



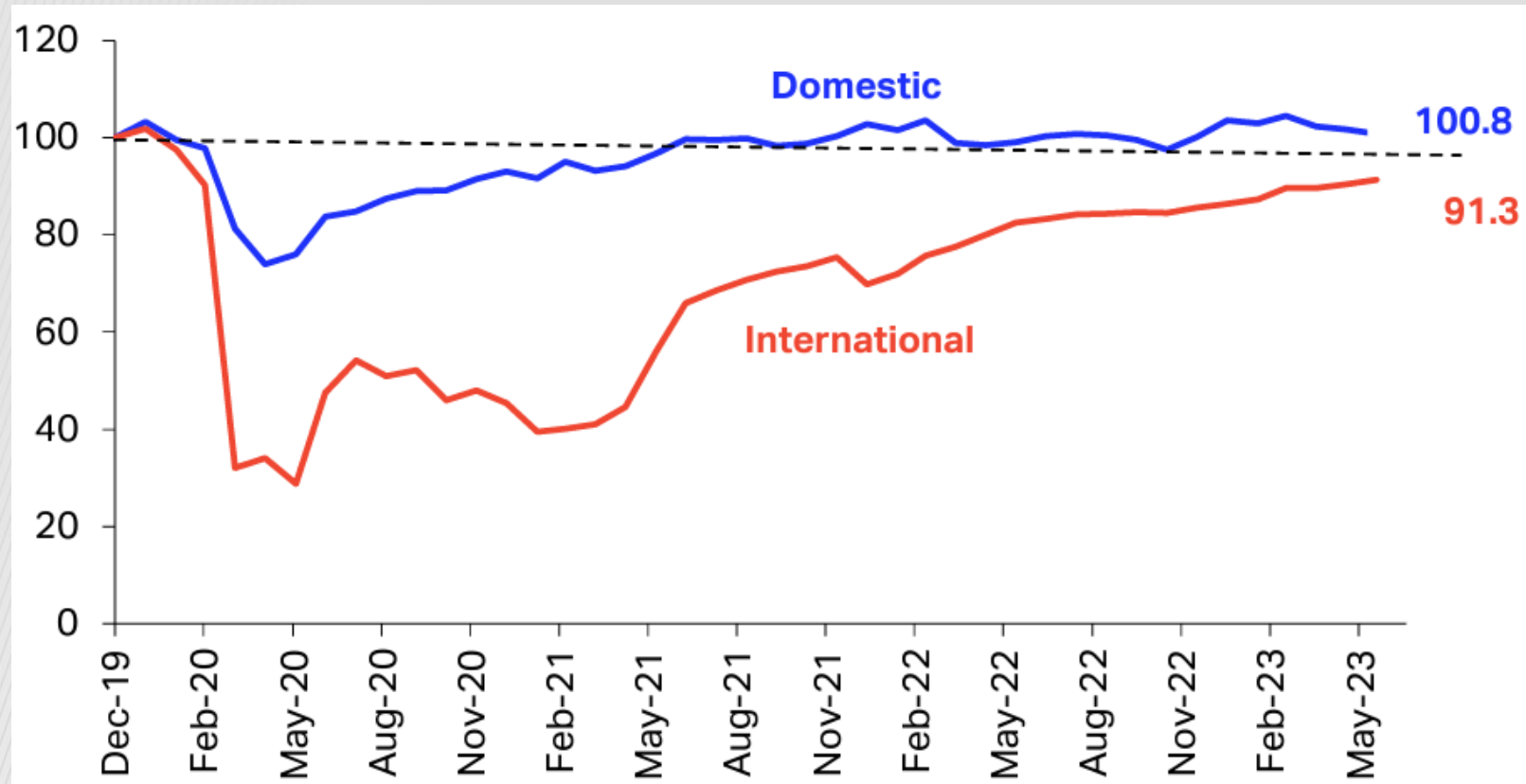
**AAPA**  
**SINGAPORE 2023**  
67<sup>TH</sup> ASSEMBLY OF PRESIDENTS

# **Introductory Remarks**

**Subhas Menon**  
**Director General**  
**Association of Asia Pacific Airlines**

# Post-pandemic connectivity recovery nearly complete

Global Airport Pairs (Index Dec 2019 = 100)

