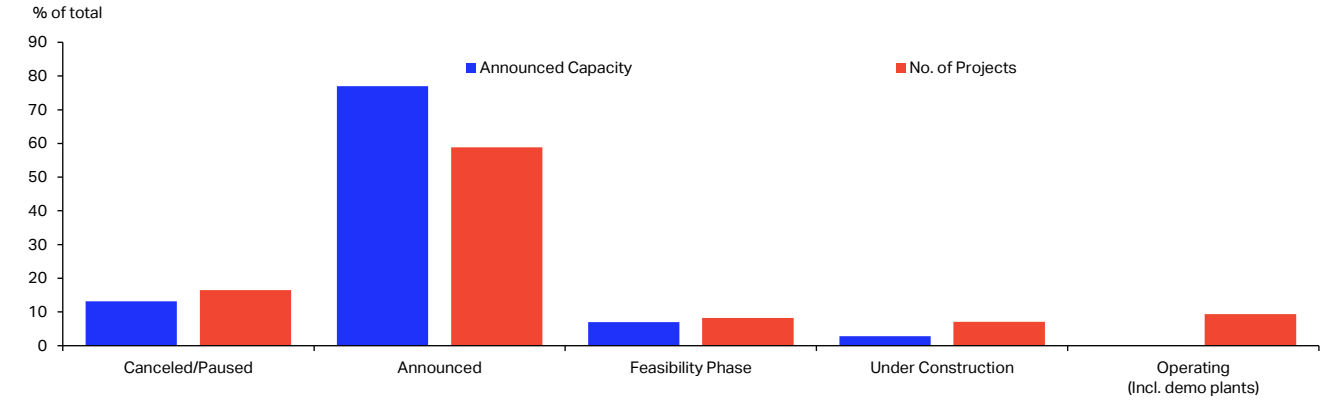
Source: IATA Sustainability and Economics

Chart 11: Total renewable fuel capacity in 2030, million tonnes



Source: IATA Sustainability and Economics

Chart 12: Global PtL projects by announced capacity and project stage



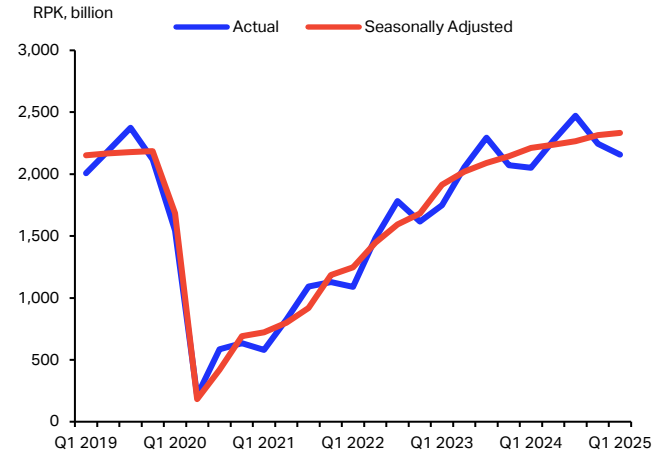
Source: IATA Sustainability and Economics

3. Passenger and cargo traffic

3.1. Passenger traffic

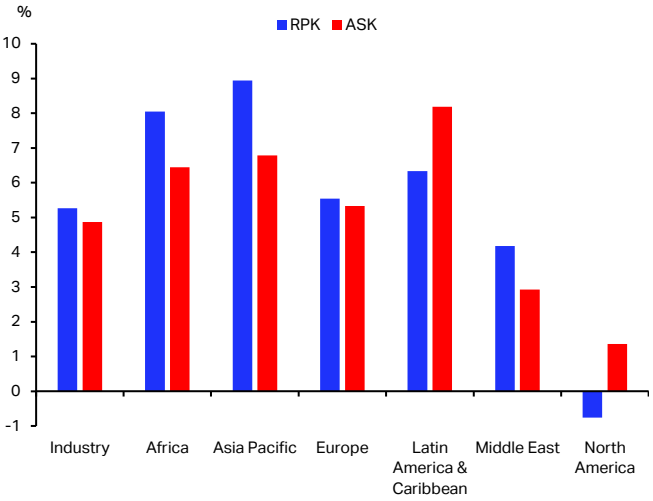
- Passenger traffic increased by 5.3% YoY in Q1 2025, reaching 2.16 trillion Revenue Passenger-Kilometers (RPK). While volumes continued to climb, the pace of expansion showed signs of deceleration (Chart 13). Seasonally adjusted data indicated only a 0.8% QoQ gain. Domestic RPK recorded a modest 1.4% YoY increase, compared with a stronger 7.8% rise in international traffic. Capacity expanded at a slower pace. Global Available Seat-Kilometers (ASK) increased by 4.9% YoY, lifting the average Passenger Load Factor (PLF) by 0.3 percentage points to 81.2%.
- Asia Pacific carriers remained the leading contributor to global passenger traffic growth in Q1 2025. Their RPK increased by 8.9% YoY, accounting for nearly 60% of the total global rise (Chart 14). ASK operated by Asia Pacific airlines grew by 6.8% YoY, lifting their average PLF by 1.7 percentage points YoY to a high of 84.4% (Chart 15). Their strong performance was supported by solid gains in domestic markets. The Asia Pacific region includes the world's largest domestic markets, including India and Japan where domestic traffic grew sharply by 12.9% and 8.6% YoY, respectively. Domestic demand in China and Australia expanded more modestly, by 2.7% and 0.9% YoY, respectively. In the international market, Asia Pacific airlines recorded a 13.9% YoY increase, representing more than half of the growth in global international market.
- European airlines were the second-largest contributors to global RPK growth in Q1 2025. Their RPK increased by 5.5% YoY, accounting for one-quarter of the total global gain (Chart 16). Capacity rose in tandem, with ASK up 5.3% YoY, resulting in a modest improvement in PLF to 78.7%. European carriers continued to hold the largest share of international air passenger traffic. The region's international RPK grew by 6.7% YoY, contributing around 30% of the increase in global international volumes during the quarter.
- North American airlines were the only group to post a decline in passenger traffic in Q1 2025. RPK fell by 0.8% YoY, despite a 1.4% increase in capacity. This imbalance resulted in a notable drop in PLF by 1.7 percentage points YoY to 80.0%. International RPK carried by North American airlines rose by only 0.8% YoY, well below the 3.9% growth in available seats. The domestic performance was even weaker. In the US, the largest domestic market, RPK declined by 1.7% YoY, despite a 1.5% increase in seat capacity (Chart 17). This marked the only contraction in RPK among world major domestic markets and the first decline in US domestic traffic since the pandemic.
- Passenger traffic carried by Latin American airlines rose by 6.3% YoY in Q1 2025. Capacity expanded at a faster pace, leading to a reduction in the PLF to 82.0%. Together with North America, this was the only region where capacity growth exceeded that in traffic in Q1. Demand was particularly strong on international routes for Latin American airlines (Chart 18). RPK on these routes rose 9.3% YoY, the second-fastest among all regions, while the load factor on international services held steady at a solid 82.3%. Domestically, Brazil, the region's largest market, posted a strong 7.8% YoY increase in traffic, further bolstering the overall performance of Latin American airlines.
- Middle Eastern and African carriers posted solid gains, though both remained below the industry average regarding the load factor. Middle East traffic rose 4.2% YoY, with capacity up just 2.9%, lifting PLF slightly to 80.2%. African airlines recorded a stronger 8.0% rise in RPK, second only to Asia Pacific, while supply grew by 6.4%, lifting the PLF to 74.3%.

Chart 13: Industry total RPK, billion



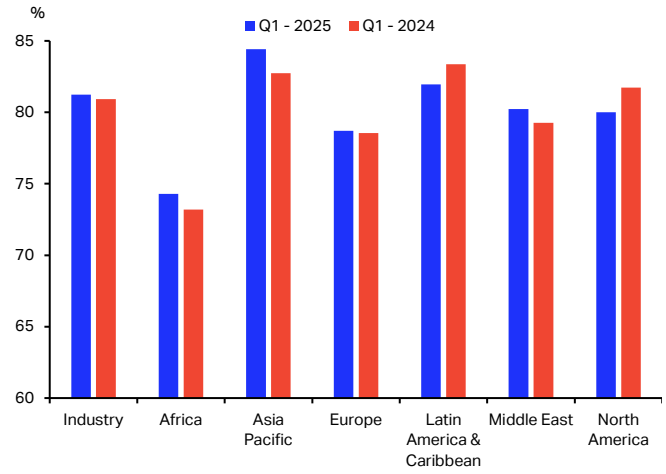
Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics

Chart 14: Total RPK and ASK by airline region of registration, YoY, %



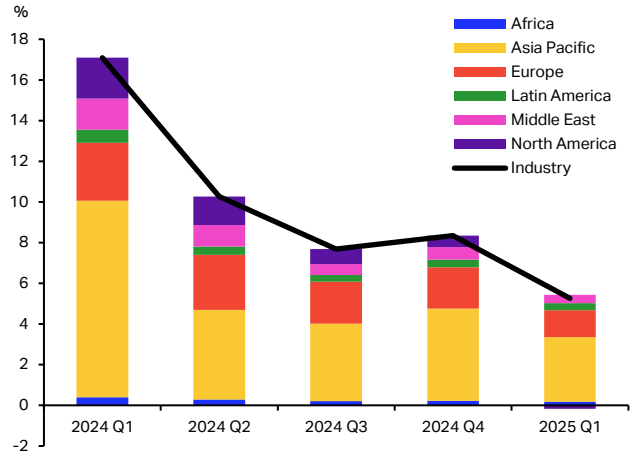
Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics

