

PRESS RELEASE

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July 2018 / Traffic / Preliminary

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Asia Pacific Airlines Traffic Results – July 2018

Encouraging growth maintained

Kuala Lumpur, Malaysia – Preliminary traffic figures for the month of July released today by the Association of Asia Pacific Airlines (AAPA) showed sustained growth in international air passenger markets, whilst air cargo demand remained firm despite moderating expansion in the global services and manufacturing sectors.

Boosted by strong leisure travel demand during the holiday season, the region's airlines registered a 7.6% growth in the number of international passengers carried to a combined total of 31.4 million in July. In revenue passenger kilometre (RPK) terms, demand grew by 7.3%, underscoring continued strength in short-haul travel markets. The average international passenger load factor climbed 1.2 percentage points higher to 82.7% for the month, on a 5.7% expansion in available seat capacity.

In July, international air cargo demand as measured in freight tonne kilometres (FTK) recorded an encouraging 5.0% increase compared with the same month last year. Consumer confidence so far seems relatively unaffected by the political rhetoric including threats of protectionist measures. The average international freight load factor declined by 0.5 percentage points to 64.4% for the month, following a 5.9% expansion in offered freight capacity.

Commenting on the results, Mr. Andrew Herdman, AAPA Director General said, "The solid pattern of growth seen in the first half of the year continued into the month of July, with Asian airlines reporting further increases in both international passenger traffic and air cargo volumes, sustained by broad-based growth in the global economy."

"Overall, during the first seven months of the year, the number of international passengers grew by 7.9% to a combined total of 207 million. During the same period, air cargo demand remained relatively robust, growing by 5.1% on top of the strong performance we saw last year."

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Looking ahead, Mr. Herdman said, “For the upcoming months, the global economic outlook remains positive, despite some concern that uncertainties over future trade policy could undermine business confidence internationally. On a more positive note, both the United States and China have announced expansionary fiscal measures, which should stimulate domestic demand in the advanced and emerging market economies, and hopefully mitigate any adverse impact from new tariff barriers.”

“Adapting to changes in consumer trends in a dynamic marketplace, Asian airlines are growing revenue through new product and service offerings. At the same time, airlines are making further improvements to operational efficiency in a bid to manage costs and maintain profitability.”

TRAFFIC UPDATE – PRELIMINARY

International Scheduled Services of Asia Pacific Airlines

International	Jul-18	Jul-17	% Change	Jan-Jul 2018	Jan-Jul 2017	% Change
Passengers (Thousand)	31,404	29,178	+ 7.6%	207,077	191,914	+ 7.9%
RPK (Million)	117,774	109,797	+ 7.3%	764,569	710,297	+ 7.6%
ASK (Million)	142,425	134,735	+ 5.7%	945,236	886,834	+ 6.6%
Passenger Load Factor	82.7%	81.5%	+ 1.2 pp	80.9%	80.1%	+ 0.8 pp
FTK (Million)	6,317	6,015	+ 5.0%	41,578	39,569	+ 5.1%
FATK (Million)	9,808	9,265	+ 5.9%	66,167	61,836	+ 7.0%
Freight Load Factor	64.4%	64.9%	- 0.5 pp	62.8%	64.0%	- 1.2 pp

Effective January 2018, the dataset comprises aggregated traffic data from the following 36 Asia Pacific based carriers: 3K, 5J, 6E, 9C, 9W, AI, AK, BI, BR, CA, CI, CX, CZ, D7, GA, HO, HU, JL, JQ, KA, KC, KE, MH, MU, NH, NZ, OZ, PG, PR, QF, SG, SQ, TG, TR, VA and VN.

- 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

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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 1,486 million passengers and 22 million tonnes of cargo, representing over one-third of global passenger and air cargo traffic, and thus play a leading role in the ongoing development of global aviation.

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