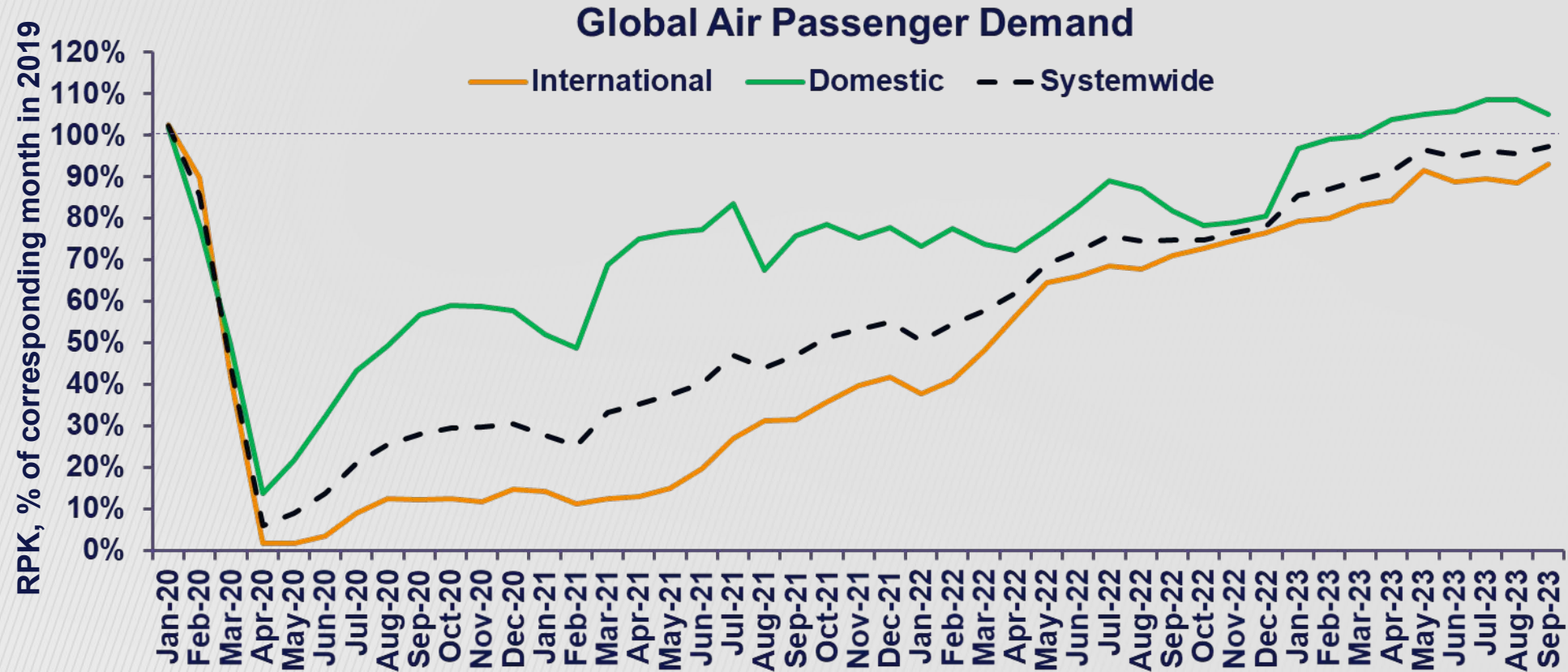


Global Airport Pairs, Up to Jun 2023

Source: © International Air Transport Association, 2019. Quarterly Air Transport Chartbook. All Rights Reserved.