Chart 15: Passenger load factor by airline region of registration, % of ASK



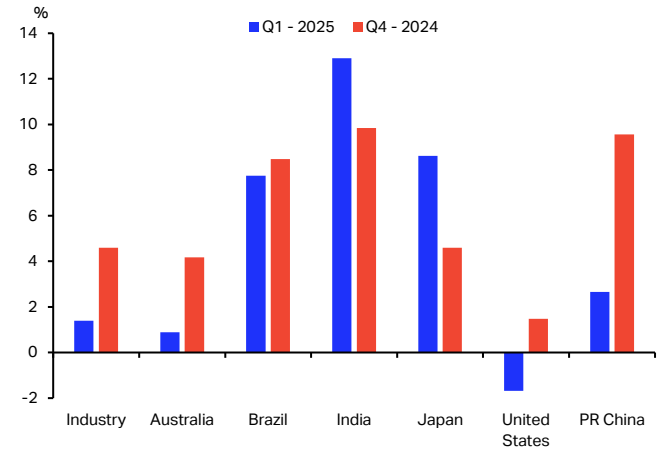
Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics

Chart 16: Regional contribution to industry annual RPK growth



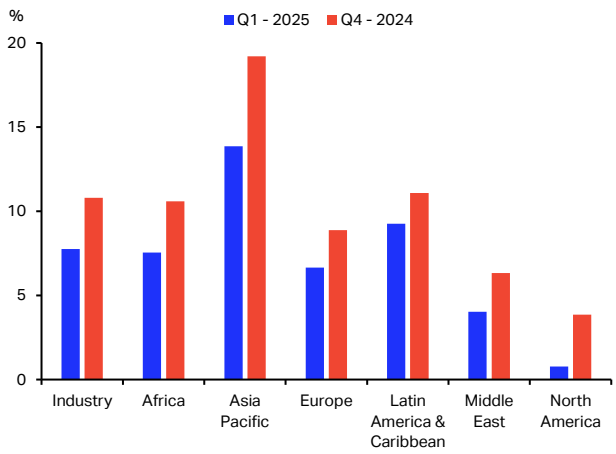
Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics

Chart 17: Domestic RPK by country market, YoY, %



Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics

Chart 18: International RPK by airline region of registration, YoY, %

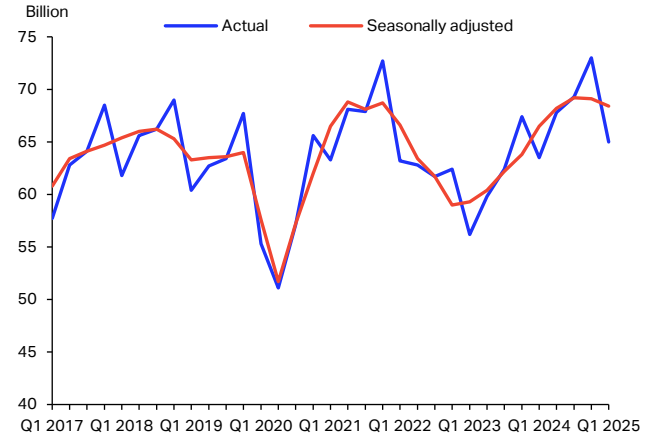


Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics

3.2. Cargo traffic

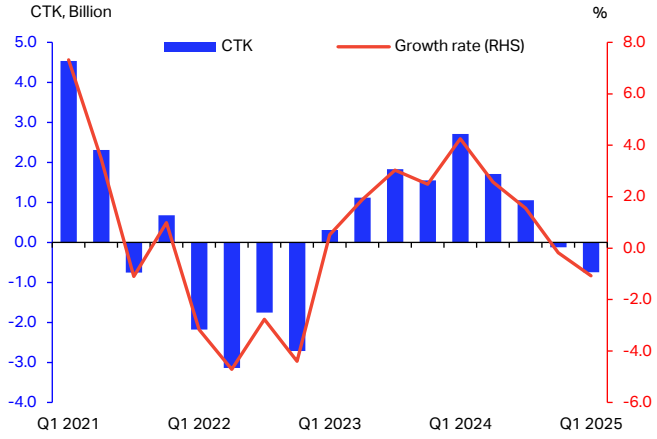
- Air cargo shipments rose 2.4% in Q1 2025 compared to last year, reaching a record 65 billion CTK - surpassing Q1 2024 by 1.5 billion in terms of volume (Chart 19). This marks the seventh straight quarter of gains, despite slowing down from the 13.0% YoY surge recorded in Q1 2024. The slowdown stems from two factors: the robust performance in 2024 which sets a high benchmark, and the elevated risks surrounding international trade. Much of the air cargo traffic in the first quarter can be attributed to front-loading and is likely to reverse in the months ahead.
- Adjusted for seasonal patterns, total air cargo volumes fell 1.1% from Q4 2024, marking the second consecutive decline after the drop of 0.2% QoQ in Q4 2024 (Chart 20). This ends a strong growth streak from Q1 2023 to Q3 2024, which peaked at 4.3% QoQ in Q1 2024. Carriers from Asia Pacific stood out in the first quarter of 2025 with an increase of 1.6% QoQ while all other regions contracted from the previous quarter. The Middle East faced the steepest drop of 4.2% QoQ, followed by North American traffic which shrank by 3.4% QoQ.
- International air cargo traffic hit 57.1 billion CTK in Q1 2025, up 3.1% YoY, extending the growth streak to seven quarters (Chart 21). Growth was uneven across regions. Asia Pacific carriers led with a 7.5% YoY rise, while North and Latin American airlines followed closely at around 7%. Europe posted a modest 1.7% gain. In contrast, Africa and the Middle East saw declines of 9.0% and 7.6%, respectively. This marks a notable shift from Q4 2024, when multiple regions, including Asia Pacific, North America, and Latin America, still reported double-digit growth.
- Air cargo capacity continued its upward trajectory in Q1 2025, with available tonne-kilometers (ACTK) rising 3.2% YoY to 142.5 billion, marking the ninth consecutive quarter of growth (Chart 22). All regions increased capacity except the Middle East, which saw a 1.4% decline. Asia Pacific carriers saw a 7.3% increase in cargo capacity and continued to lead the industry, accounting for over one-third of global capacity. North American airlines, the second-largest provider, posted only a modest 0.4% YoY gain. Latin American airlines recorded the strongest growth at 7.8%, while African and European carriers expanded capacity by 4.0% and 2.3%, respectively.
- In Q1 2025, the average cargo load factor (CLF), the percentage of available cargo space that was actually used, reached 45.6% (Chart 23). After adjusting for seasonal trends, the load factor dropped 0.9 percentage points QoQ to 45.2%. Load factors varied by aircraft type: dedicated freighters operating on international routes filled 63.7% of their capacity, while cargo carried in the belly holds of passenger planes had a lower load factor of 40.1%. Despite the dip in space utilization, cargo yields rose 4.1% from the same period last year. This was largely driven by shippers frontloading goods to get ahead of anticipated tariffs.
- In Q1 2025, the international CLF averaged at 50.8%. The two largest trade lanes, from Asia to North America and Asia to Europe, recorded the highest load factors, both exceeding 60% (Chart 24). This indicates strong demand even as additional capacity was added on both routes. The transatlantic corridor, the third-largest cargo route, saw unchanged capacity compared to a year earlier despite rising demand, and CLF were boosted to 52.8%, a gain of three percentage points YoY. On intra-Asia routes, cargo demand and capacity grew in balance, each rising between 6% and 7% YoY. Cargo corridors connecting the Middle East to Asia and Europe are also among the busiest trade lanes, with load factors ranging between 40% and 50%.

