



IATA ECONOMICS' CHART OF THE WEEK

13 JANUARY 2017

WHAT'S IN STORE FOR AIRLINE FINANCIAL PERFORMANCE IN 2017?

- Our first *Chart of the Week* of 2017 focuses on the global and industry outlook over the year ahead. Further details on our latest near-term forecasts can be found [here](#).

The strongest financial performance is being delivered by airlines in **North America**, underpinned by consolidation, which is helping to sustain load factors, and ancillary revenues, which limit the impact of higher fuel costs.

Breakeven load factors are highest in **Europe**, caused by the competitive open aviation area and high regulatory costs. Having been affected by terrorist attacks last year, passenger growth is expected to recover somewhat in 2017.

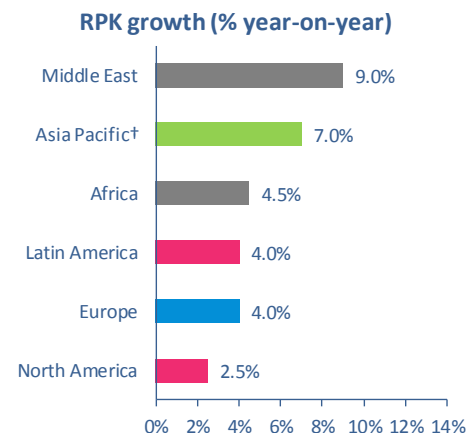
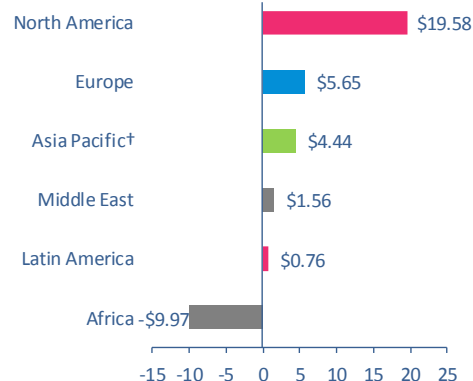
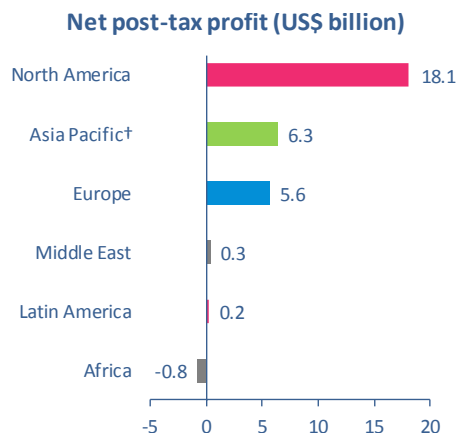
Asia Pacific† is a very diverse region for airline financial performance. In general, higher fuel costs in 2017 will be partly offset by improved cargo markets, which are particularly important in this manufacturing region.

Latin American airlines have faced a harsh environment in recent years, with weak home markets and currencies. This is starting to turn around and some recovery is expected in 2017.

The operating environment for **Middle Eastern and African** carriers is expected to remain challenging. Capacity growth, regional tensions, and the impacts of commodity price developments will remain key factors in 2017.

IATA Economics' forecasts for 2017*

Net post-tax profit per passenger (US\$)



* Forward-looking industry financial assessments should not be taken as reflecting the performance of individual airlines, which can differ significantly.

† Including North Asia.

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