# Domestic demand has surpassed pre-pandemic levels

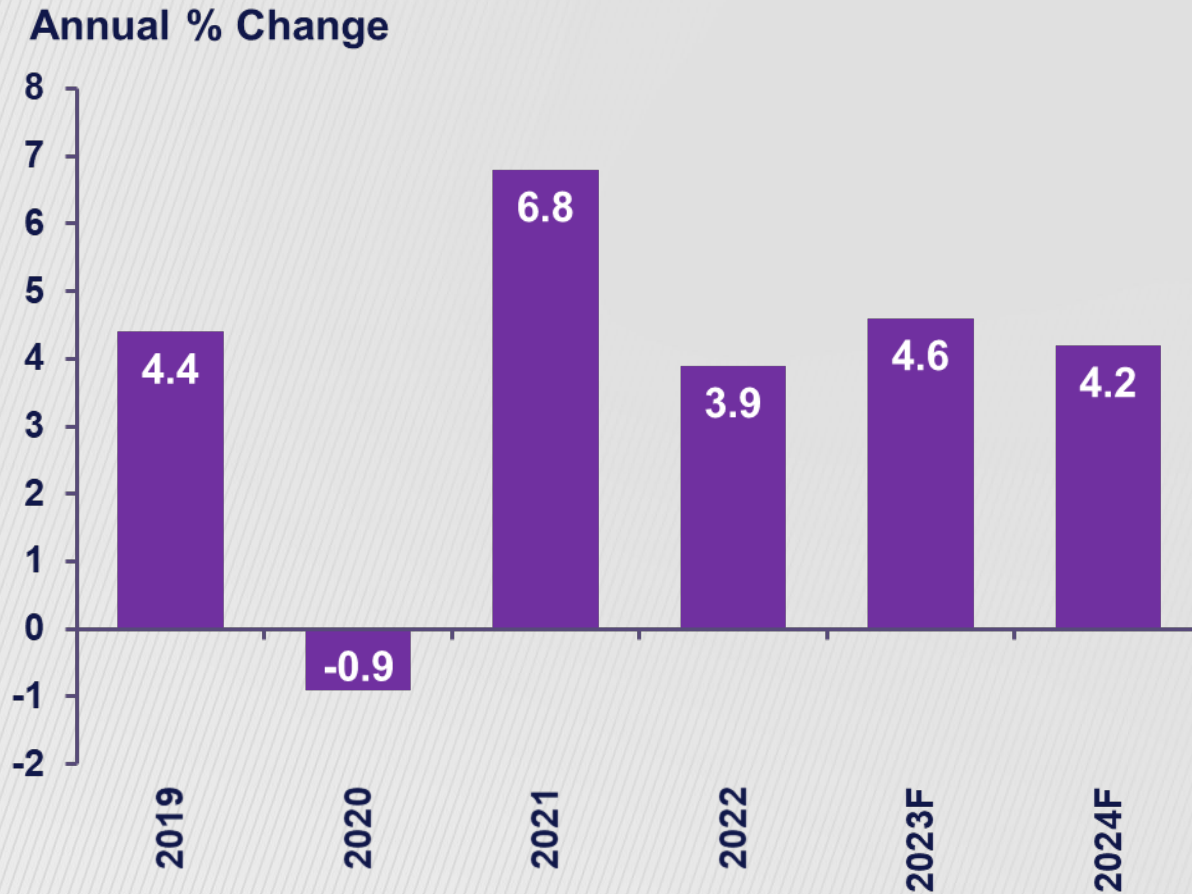
## International markets on solid growth path