Chart 19: Industry CTK, billion



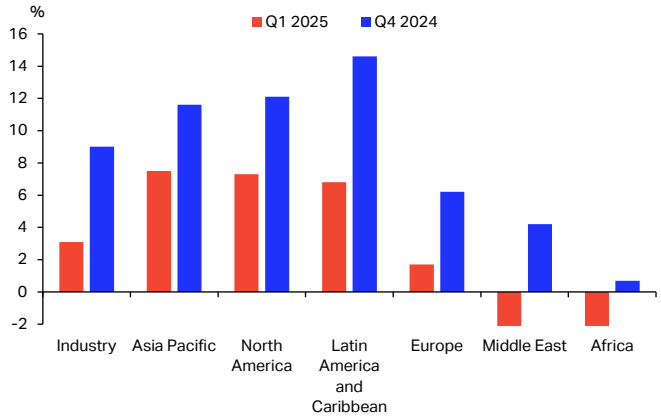
Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics

Chart 20: Industry CTK, seasonally adjusted, QoQ



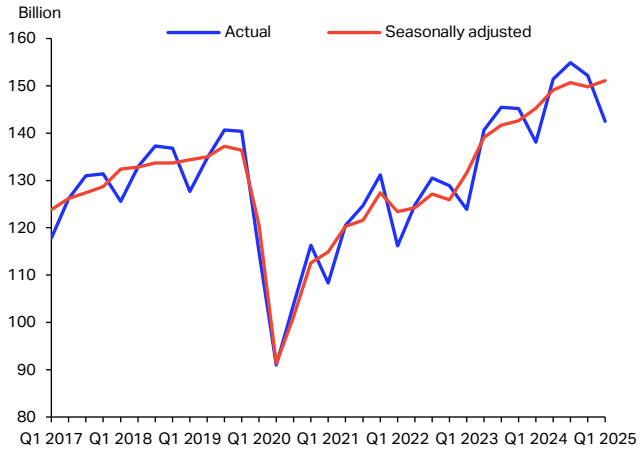
Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics

Chart 21: International CTK by airline region of registration, YoY, %



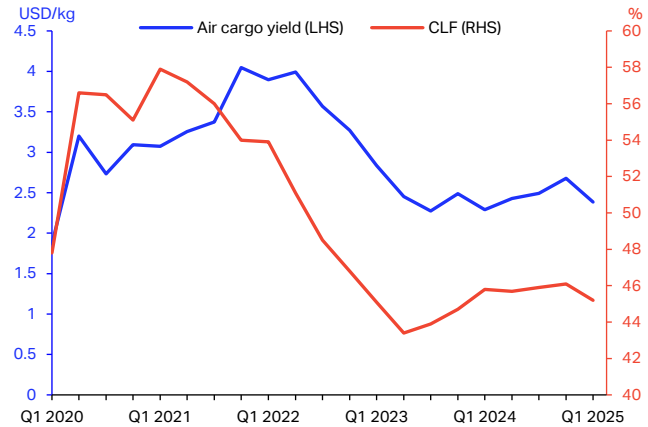
Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics

Chart 22: Industry ACTK, billion



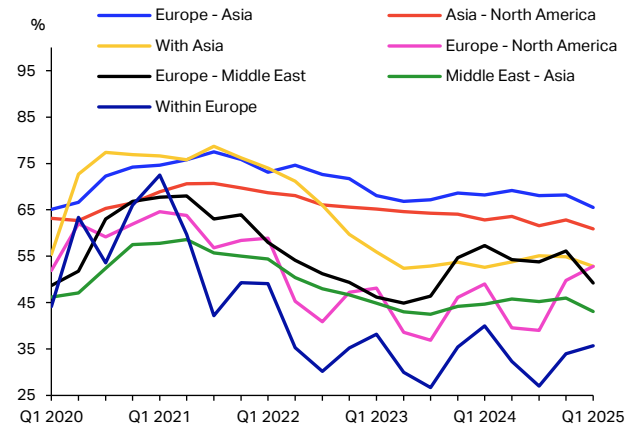
Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics

Chart 23: Global air cargo yield (with surcharges), USD/kg (LHS), and industry cargo load factor, seasonally adjusted, % (RHS)



Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics, IATA CargoIS

Chart 24: International cargo load factor by major route area, % of ACTK



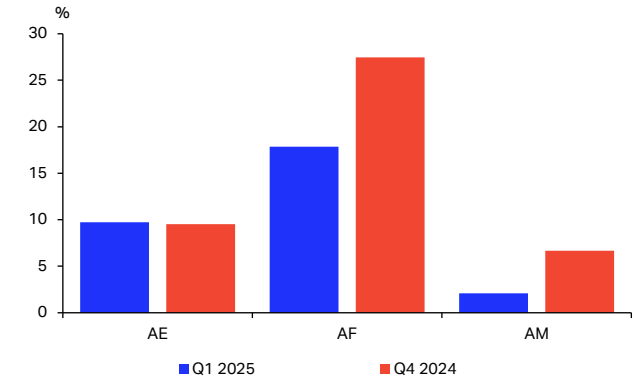
Source: IATA Sustainability and Economics using data from IATA Information and Data

4. Regional performance

4.1. Africa

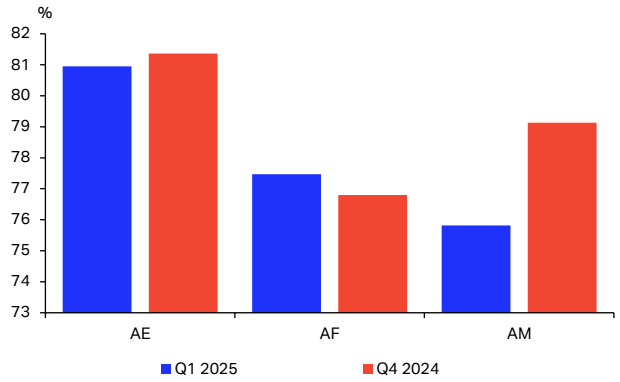
- African airlines outperformed the global industry average in the first quarter of 2025, posting an 8.0% YoY increase in passenger traffic, measured in RPK. Capacity growth also exceeded the industry average, rising 6.1% YoY. As a result, PLF improved to 74.3% during the quarter. However, this figure still lags 6.9 percentage points behind the industry average. It also falls short of the PLF achieved on major routes serving Africa, suggesting that while operating on the same corridors, African carriers are not matching the seat utilization rates of foreign competitors, such as European airlines on Africa–Europe routes.
- Africa–Europe remains the largest passenger route to and from the continent of Africa. Traffic on this corridor is triple that of the second-largest, Africa–Middle East, in RPK terms. Africa–Europe traffic grew 9.7% YoY in Q1 2025, building on a 9.5% YoY increase in the previous quarter (Chart 25). This corridor has historically posted the highest PLF among Africa's international routes, reaching 81.0% this quarter, supported by a well-balanced capacity expansion of 10.7% YoY in ASK.
- By contrast, the Africa–Middle East route saw a modest 2.1% growth YoY in passenger traffic in the first quarter, following a 6.7% YoY gain in Q4 2024. PLF on this route stood at just 75.8%, the lowest among Africa's three major international corridors (Chart 26).
- The strongest growth came on the Africa–Asia route, where double-digit increases persisted through 2024 and continued into Q1 2025. Passenger traffic on this corridor surged 17.9% YoY, marking the largest improvement among all Africa-linked international routes.
- Air cargo traffic carried by African airlines declined by 8.9% YoY in the first quarter of 2025, the sharpest contraction among all global regions. The Africa-Asia trade lane shrank by over 30% YoY, which outweighed modest gains on the Africa-Europe route and the Africa–Middle East route (Chart 27). This substantial drop in Africa-Asia volumes follows the extraordinary surge in 2024, when CTK on that corridor soared by 41% YoY, pushing traffic to record highs. That surge, in turn, was largely fuelled by severe disruptions to ocean freight in the Middle East, which pushed shippers to switch to air freight.
- Passenger flows from Africa to its top destinations showed some mixed trends in Q1 compared to last year. The number of passengers traveling to the UK and Saudi Arabia declined by 4.2% and 3.0% YoY, respectively (Chart 28). The UAE also saw a small drop of 1.0% YoY. Modest increases were recorded for France, the US, and Germany, each rising by around 4%. The strongest growth was in travel to China, up 26%, followed by Türkiye and Italy, both adding double-digit growth from a year before. Canada saw a smaller increase of 3% YoY in travellers from Africa.
- Looking ahead, ticket purchases made in Q1 2025 for travel to Africa in Q2 indicate that Egypt, the continent's largest market, can expect to see a slight YoY decline in passenger arrivals of 3%, while Algeria faces a steeper drop of 13% (Chart 29). Expected arrivals in Morocco and Tunisia are set to grow modestly, rising by 5% and 2% respectively. Further south, several countries show stronger momentum. Nigeria and Ethiopia lead with anticipated increases in passenger arrivals of more than 20%, while Mauritius and South Africa are also set to record solid double-digit growth.
- African airlines are expanding their fleets significantly in response to rising demand. A total of 35 new aircraft are scheduled for delivery in 2025 (Chart 30). Another 40 aircrafts are planned for 2026. However, persistent delays in aircraft deliveries, driven by ongoing supply chain disruptions and especially following recent tariff-related constraints, make it unlikely that all these aircraft will be delivered as scheduled, and expected deliveries are indeed being reduced from one quarter to the next.

Chart 25: Africa, international air passenger traffic by route area, YoY, %



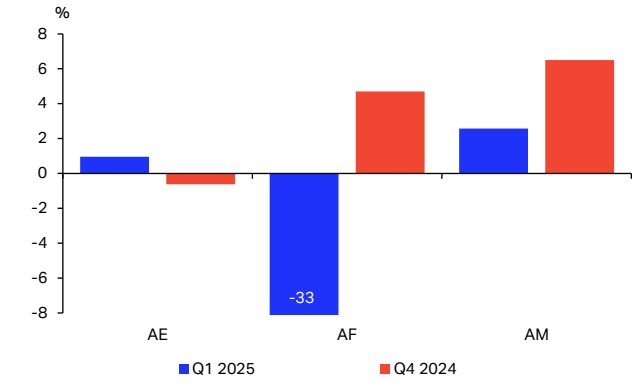
Source: IATA Sustainability and Economics using data from IATA Information and Data.
Notes: AE = Africa and Europe; AF = Africa and Far East; AM = Africa and Middle East.

