COVID-19
One Ocean, Two Shores: Time to Reconnect

Ezgi Gulbas
Senior Economist
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Mid-year but not mid-of the crisis for international travel
Int. RPKs -80.9%, domestic RPKs -22.4%, CTKs +9.9% (Jun 21 vs Jun19)

RPKs and Seasonally adjusted CTKs (indexed, Jan 2020 = 100)

1st Half 2021 vs 1st Half 2019
✓ Revenue Passenger Kilometers (RPKs): -66.7%
  ✓ Domestic: -33.1%
  ✓ International: -85.8%
✓ Cargo Tonne Kilometers (CTKs): +8.0%

Source: IATA Economics using data from IATA Monthly Statistics
Vaccination progresses but travel controls remain strict. 75% of countries have strict requirements beyond screening.

**Global Vaccination Progress**

- Total vaccination doses administered per 100 population.
  - Europe
  - North America
  - World

**International Travel Controls Globally**

- Quarantine from high-risk regions: 67 in Jan-21, 60 in Jun-21.
- Screening: 44 in Jan-21, 52 in Jun-21.
- No measures: 43 in Jan-21, 46 in Jun-21.

3 among every 4 countries have strict international travel controls.

Source: IATA Economics using data from Oxford University and Our World in Data
Connectivity across North Atlantic remains limited. Governments are risk averse despite rapid vaccination on both ends.

Flights between North America and Europe

Source: IATA Economics using OAG data
North Atlantic routes key for Europe and the US... 
...representing the main source of their international pax revenues

Key international revenue markets for **the US**, 
% share of total US int'l passenger revenues

Key international revenue markets for **Europe**, 
% share of total Europe int'l passenger revenues

Source: IATA Economics using DDS, *Europe refers to EU27, UK, Norway and Switzerland combined*
Bookings indicate demand for U.S.-Europe travel. Bookings made in the U.S. jumped with the opening-up expectations.

**Bookings for the U.S. – Europe Travel**

Daily Bookings (7 days MA) % change vs. 2019

- Bookings made in U.S.
- Bookings made in Europe

*Source: IATA Economics using data from DDS*  
*Europe refers to EU27, the UK, Norway and Switzerland combined*
Intra-European recovery is also critical for Europe. European tourism destinations are more dependent on European countries. *Europe refers to EU27, UK, Norway and Switzerland combined.*

**Share of International Revenues in Main European Travel Destinations (% of 2019 levels)**

- Greece
- Spain
- Portugal
- Italy
- Germany
- UK
- France

- International passenger revenues from Europe
- International passenger revenues from the US

**Bookings to Main European Travel Destinations From Europe (% of 2019 levels)**

- Greece
- Spain
- Portugal
- Italy
- Germany
- UK
- France

**Travel Month**
- June
- July
- August

Source: IATA Economics using DDS, *Europe refers to EU27, UK, Norway and Switzerland combined*
There is a potential for intra-European recovery
Intra-EU bookings lag intra-US recovery despite similar vaccination

Daily bookings vs. Vaccinations per population

Daily Bookings within European countries/within the U.S.
(July 2021 vs % of July 2019)

- EU countries
- States of the U.S.

Vaccinations per 100 pop

Source: IATA Economics using data from DDS ticketing data and Our World in Data
Cash generation is essential for European airlines ...

Net Cash Flow From Operating and Free Cash Flow in Q1 2021, % of revenues

North America: -4%
Asia Pacific: -7%
Europe: -25%
Latin America: -49%
Industry: -64%

North America: -10%
Asia Pacific: -26%
Europe: -35%
Latin America: -41%
Industry: -26%

Source: IATA Economics using the Airline Analyst
Contacts

economics@iata.org
www.iata.org/economics