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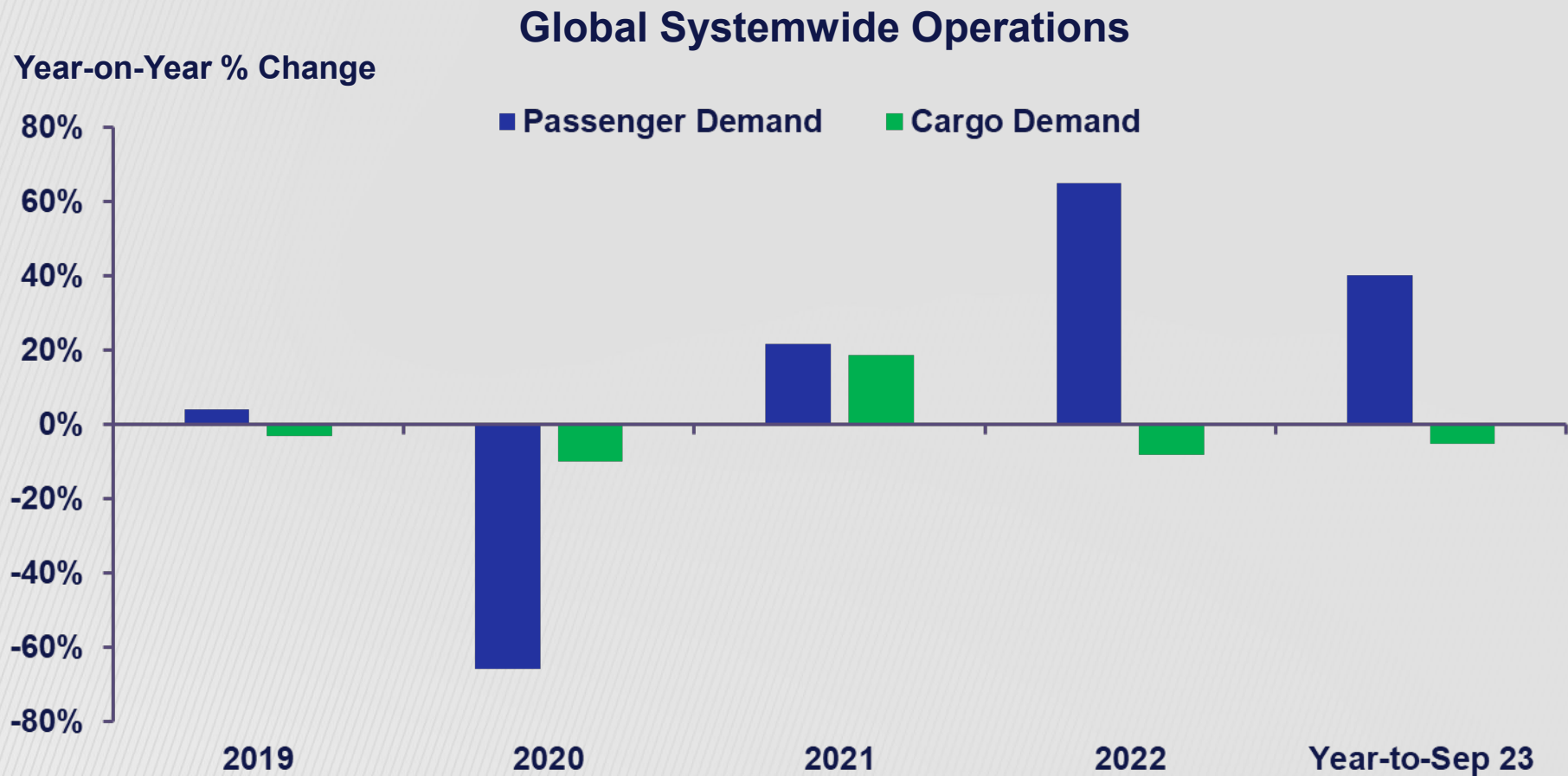


# Asia Pacific GDP Growth



- 2023 is seeing a post-pandemic shift in spending from goods to services, in particular travel & tourism
- Asia Pacific economies' combined GDP growth is projected to strengthen to 4.6% this year, from 3.9% in 2022
- By comparison, global economic growth is expected to weaken to 3.0% this year, from 3.5% in 2022

# Strong passenger demand in contrast to weak cargo markets



Global Air Passenger Demand, RPKs, Global Air Cargo Demand, FTKs  
Source: © International Air Transport Association, 2019. All Rights Reserved.

