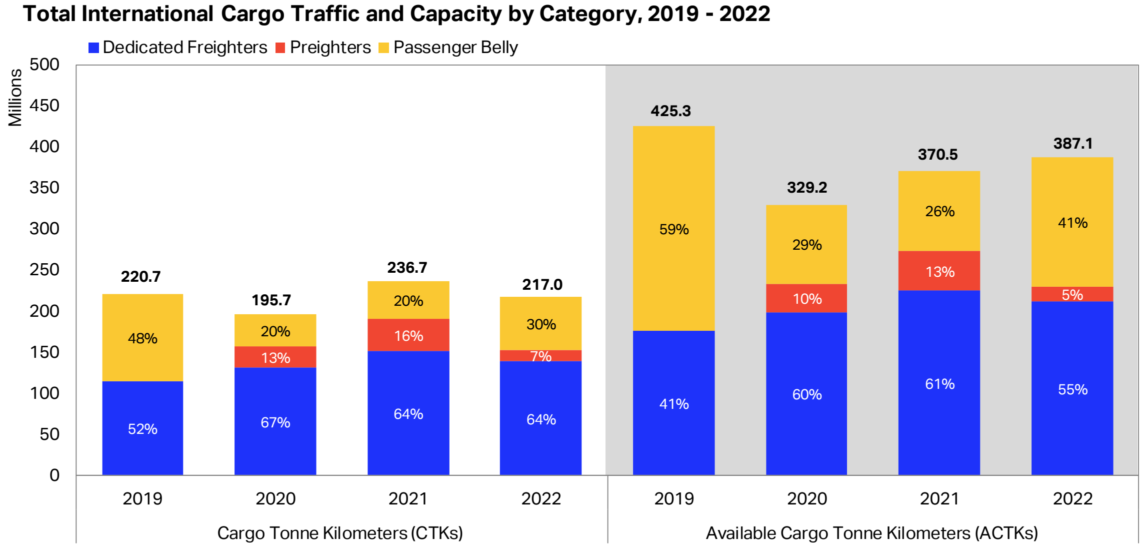
IATA's Chart of the Week

10 March 2023

Uneven recovery trends in air cargo traffic and capacity



Source: IATA Sustainability & Economics, IATA Monthly Statistics

- After nearly three years of the Covid-19 pandemic, in 2022, the shares of international cargo tonne kilometers (CTKs) flown by dedicated freighters (64%) and passenger aircraft (30%) had still not returned to their pre-crisis balanced proportions. On the capacity side, dedicated freighters also maintained a larger share (55%) of available cargo tonne kilometers (ACTKs) over passenger aircraft (41%). In contrast, however, the 2019 cargo capacity provided by passenger carriers outweighed the capacity on dedicated freighters (59% to 41%), reflecting the dominance of passenger airline operations.
- In 2020, air passenger activity declined precipitously at the onset of the pandemic, shrinking total international cargo capacity (ACTKs) by 23%. Dedicated freighters ramped up operations to offset this capacity crunch, while demonstrating their strategic value to the industry during a global health crisis. Their share of international ACTKs increased to 60% in 2020, in response to elevated cargo demand.
- Addressing the critical capacity shortage, passenger-freighters (referred to as “preighters”) also entered the market in 2020, utilizing passenger aircraft belly-hold and cabin spaces for cargo-only operations. After flying up to 38.5 million CTKs (16% of total international CTKs) in 2021, preighters are being phased out on the back of recovering air passenger demand.
- In 2021, international air cargo performed exceptionally well, with annual CTKs exceeding 2019 levels by 7.2%. However, total ACTKs were still 13% below 2019 capacity, reflecting the sluggish recovery of passenger operations. Passenger belly ACTKs remained 39.3% below 2019 levels, while dedicated freighters outperformed their pre-pandemic capacity and continued to account for the majority of global ACTKs in 2021.
- Facing various economic headwinds, annual demand for international air cargo declined 8.3% in 2022 and fell slightly short of pre-pandemic levels. In contrast, driven by the return of passenger fleets, international ACTKs climbed 4.5% above 2021 levels, despite the drop in cargo capacity from dedicated freighters and preighters.
- As travel restrictions are lifted and passenger flights return to international markets, we expect passenger belly-hold capacity to recover fully and to support more even traffic levels with dedicated freighters. See our January air cargo market analysis for the latest developments in 2023.

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