Chart 26: Africa, air passenger load factor by route area, % of ASK



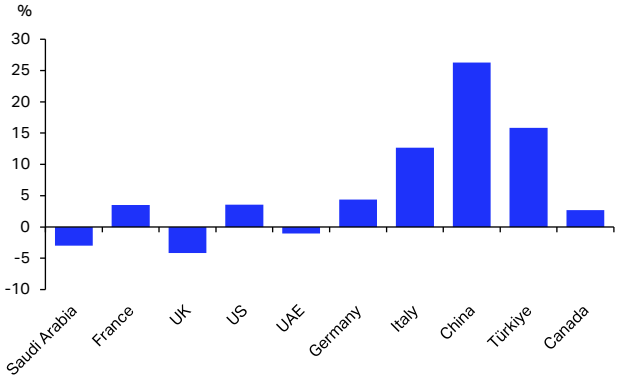
Source: IATA Sustainability and Economics using data from IATA Information and Data.
Notes: AE = Africa and Europe; AF = Africa and Far East; AM = Africa and Middle East.

Chart 27: Africa, international air cargo traffic by route area, YoY, %



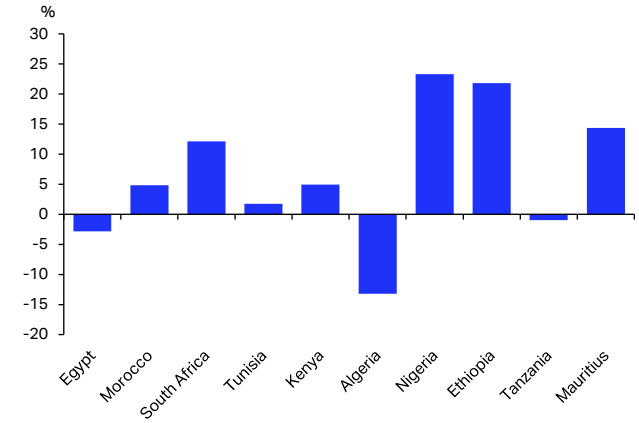
Source: IATA Sustainability and Economics using data from IATA Information and Data.
Notes: AE = Africa and Europe; AF = Africa and Far East; AM = Africa and Middle East.

Chart 28: Traffic from Africa to its top 10 destinations by market size, YoY, %



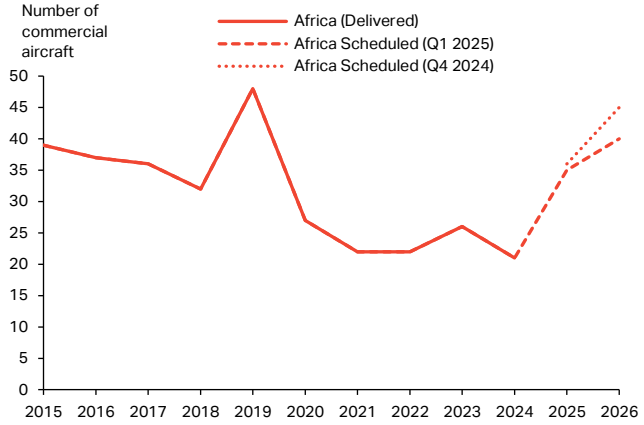
Source: IATA Sustainability and Economics using data from DDS. Markets are ordered by size, from larger to smaller.

Chart 29: Africa, Q2 2025 travels purchased in Q1 2025 by destination and market size, YoY, %



Source: IATA Sustainability and Economics using data from DDS. Markets are ordered by size, from larger to smaller.

Chart 30: Africa, aircraft deliveries, 2015-2024 (delivered), 2025-2026 (scheduled)



Source: IATA Sustainability and Economics using Cirium

	Share of total, % [1]	Q1 2025, % *YoY*					
		RPK	ASK	CTK	ACTK	PLF	CLF
TOTAL MARKET	***100***	**5.3**	**4.9**	**2.4**	**3.2**	**81.2**	**45.6**
Africa	*2.3*	8.0	6.4	-8.9	4.0	74.3	39.5

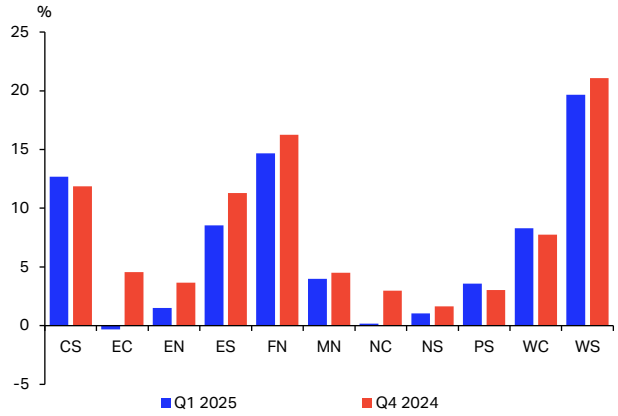
[1] Percent of industry RPK in 2024

Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics. 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 regional traffic.

4.2. Americas

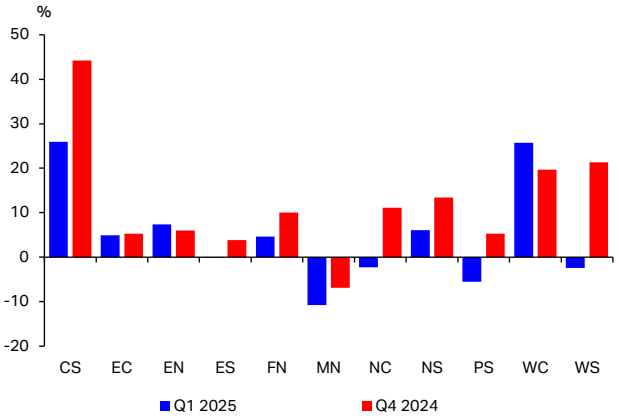
- Air passenger traffic carried by North American airlines declined by 0.8% YoY in Q1 2025, marking the first contraction since 2021. The weakest performance was on routes linking North America to Central America, where traffic edged up by only 0.2% YoY. Transatlantic traffic, the busiest international corridor serving the Americas, rose just 1.5% YoY. The transpacific corridor, the second busiest and connecting North America with Asia, recorded a strong 14.7% increase, the highest growth among all international routes serving the region (Chart 31).
- Passenger traffic carried by Latin American airlines rose 6.3% YoY, outpacing the industry average. The strongest growth was seen on routes within South America, where traffic surged 19.7%. Routes connecting Central and South America also posted double-digit gains, followed by traffic within Central America and between Europe and South America, both increasing by more than 8% YoY. In contrast, traffic between Europe and Central America remained essentially flat, pulling back 0.5% YoY, making this the only contraction among all international routes serving the Americas.
- Cargo traffic grew by 2.6% YoY for North American airlines and 7.6% for Latin American carriers in Q1 2025. The transpacific trade lane, which accounts for nearly half of all cargo traffic to and from the Americas, expanded by 4.6% YoY (Chart 32). This corridor also reported the highest CLF among all trade lanes serving the region, surpassing 60%, which is 15 percentage points above the global average. In the transatlantic corridor, the second busiest trade lane, cargo volumes rose by 7.4% YoY. The fastest growth, however, was seen in smaller and historically less prominent markets, including routes between Central and South America and within Central America, both rising by more than 20% YoY.
- Five of the top ten destinations for travelers from North America experienced a decline in passenger traffic in Q1 2025. Visitors to Germany fell the most, down 5.9% YoY, followed by Colombia with a 2.1% drop. The top three destinations, namely Mexico, the UK, and the Dominican Republic, each recorded a slight decline of around 1%. On a positive note, Asian destinations such as Japan and India kept their momentum, with traffic from North America rising by 17.3% and 7.7% YoY, respectively. Puerto Rico also saw strong growth, up 10.9% YoY. Spain and France posted more moderate gains, each increasing by around 4% YoY (Chart 33).
- Passenger traffic from Latin America to the US, its most visited destination, rose modestly by 2.3% YoY. Canada, the second most popular destination, saw a decline of 4.9%, making it one of the few countries to register a drop in visitors from Latin American. Travel to Europe showed stronger momentum. Italy led with a 9.4% increase, followed by Spain at 7.8%, while France and Germany posted solid gains of over 5%, all YoY. The Netherlands and Switzerland also recorded growth, each up 3%. In contrast, the number of passengers from Latin America to Portugal declined by 3%, and traffic to the UK remained broadly unchanged from Q1 2024 (Chart 34).
- Airlines' scheduled seats for Q2 2025 remain optimistic. Argentina continues to benefit from the recent deregulation, particularly driven by the “Open Skies” policy implemented in the country, resulting in an 18% YoY increase in the number of seats offered. Other countries such as Brazil, Peru, and Mexico are also expected to increase seat capacity by 9.1%, 7.0%, and 4.8% YoY, respectively (Chart 35). In North America, more moderate growth is expected, with the US having scheduled only 2% additional seat capacity and Canada 4% YoY.
- Aircraft delivery backlogs are becoming a growing concern for the industry. This shift is being felt most acutely by North American airlines (Chart 36). In Q4 2024, 473 aircraft were scheduled for delivery in 2025 and 535 in 2026, an unprecedented total if fulfilled. Just one quarter later, those numbers have been revised down to 446 for 2025 and 431 for 2026, resulting in a combined shortfall of 131 aircraft and a 20% reduction for 2026 alone. Latin American airlines have also been affected, though to a lesser extent, partly due to recent fleet renewals. Their delivery schedules remain relatively stable, with 116 aircraft expected in 2025 and 97 in 2026, both figures having been revised down though from Q4 2024.