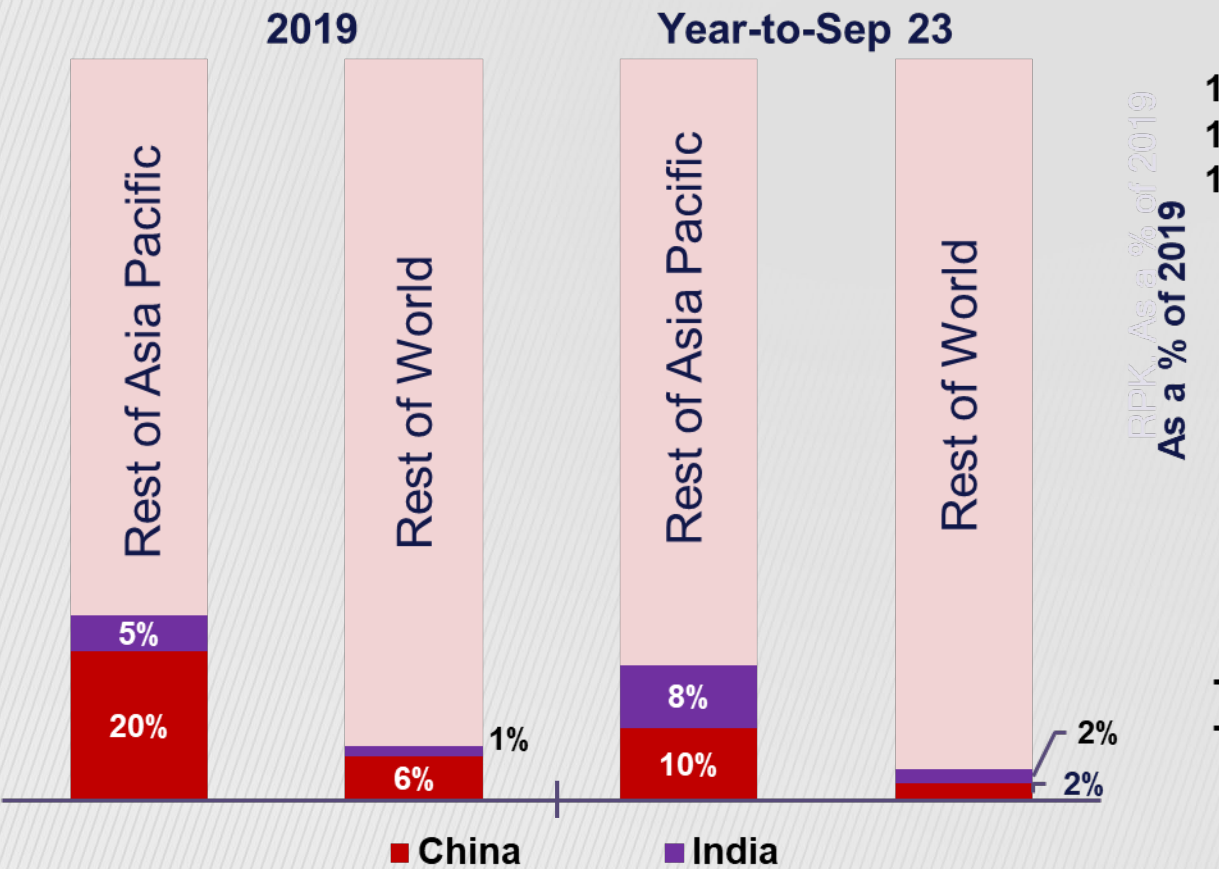
# Asia Pacific catching up with the rest of the world



