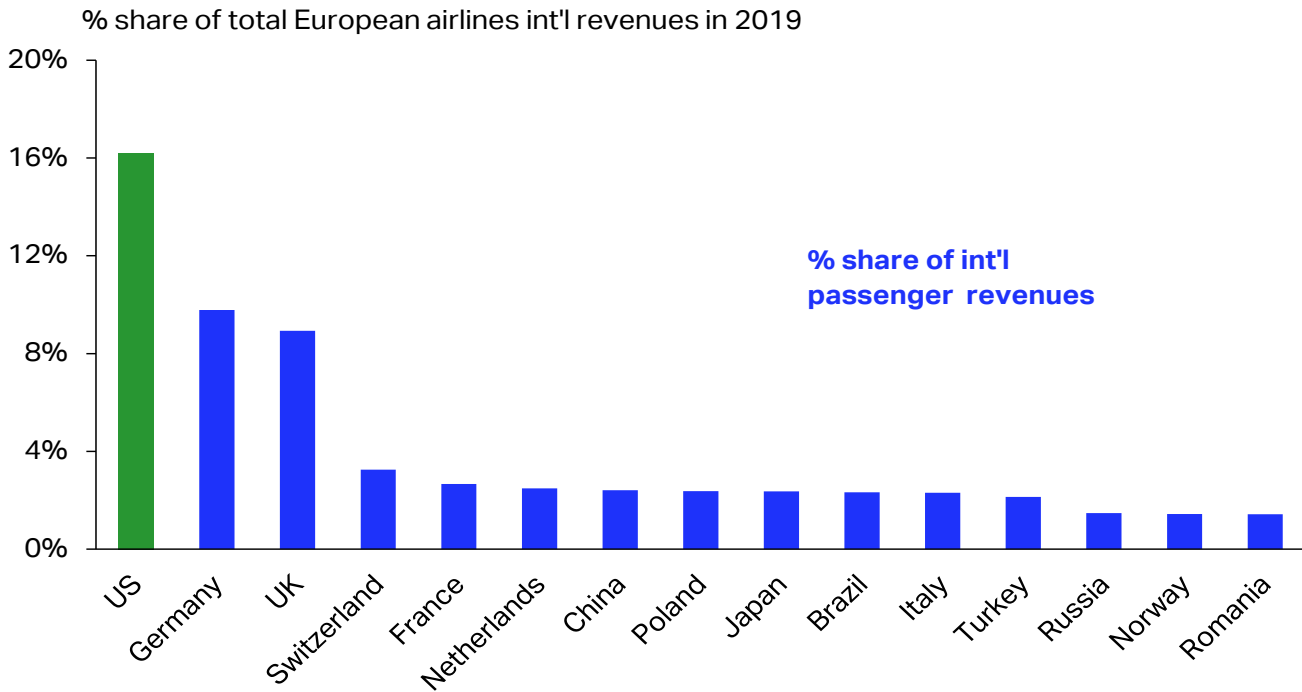




IATA Economics' Chart of the Week

24 September 2021

Reopening US-Europe will bring significant revenues to airlines



Source: IATA DDS

- The US government has [recently announced](#) that most vaccinated European travellers would be able to enter the US again in November 2021, at long last. Combined with an upcoming review of the UK's international travel rules that would bring more simplicity and less hassle for travellers, this sounds an optimistic note after a few months that have been associated with the spread of the Delta variant. That said, the recovery in air travel is still vulnerable to new outbreaks and limited vaccine effectiveness, and there is a possibility that some governments would revert to stricter rules.
- Today we build on a previous analysis of the [importance of the US-Europe](#) market, which showed that the North Atlantic route is crucial for both the US and Europe. The above chart looks specifically at European airlines, and shows that the US is by far their largest international market for passenger revenues (~16%), although it only represents 6% of international passenger numbers of European airlines (based on 2019 data), in 3rd position behind the UK and Germany (14% each). The gap between the share of passenger numbers and the share of revenues confirms that US-Europe travel generates high yields.
- The North Atlantic is an important revenue market, representing a significant share of global international revenues. In Q2 2021, passenger revenues were still 60% below pre-crisis Q2 2019 levels (49% for North American carriers, 66% for European ones). Removing restrictions on North Atlantic would also unlock a large amount of revenues for US carriers, as 31% of their revenues were made in Europe in 2019.

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