Chart 31: Americas, international air passenger traffic growth by route area, YoY, %



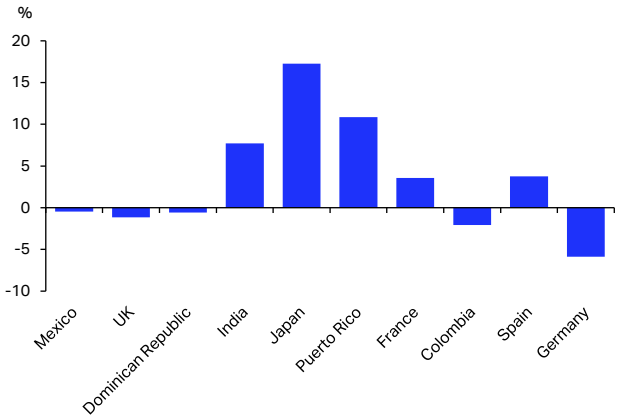
Source: IATA Sustainability and Economics using data from IATA Information and Data.
Note: Route area abbreviations[1]

Chart 32: Americas, international air cargo traffic by route area, YoY, %



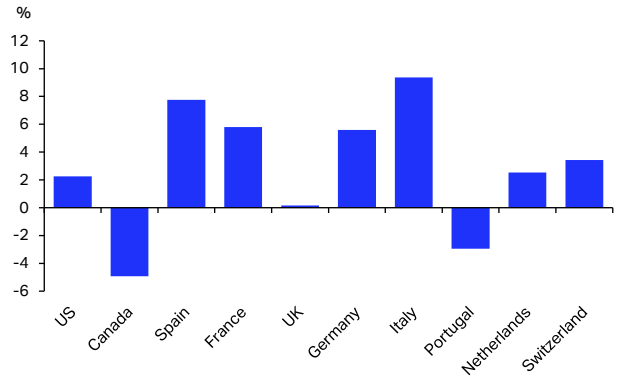
Source: IATA Sustainability and Economics using data from IATA Information and Data.
Note: Route area abbreviations[1]

Chart 33: Traffic from North America to its top 10 destinations by market size, YoY, %



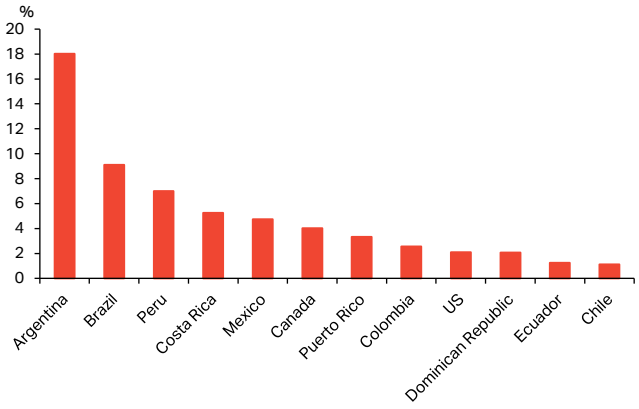
Source: IATA Sustainability and Economics using data from DDS. Markets are ordered by size, from larger to smaller.

Chart 34: Traffic from Latin America to its top 10 destinations by market size, YoY, %



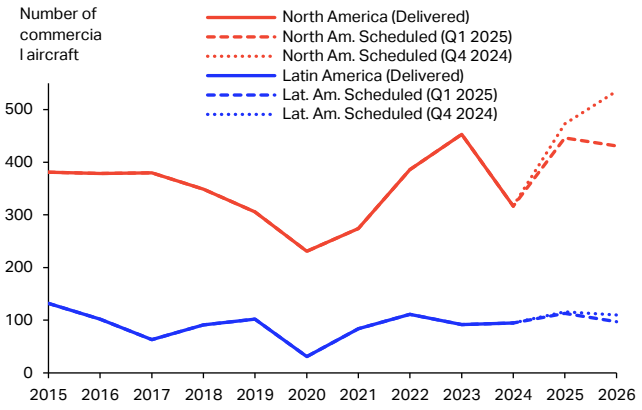
Source: IATA Sustainability and Economics using data from DDS. Markets are ordered by size, from larger to smaller.

Chart 35: Americas, Q2 2025 scheduled seats by market of origin, YoY, %



Source: IATA Sustainability and Economics using data from OAG.

Chart 36: Americas, aircraft deliveries, 2015-2024 (delivered), 2025-2026 (scheduled)



Source: IATA Sustainability and Economics using Cirium.

	Share of total, % [2]	Q1 2025, % *YoY*					
		RPK	ASK	CTK	ACTK	PLF	CLF
TOTAL MARKET	***100***	**5.3**	**4.9**	**2.4**	**3.2**	**81.2**	**45.6**
North America	*21.8*	-0.8	1.4	2.6	0.4	80.0	41.4
Latin America	*5.7*	6.3	8.2	7.6	7.8	81.9	36.5

[2] Percent of industry RPK in 2024

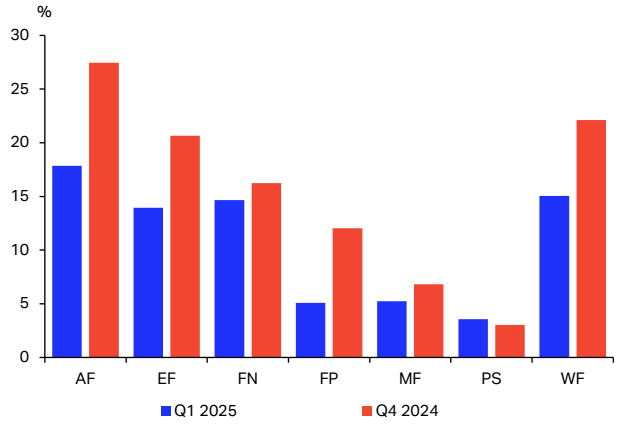
Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics. Note: The total industry and regional growth rates are based on a constant sample of airlines combining reported data and estimates for missing observations. Airline traffic is allocated according to the region in which the carrier is registered; it should not be considered regional traffic.

[1] CS = Central America / Caribbean and South America; EC = Europe and Central America / Caribbean; EN = Europe and North America; ES = Europe and South America; FN = Far East and North America; MN = Middle East and North America; NC = North America and Central America / Caribbean; NS = North America and South America; PS = North / South America and Southwest Pacific; WC = Within Central America; WS = Within South America.

4.3. Asia Pacific

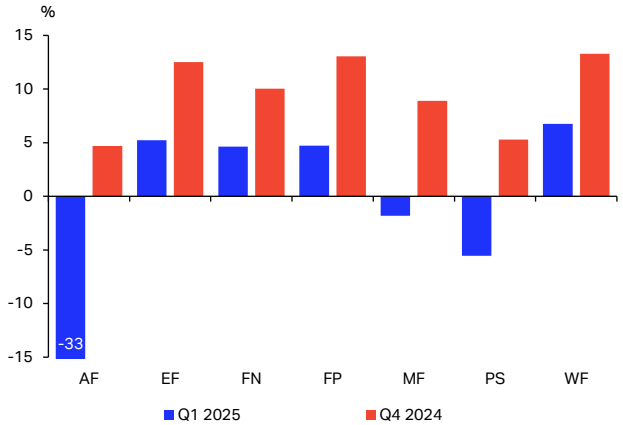
- Asia Pacific carriers continued to outpace global trends in Q1 2025. These airlines carried more than a third of global passenger traffic, and their RPK grew by 8.9% YoY, well above the industry average of 5.3%. Seat capacity rose 6.8% YoY, resulting in an average load factor of 84.4%, more than three percentage points higher than the global average.
- The within Asia market remained the region's largest international segment, with traffic up by 15.1% YoY (Chart 37). Asia-Europe was the busiest intercontinental route, expanding traffic by 13.9%, which pushed the PLF above 83%. The Middle East–Asia corridor continued its long-term development and became the region's second-largest interregional market in 2020. Passenger traffic on this route rose by 5.2% YoY. Strong double-digit growth was also recorded on routes between Asia and Africa and between Asia and North America. Passenger traffic from and to the Southwest Pacific grew more modestly, between 3% and 5% YoY.
- Air cargo traffic carried Asia Pacific carriers increased by 7.2% YoY in Q1 2025, well above the industry average of 2.4%. This strong result was underpinned by gains on the region's main trade corridors. Cargo volumes on Asia–North America and Asia–Europe both rose around 5% YoY, despite persistent uncertainty in trade policies and tariff regimes across the Pacific and along Eurasian supply chains (Chart 38). These two routes continued to account for the majority of Asia Pacific's international freight movement. Momentum on other lanes was more subdued. Traffic on Asia–Middle East and Asia–Southwest Pacific remained flat or declined, while volumes between Asia and Africa fell by one-third from the unusually high levels recorded in 2024.
- Outbound Asia-Pacific travel posted solid growth in Q1 2025, with the US and UK retaining their positions as the top two destinations, up 9.7% and 5.9% YoY, respectively (Chart 39). Travel to continental Europe also gained momentum, led by double-digit increases to Italy and France. Traffic to the Middle East was more restrained, with several markets such as Saudi Arabia and UAE showing flat or negative growth, impacted by the seasonal slowdown during Ramadan.
- International outbound traffic from mainland China continued its upward trajectory in Q1 2025, with notable growth across all major regions (Chart 40). More than three-quarters of this traffic remained within Asia-Pacific, which saw a 25.7% YoY increase. Europe was the second-largest destination for Chinese travelers, followed by North America; both saw outbound passenger volumes from China rise more than 20% YoY.
- Ticket purchases in Q1 2025 reveal a 24% YoY surge expected for traffic to Japan during summer 2025, highest among all destinations in the Asia Pacific region (Chart 41). China and the Philippines are also set for robust double-digit growth in passenger arrivals in Q2. Australia and Korea can anticipate more modest single-digit gains. Smaller destinations such as Hong Kong, Vietnam, and Chinese Taipei will all likely see healthy growth into the summer. Travelers to Thailand should remain unchanged, while India might receive fewer travelers compared to last year.
- Asia-Pacific airlines have increased aircraft orders steadily over the past four years. Following the delivery of 454 aircraft in 2024, carriers are scheduled to receive 554 in 2025 and 615 in 2026 (Chart 42). These figures were revised down recently, with 46 fewer aircraft planned for 2025 and eight fewer for 2026 than previously expected, as production across the supply chain continues to be disrupted.