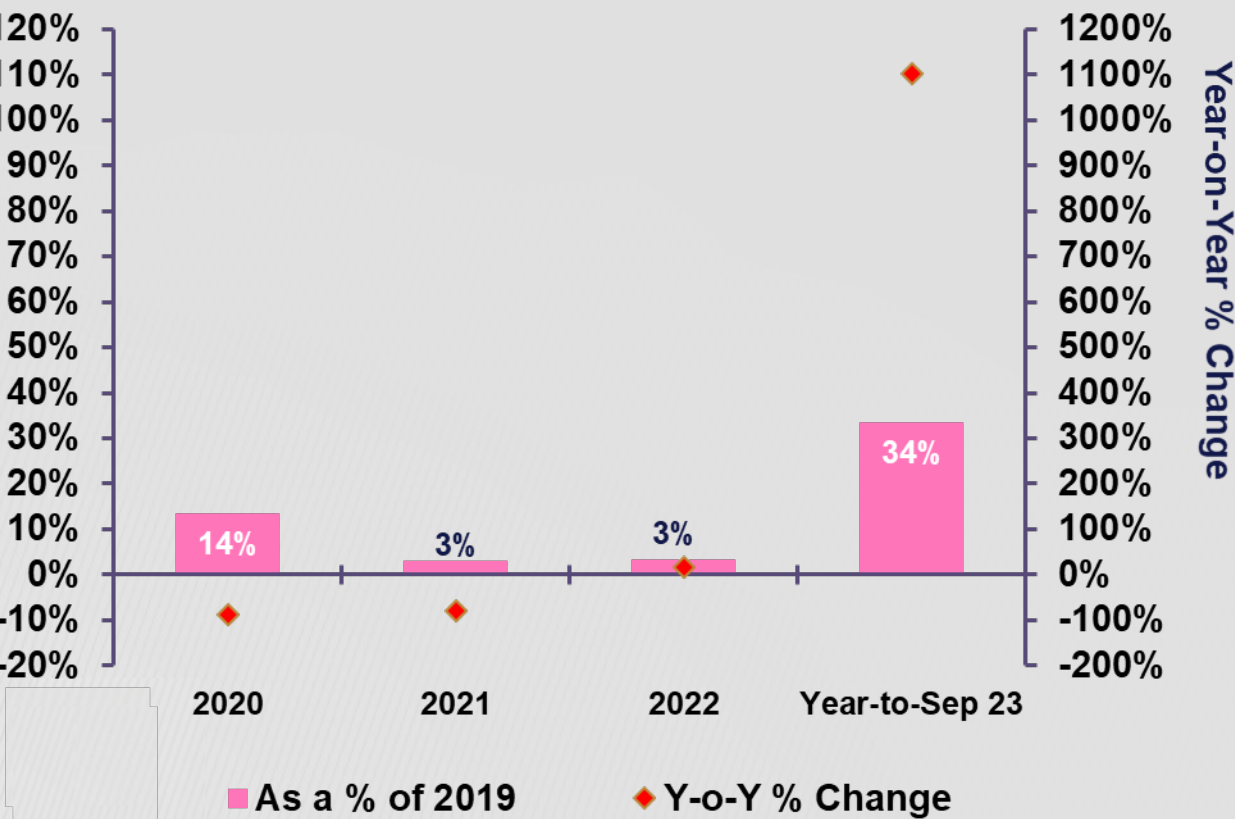
% Recovery in demand refers to Year-to-Sep-23. Source: AAPA, © International Air Transport Association, 2019. All Rights Reserved.



## International Passenger Traffic Market Share (RPK %)



## China Passenger Demand International Operations



Source: CAAC, DGCA, © International Air Transport Association, 2019. All Rights Reserved.

