

## PRESS RELEASE

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July 2014 / Traffic / Preliminary

**Association of Asia Pacific Airlines**

(Reg. No. 587)

Level 27-1, Menara Prestige

1 Jalan Pinang

50450 Kuala Lumpur

MALAYSIA

Tel +603 2162 1888

Fax +603 2162 6888

[www.aapairlines.org](http://www.aapairlines.org)

### **Asia Pacific Airlines Traffic Results – July 2014**

**Kuala Lumpur, Malaysia** – Preliminary traffic figures for the month of July released today by the Association of Asia Pacific Airlines (AAPA) showed continued growth in both international passenger and air freight demand.

In total, Asia Pacific airlines carried 22.1 million international passengers in July, an increase of 4.3% compared to the same month last year, boosted by strong regional demand. In revenue passenger kilometre (RPK) terms, demand growth was a slightly more measured 4.0%. However, available seat capacity expanded by 5.7%, resulting in a 1.2 percentage point decline in the average international passenger load factor to 78.8% for the month.

Supported by encouraging growth in demand for exports from major regional manufacturing hubs, air freight growth accelerated in July with a 6.4% increase compared to the same month last year. For the third consecutive month, the expansion in capacity lagged growth in demand. In July, offered freight capacity increased by 3.2%, leading to a 2.0 percentage point increase in the average international freight load factor to 65.3%.

Commenting on the results, Mr. Andrew Herdman, AAPA Director General said, “Overall, during the first seven months of this year, Asia Pacific airlines carried a combined total of 145.3 million international passengers, an increase of 4.7% compared to the same period last year. International air freight demand grew by 4.9% during the same period, marking a long overdue recovery in trade volumes after several years of weak global demand.”

Mr. Herdman added, “The sustained upward trend in both international passenger and cargo demand is very positive, and reflects continued growth in the emerging markets and a relatively stable global economic outlook. Nevertheless, Asia Pacific airlines are still facing very challenging business conditions, with additional capacity placing further

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downward pressure on fares and yields. As a result, revenue growth has been lacklustre, and profitability remains elusive for many of the region's carriers. Airlines are carefully reviewing their existing fleet deployments and future capacity plans in the light of current market conditions, whilst maintaining tight cost controls. The general outlook for Asian airlines remains positive, but right now, I would say restoring margins is the key focus of management attention across the industry."

**TRAFFIC UPDATE – PRELIMINARY**  
*International Scheduled Services of Asia Pacific Airlines*

<b>International</b>	<b>Jul-14</b>	<b>Jul-13</b>	<b>% Change</b>	<b>Jan-Jul 2014</b>	<b>Jan-Jul 2013</b>	<b>% Change</b>
Passengers (000)	22,092	21,180	+ 4.3%	145,346	138,858	+ 4.7%
RPK (mn.)	80,936	77,796	+ 4.0%	526,420	503,121	+ 4.6%
ASK (mn.)	102,701	97,200	+ 5.7%	683,810	643,989	+ 6.2%
Passenger Load Factor	78.8%	80.0%	- 1.2 pp	77.0%	78.1%	- 1.1 pp
FTK (mn.)	5,392	5,067	+ 6.4%	35,633	33,959	+ 4.9%
FATK (mn.)	8,261	8,007	+ 3.2%	55,202	52,770	+ 4.6%
Freight Load Factor	65.3%	63.3%	+ 2.0 pp	64.6%	64.4%	+ 0.2 pp

- Aggregated traffic data for 30 Asia Pacific based carriers\*
- Previous year data adjusted for comparison purposes
- RPK = revenue passenger kilometres
- ASK = available seat kilometres
- FTK = freight tonne kilometres
- FATK = available freight tonne kilometres
- All figures, including estimates for missing data, are provisional

\* Effective January 2014, the enlarged dataset comprises aggregated traffic data for the following 30 Asia Pacific based airlines: 5J, 6E, 9W, AI, AK, BI, BR, CA, CI, CX, CZ, GA, JL, JQ, KA, KE, MH, MU, NH, NZ, OZ, PG, PR, SG, SQ, TG, TR, QF, VA and VN.

Prior year comparisons have been adjusted accordingly.

**ENDS**

**Association of Asia Pacific Airlines (AAPA)**

The AAPA is the trade association for scheduled international airlines based in the Asia-Pacific region. The AAPA permanent secretariat is headquartered in Kuala Lumpur, Malaysia with international representation in Brussels and Washington, D.C. Collectively, the region's airlines carry 1,012 million passengers and 19 million tonnes of cargo, representing one-third of global passenger traffic and two-fifths of global air cargo traffic respectively, and thus play a critically important role in the ongoing development of global aviation.

For further information, please contact:  
Office of the Director General  
Tel +603 2162 1888 Fax +603 2162 6888  
Email: [odg@aapa.org.my](mailto:odg@aapa.org.my)  
Website: [www.aapairlines.org](http://www.aapairlines.org)  
Twitter: @aapairlines