Chart 37: Asia Pacific, international air passenger traffic by route area, YoY, %



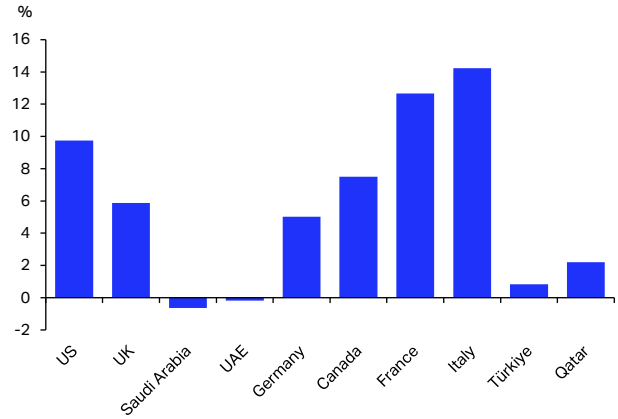
Source: IATA Sustainability and Economics using data from IATA Information and Data.
Note: Route area abbreviations[1]

Chart 38: Asia Pacific, international air cargo traffic by route area, YoY, %



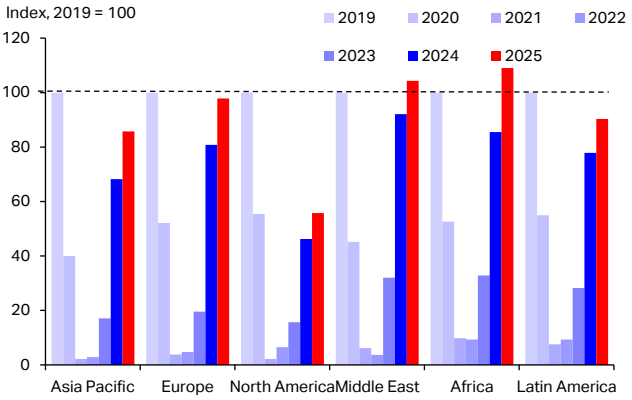
Source: IATA Sustainability and Economics using data from IATA Information and Data.
Note: Route area abbreviations[1]

Chart 39: Traffic from Asia Pacific to its top 10 destinations by market size, YoY, %



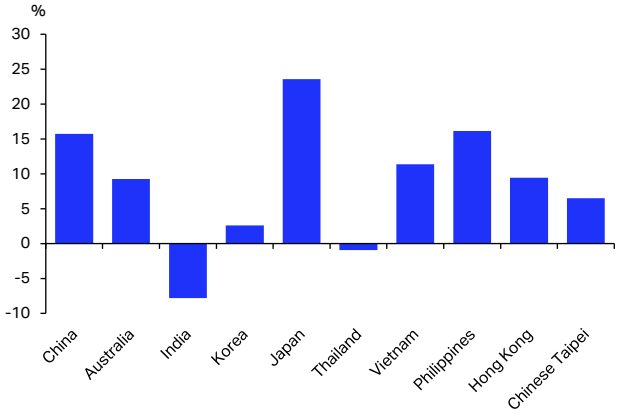
Source: IATA Sustainability and Economics using data from DDS. Markets are ordered by size, from larger to smaller.

Chart 40: Air passengers from China to other regions, Q1 each year, index



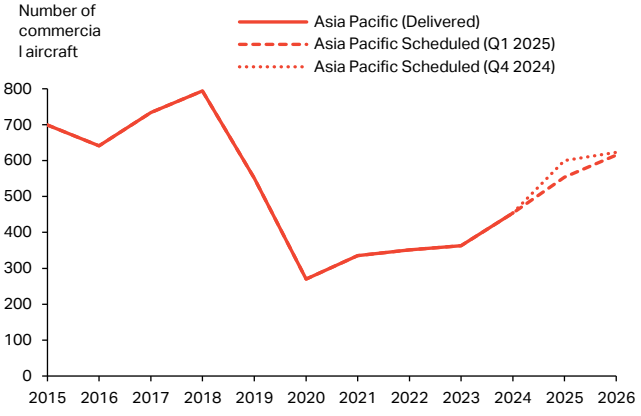
Source: IATA Sustainability and Economics using data from DDS.

Chart 41: Asia Pacific, Q2 2025 travels purchased in Q1 2025 by destination and market size, YoY, %



Source: IATA Sustainability and Economics using data from DDS. Markets are ordered by size, from larger to smaller.

Chart 42: Asia Pacific, aircraft deliveries, 2015-2024 (delivered), 2025-2026 (scheduled)



Source: IATA Sustainability and Economics using Cirium

	Share of total, % [2]	Q1 2025, % *YoY*					
		RPK	ASK	CTK	ACTK	PLF	CLF
TOTAL MARKET	***100***	**5.3**	**4.9**	**2.4**	**3.2**	**81.2**	**45.6**
Asia Pacific	*36.7*	8.9	6.8	7.2	7.3	84.4	45.3

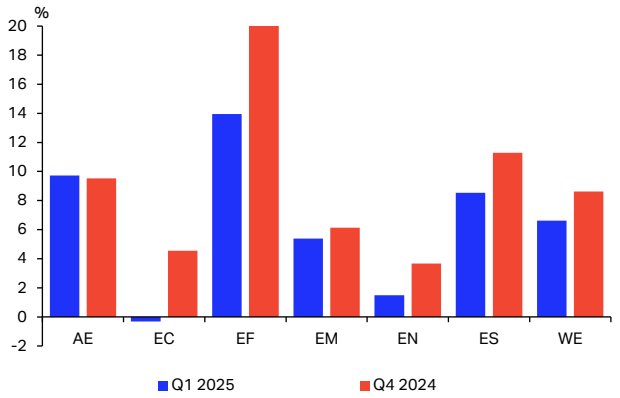
[2] Percent of industry RPK in 2024
Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics.
Note: The total industry and regional growth rates are based on a constant sample of airlines combining reported data and estimates for missing observations. Airline traffic is allocated according to the region in which the carrier is registered; it should not be considered regional traffic.

[1] AF = Africa and Far East; EF = Europe and Far East; FN = Far East and North America; FP = Far East and Southwest Pacific; MF = Middle East and Far East; PS = North / South America and Southwest Pacific; WF = Within Far East.