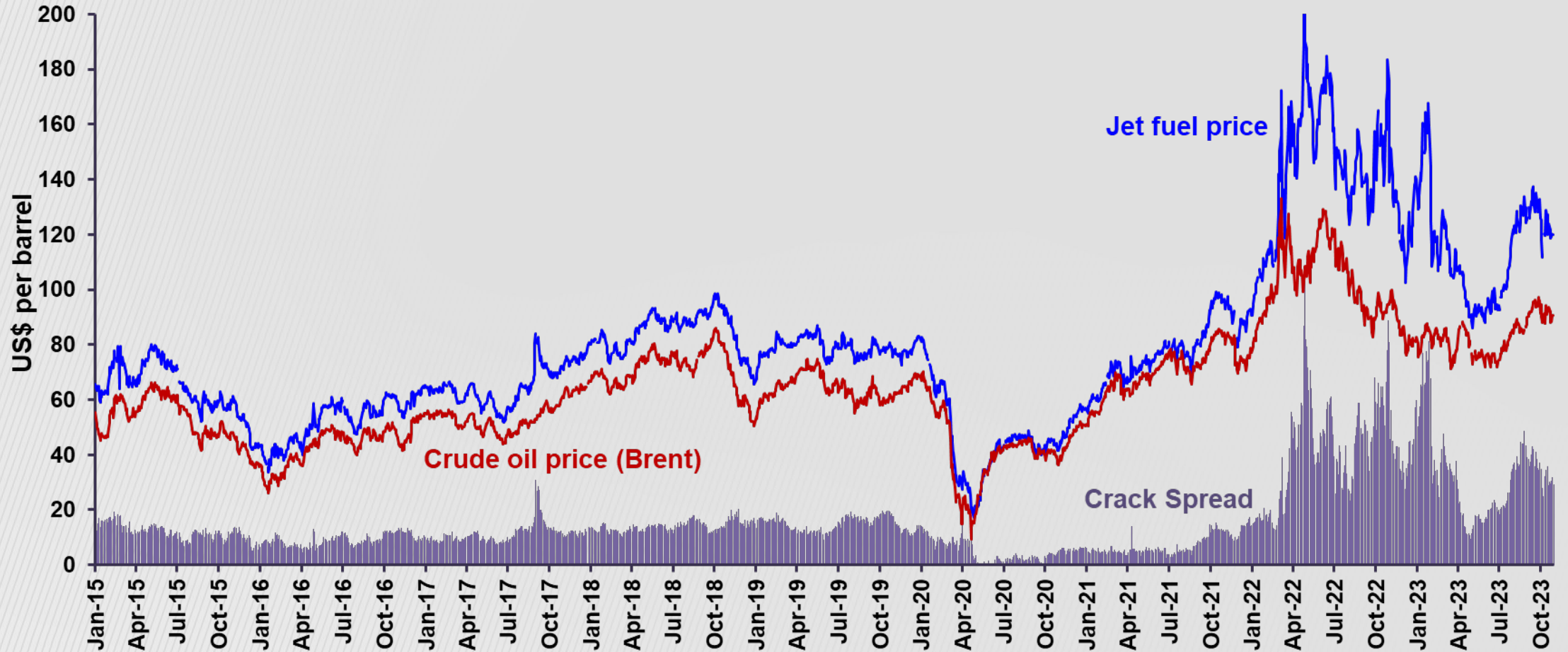
# Contribution of Travel & Tourism to Global GDP



By 2033, the travel & tourism sector will employ 430 million people around the world, almost 12% of the working population

