

PRESS RELEASE

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February 2019 / 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

Asia Pacific Airlines Traffic Results – February 2019

Sustained growth in passenger demand, weak cargo markets

Kuala Lumpur, Malaysia – Preliminary traffic figures for the month of February released today by the Association of Asia Pacific Airlines (AAPA) showed encouraging growth in international air passenger markets, supported by increased leisure travel demand during the Lunar New Year celebrations. On the other hand, closure of businesses during the festive period further aggravated the prevailing weakness in air cargo markets.

The number of international passengers carried by the region's airlines climbed 4.4% higher in February, on top of the strong growth recorded during the same month last year. Demand as measured in revenue passenger kilometres (RPK) increased by 4.3% year-on-year, indicating strength in both regional and long haul travel markets. After accounting for a 4.7% expansion in available seat capacity, the average international passenger load factor eased by 0.3 percentage points to 80.8% for the month.

Meanwhile, air cargo markets recorded steep declines in February, as demand in freight tonne kilometre (FTK) terms saw a double-digit fall of 11.9% compared to the same month last year. Weakness in export activity was driven by slower demand from major advanced and emerging market economies, including China. The fall in demand vis-à-vis the 1.2% contraction in offered freight capacity led to a significant drop in the average international freight load factor, by 6.5 percentage points to 53.3% for the month.

Commenting on the results, Mr. Andrew Herdman, AAPA Director General said, "Combined figures for the first two months of the year revealed a firm 6.3% increase in the number of international passengers carried by the region's airlines to a combined total of 62 million. Passenger demand remained relatively steady, supported by competitive air fares and overall economic growth."

“Conversely, air cargo markets experienced challenging conditions. Declining confidence levels contributed to further falls in new export orders, adversely affecting demand for air shipments. Taken together, the first two months of the year saw an 8.3% decline in air cargo demand for Asian carriers.”

Looking ahead, Mr. Herdman said, “The slowdown in the manufacturing sector with the ongoing softening in trade sentiment point to the likelihood of continued weakness in air cargo markets in the coming months. Nevertheless, ongoing growth in e-commerce shipments should provide some level of support to air cargo demand.”

“Stimulatory fiscal policies implemented by selected economies are expected to encourage domestic spending. This should support reasonable growth in the global economy this year, sustaining continued growth in air travel markets. Overall, airlines remain proactive in responding to changes in demand conditions, and are exploring new avenues to boost revenue growth whilst managing costs in the face of challenging operating conditions.”

TRAFFIC UPDATE – PRELIMINARY
International Scheduled Services of Asia Pacific Airlines

International	Feb-19	Feb-18	% Change	Jan-Feb 2019	Jan-Feb 2018	% Change
Passengers (Thousand)	29,553	28,314	+ 4.4%	61,742	58,087	+ 6.3%
RPK (Million)	106,866	102,433	+ 4.3%	227,336	213,771	+ 6.3%
ASK (Million)	132,242	126,333	+ 4.7%	278,947	264,889	+ 5.3%
Passenger Load Factor	80.8%	81.1%	- 0.3 pp	81.5%	80.7%	+ 0.8 pp
FTK (Million)	4,539	5,155	- 11.9%	10,199	11,121	- 8.3%
FATK (Million)	8,516	8,619	- 1.2%	18,632	18,483	+ 0.8%
Freight Load Factor	53.3%	59.8%	- 6.5 pp	54.7%	60.2%	- 5.5 pp

Effective January 2019, the dataset comprises aggregated traffic data from the following 39 Asia Pacific based carriers: 3K, 5J, 6E, 9C, 9W, AI, AK, BI, BR, CA, CI, CK, CX, CZ, D7, GA, HO, HU, IX, JL, JQ, KA, KC, KE, KZ, 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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Issue 2019: 5



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.

For further information, please contact:

Office of the Director General

Tel +603 2162 1888 Fax +603 2162 6888

Email: odg@aapa.org.my

Website: www.aapairlines.org

Twitter: [@aapairlines](https://twitter.com/aapairlines)