4.4. Europe

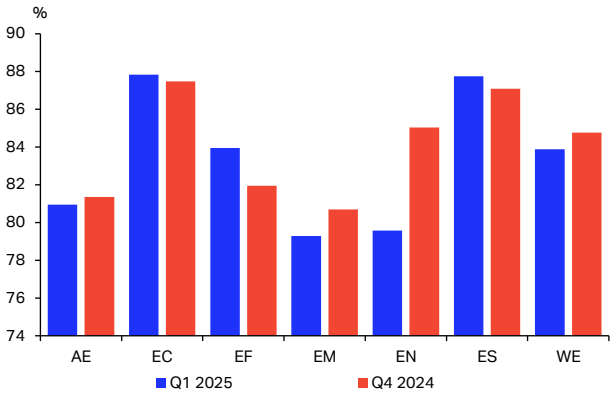
- European airlines, which carry nearly one quarter of global air passenger traffic, performed slightly above the industry average in both RPK and ASK, with YoY growth of 5.5% and 5.3% respectively. Their load factors, however, stood at 78.7%, more than two percentage points below the global average. All major international routes serving Europe recorded relatively high PLFs though, since these routes are served by both European and non-European carriers, implying that the latter carriers serving Europe achieved higher load factors on average. This may reflect factors such as airspace restrictions, which continue to impact routing options for European airlines, for instance, on flights between Europe and Asia.
- Within Europe, international traffic accounted for over 30% of the region's total international volumes. Passenger traffic on these intra-European routes rose by 6.6% YoY, in line with capacity growth (Chart 43). The average PLF across all airlines on these routes remained stable at 83.9% (Chart 44). The transatlantic corridor was the second busiest for European international traffic. Passenger volumes increased by 1.5% YoY, while capacity remained unchanged since Q4 2024. PLF on this corridor rose by more than 1 percentage point to 79.6%. Europe–Asia traffic ranked third in volume and recorded the fastest growth among Europe-linked routes, increasing by 13.9% YoY. Capacity also expanded strongly, though at a slower pace than demand, resulting in a PLF gain of just over 1 percentage point, matching intra-European levels at 83.9%.
- On the cargo front, European airlines underperformed compared to the industry average. While global air cargo traffic rose by 2.4% YoY in Q1 2025, European carriers recorded only a 1.7% increase. The Europe–Asia trade lane, the busiest cargo route serving Europe, grew by a modest 5.2% YoY following a strong 12.5% expansion in Q4 2024 (Chart 45). The transatlantic corridor between Europe and North America, the second busiest, continued to grow steadily, gaining7.4% YoY after a 6.0% rise in the previous quarter. The third largest route, connecting Europe and the Middle East, saw cargo traffic decline by 10.0% YoY. This reversal from the 10.3% growth in Q4 2024 was partially influenced by reduced commercial activity during Ramadan in the Middle East region.
- North America remained the leading long-haul destination for air travellers departing from Europe, with volumes to the US alone nearly triple those to the second-largest market, the UAE. Traffic to both the US and the UAE held broadly steady YoY (Chart 46). The US saw a marginal decline of less than 1%, while the UAE posted a modest 1.4% gain. In contrast, Canada experienced a more pronounced drop, with passenger volumes from Europe falling by 6.0% YoY. Long-haul routes to Asia experienced strong momentum. Passenger volumes from Europe to Japan surged by 19.8%, while those to China added 18.6%. Thailand and India also recorded solid gains, with increases of 10.0% and 7.8% YoY, respectively.
- The top five European destinations for international travellers, ranked by volume, are the United Kingdom, Germany, Spain, France, and Italy. Passenger arrivals in these countries are projected to remain broadly stable this summer, with changes within ±3% compared to the same period last year, based on ticket sales in Q1 2024 (Chart 47). Among the top 10, Switzerland and the Netherlands also recorded minimal YoY variation. By contrast, Türkiye and Greece anticipate double-digit YoY declines. Nordic markets such as Norway, Sweden, and Denmark show strong growth, pointing to emerging shifts in regional summer travel patterns.
- European airlines are eager to expand their fleets but are facing the same production disruptions affecting carriers worldwide. A total of 337 aircraft were delivered in 2024. For 2025, 368 aircraft are scheduled for delivery, 19 fewer than the number set in the previous quarter (Chart 48). The 2026 delivery schedule now stands at 417 aircraft, 14 fewer than had been agreed upon just one quarter earlier.

Chart 43: Europe, international air passenger traffic by route area, YoY, %



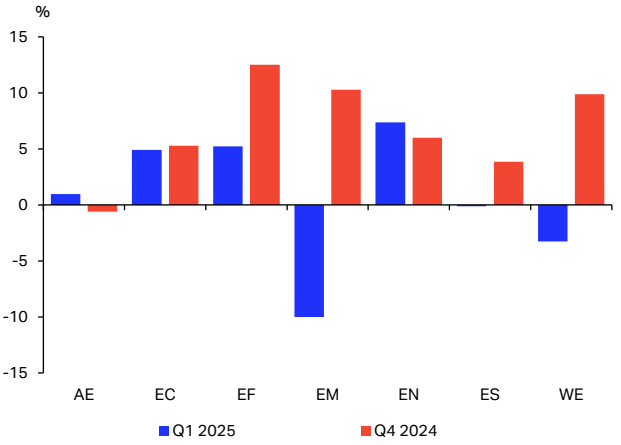
Source: IATA Sustainability and Economics using data from IATA Information and Data.
Note: Route area abbreviations[1]

Chart 44: Europe, air passenger load factor by route area, % of ASK



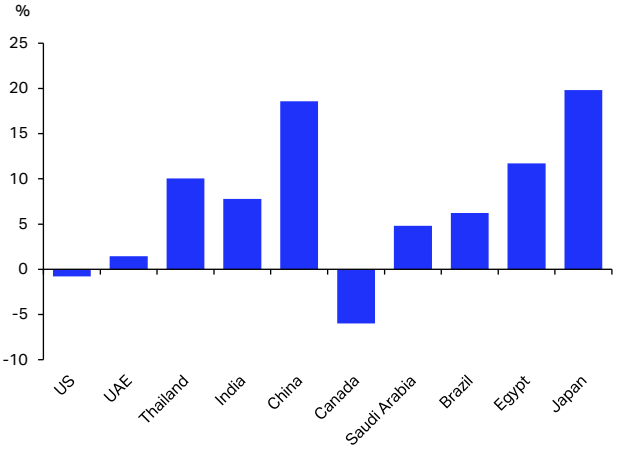
Source: IATA Sustainability and Economics using data from IATA Information and Data.
Note: Route area abbreviations[1]

Chart 45: Europe, international air cargo traffic by route area, YoY, %



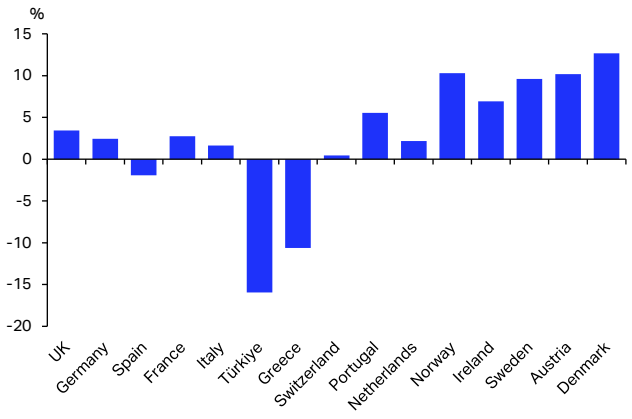
Source: IATA Sustainability and Economics using data from IATA Information and Data.
Note: Route area abbreviations[1]

Chart 46: Traffic from Europe to its top 10 destinations by market size, YoY, %



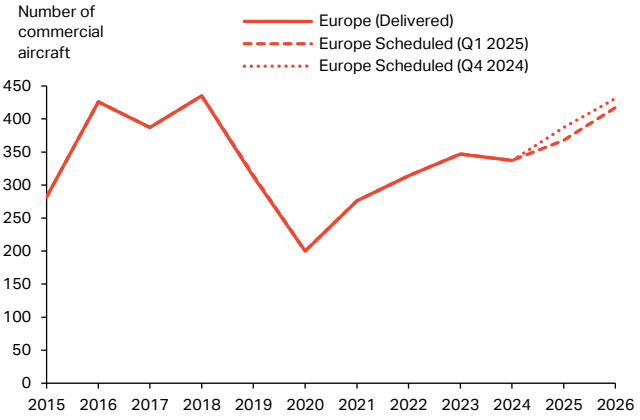
Source: IATA Sustainability and Economics using data from DDS. Markets are ordered by size, from larger to smaller.

Chart 47: Europe, Q2 2025 travels purchased in Q1 2025 by market of destination and market size, YoY, %



Source: IATA Sustainability and Economics using data from DDS. Markets are ordered by size, from larger to smaller.

Chart 48: Europe, aircraft deliveries, 2015-2024 (delivered), 2025-2026 (scheduled)



Source: IATA Sustainability and Economics using Cirium.

	Share of total, % [2]	Q1 2025, % *YoY*					
		RPK	ASK	CTK	ACTK	PLF	CLF
TOTAL MARKET	***100***	**5.3**	**4.9**	**2.4**	**3.2**	**81.2**	**45.6**
Europe	*23.9*	5.5	5.3	1.7	2.3	78.7	56.9

[2] Percent of industry RPK in 2024

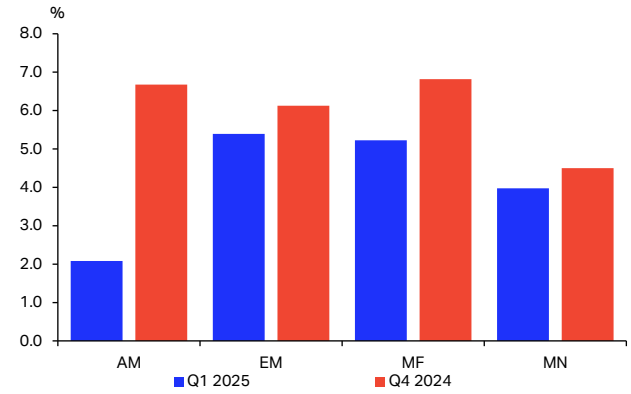
Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics. Note: The total industry and regional growth rates are based on a constant sample of airlines combining reported data and estimates for missing observations. Airline traffic is allocated according to the region in which the carrier is registered; it should not be considered regional traffic.

[1] AE = Africa and Europe; EC = Europe and Central America / Caribbean; EF = Europe and Far East; EM = Europe and Middle East; EN = Europe and North America; ES = Europe and South America; WE = Within Europe.