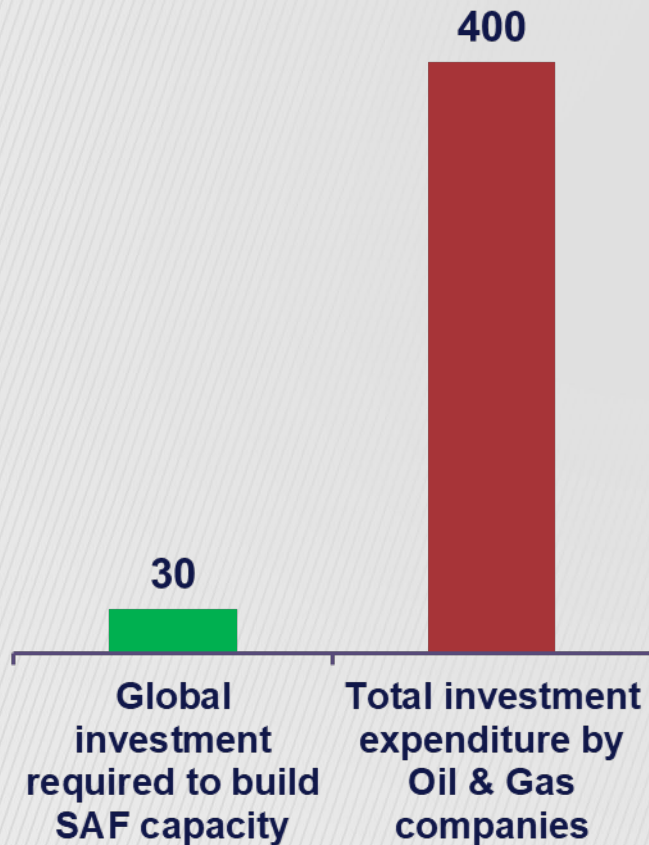


# Volatile fuel prices & high crack spread a challenge to airline cost control



Source: US Energy Information Administration (EIA), AAPA

## Annual Investment, US\$ Billion



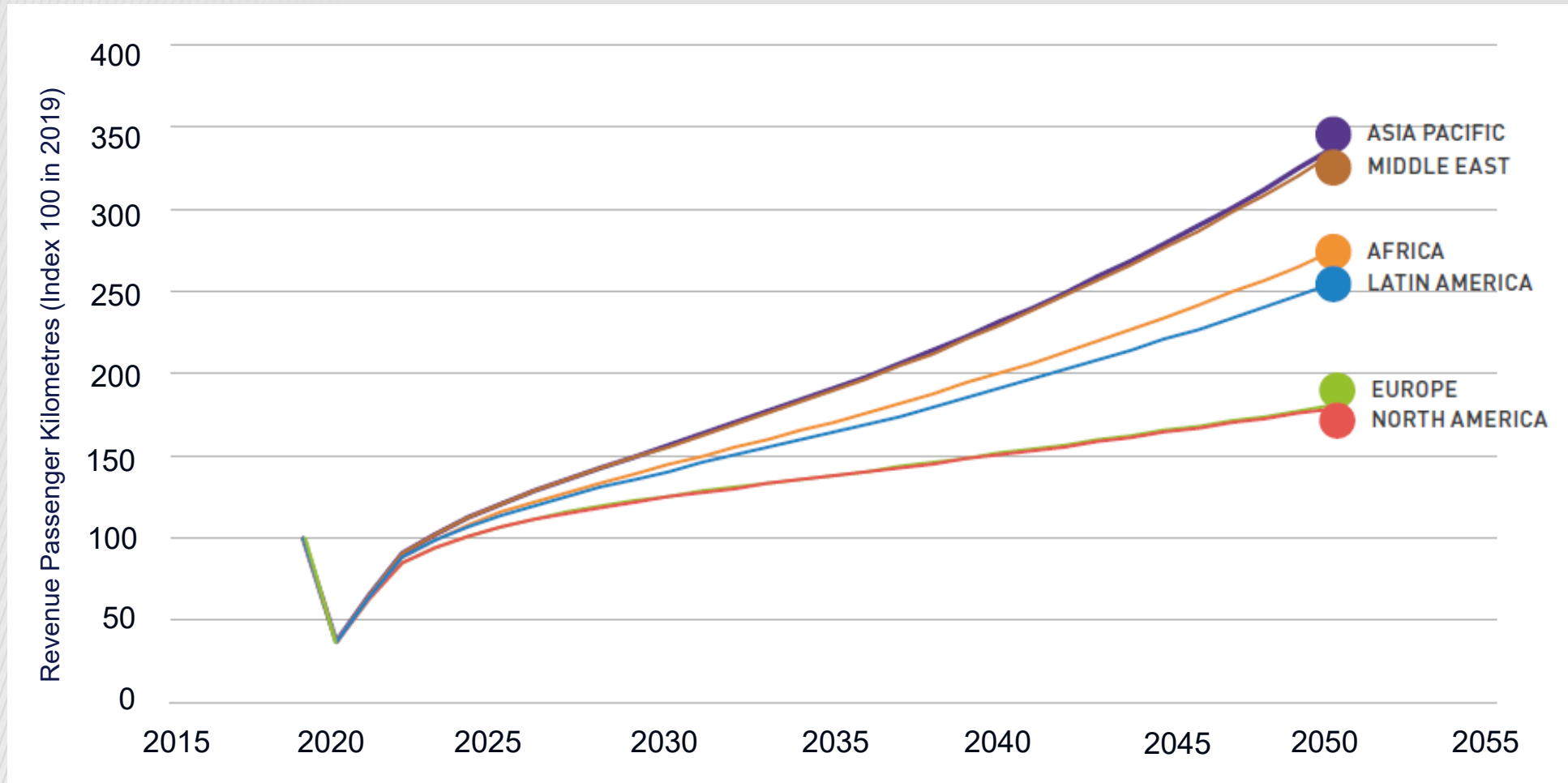
- Investments in SAF infrastructure critical for future supply
- Global investment required to build sufficient SAF capacity represents just under 7.5% of annual investment expenditure of US\$400bn by the largest 100 oil & gas companies

Data based on aspirational & aggressive technology perspective of SAF deployment

Source: ATAG

# Future looks promising for Asia Pacific passenger markets

Regional RPK forecasts (2019 – 2050)



Source: ATAG