4.5. Middle East

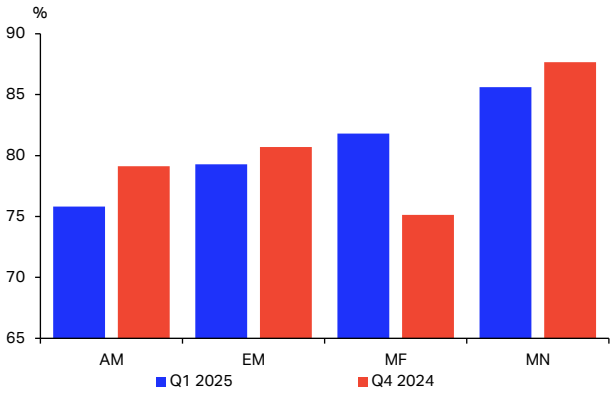
- Passenger traffic carried by Middle East airlines increased by 4.2% in Q1 2025, measured in RPK, while seat capacity expanded more moderately, at 2.9% YoY. This contributed to a nearly one percentage point gain in PLF, reaching 80.2%. Despite this improvement, the regional PLF remained slightly below the global industry average of 81.2%.
- Among major international corridors, the Middle East–Asia route continued to lead in volume, with traffic up by 5.2% YoY, outpacing the 2.0% increase in capacity and resulting in a PLF of 81.8% (Chart 49). The Middle East–Europe route followed course with a 5.4% growth in traffic, but the sharper 6.3% rise in supply weighed on efficiency, keeping PLF just under 80% (Chart 50). The Middle East–North America market delivered the highest PLF across all routes connected to the region, at 85.6%, supported by a 4.0% rise in traffic that outpaced capacity growth. Meanwhile, the Middle East–Africa route, smaller in scale, recorded a modest 2.1% traffic increase and a PLF of 75.8%. This is one of the lowest globally, just 0.2 percentage points above intra–Central America levels.
- Air cargo volumes carried by Middle East airlines declined by 7.7% in Q1 2025 compared to the same period a year earlier. This contraction, combined with a 1.4% reduction in available capacity, brought the CLF down to 43.9%, more than one percentage point below the global industry average.
- The Middle East–Europe corridor was the only trade lane that achieved a CLF above the industry average, reaching 49.2%. This route, consistently the second busiest for the region in terms of CTK, recorded a significant 10.0% YoY decline in cargo traffic (Chart 51). The highest cargo volume continued to move on the Middle East–Asia lane, though demand fell by 1.8% YoY. The steepest contraction occurred in the Middle East–North America corridor, with CTK dropping 10.7%, following a 6.8% decrease in Q4 2024. The modest growth of 2.6% on the Middle East–Africa route was not sufficient to offset declines on the region's three largest corridors.
- The early timing of Ramadan in 2025 influenced air traffic patterns in the Middle East during the first quarter (Chart 52). The holy month began at the end of February in 2025, compared with 10 March in 2024, bringing forward the period when many Muslim travelers reduce activity. As a result, passenger volumes fell sharply in early March, by as much as 20% YoY. Demand began to recover late March as Ramadan ended. This calendar shift contributed to a strong rebound in traffic, with YoY growth reaching 28% in the final week of March.
- South Asia countries remained leading destinations for travellers from the Middle East, with India and Pakistan ranking first and third respectively (Chart 53). Traffic to both countries was broadly stable, despite a marginal YoY decrease of less than 1%. Egypt retained its position as the second-largest market from Middle East, with traffic increasing by 4.9% YoY. Travel to the United Kingdom, the fourth-largest destination, rose by 7.6% YoY. Routes to Türkiye and the US each grew by approximately 5% YoY. The most significant YoY increases were recorded on routes to France and Germany, both of which experienced double-digit growth. Indonesia also saw a strong performance, with traffic up by 9.4% YoY.
- Air ticket bookings in Q1 for travels in Q2 to the Middle East indicate a positive outlook overall, despite some isolated declines (Chart 54). Saudi Arabia, the region's largest market, is expected to see a slight reduction in passenger arrivals, and Iran too can expect some decline. In contrast, four of the five leading destinations are set to record double-digit growth from a year before. Qatar and Israel are each expected to welcome more than 20% additional travellers during the summer. The UAE and Lebanon are also likely to see passenger numbers up by over 10%. Jordan and Kuwait should add around 5% to traffic, reinforcing a broadly optimistic outlook for the region's travel demand.

Chart 49: Middle East, international air passenger traffic by route area, YoY, %



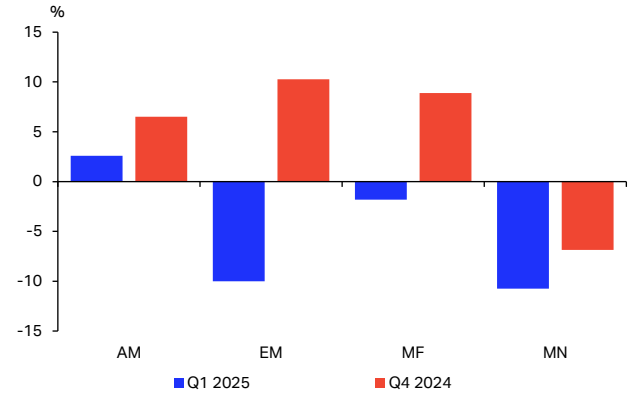
Source: IATA Sustainability and Economics using data from IATA Information and Data.
Notes: AM = Africa and Middle East; EM = Europe and Middle East; MF = Middle East and Far East; MN = Middle East and North America.

Chart 50: Middle East, air passenger load factor by route area, % of ASK



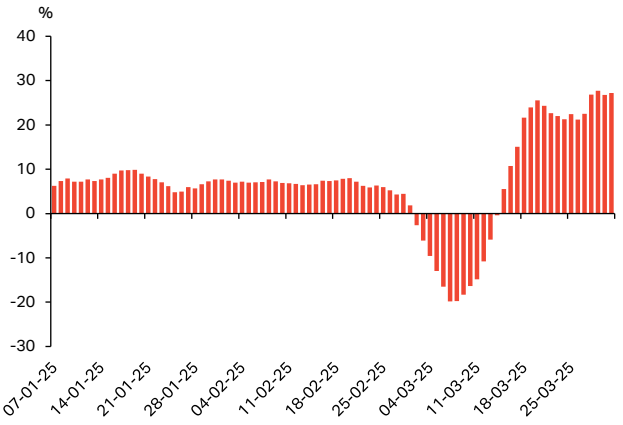
Source: IATA Sustainability and Economics using data from IATA Information and Data.
Note: AM = Africa and Middle East; EM = Europe and Middle East; MF = Middle East and Far East; MN = Middle East and North America.

Chart 51: Middle East, international air cargo traffic by route area, YoY, %



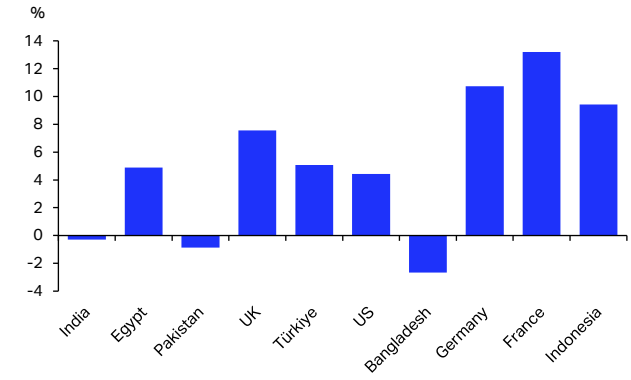
Source: IATA Sustainability and Economics using data from IATA Information and Data.
Note: AM = Africa and Middle East; EM = Europe and Middle East; MF = Middle East and Far East; MN = Middle East and North America.

Chart 52: Number of passengers originated from Middle East, YoY, %



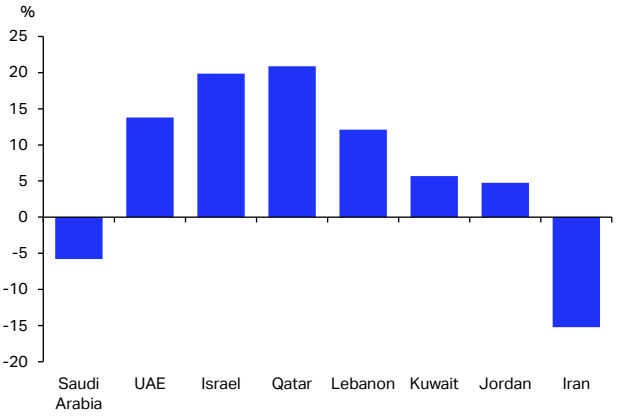
Source: IATA Sustainability and Economics using data from DDS. Markets are ordered by size, from larger to smaller.

Chart 53: Traffic from the Middle East to its top destinations by market size, YoY, %



Source: IATA Sustainability and Economics using data from DDS. Markets are ordered by size, from larger to smaller.

Chart 54: Middle East, Q2 2025 travels purchased in Q1 2025 by market of destination, YoY, %



Source: IATA Sustainability and Economics using data from DDS. Markets are ordered by size, from larger to smaller.

	Share of total, % [1]	Q1 2025, % *YoY*					
		RPK	ASK	CTK	ACTK	PLF	CLF
TOTAL MARKET	***100***	**5.3**	**4.9**	**2.4**	**3.2**	**81.2**	**45.6**
Middle East	*9.6*	4.2	2.9	-7.7	-1.4	80.2	43.9

[1] Percent of industry RPK in 2024
Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics.
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 regional traffic.

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