

PRESS RELEASE

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Asia Pacific Airlines May 2023 Traffic Results

Steady recovery in passenger demand; air cargo markets on the wane

Kuala Lumpur, Malaysia – Preliminary May 2023 traffic figures released today by the Association of Asia Pacific Airlines (AAPA) showed that international passenger markets continue to grow strongly amidst the restoration of flights in the region.

The region's carriers registered a 193.2% year-on-year increase in the number of international passengers carried to 21.4 million in May. As a percentage of the corresponding month in 2019, demand averaged 68.5%. As measured in revenue passenger kilometres (RPK), demand climbed 162.5%, outpacing the 142.6% expansion in available seat capacity. As a result, the average international passenger load factor increased by 5.9 percentage points to 77.9% for the month.

On the other hand, subdued demand conditions, driven by weak business confidence levels adversely impacted air cargo markets. In freight tonne kilometres (FTK) terms, air cargo demand fell by 7.0% year-on-year in May. Offered capacity rose by 6.0%, leading to an 8.5 percentage point decline in the average international freight load factor to 60.1% for the month.

Commenting on the results, Mr. Subhas Menon, AAPA Director General said, "Strong travel appetite continued to spur recovery in passenger demand which grew by nearly three times in May, with both premium and leisure segments on the rise. Air cargo demand remained soft, reflecting the prevailing weak global economic conditions and in particular, the slowdown in the manufacturing sector."

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Looking ahead, Mr. Menon said, “Trade tensions are likely to weigh down on cargo markets for some time to come whereas air travel demand is expected to demonstrate resilience in spite of the headwinds in the external environment.”

Mr. Menon added, “Overall, the outlook for the airlines remains positive, with the recent moderation in oil prices providing some relief to operating expenditure even though the industry will continue to face inflationary cost pressures. Against this background, the region’s airlines are focusing their attention on disciplined cost management throughout the business while maintaining excellent safety and customer service standards.”

TRAFFIC UPDATE – PRELIMINARY

International Scheduled Services of Asia Pacific Airlines

International	May-23	May-22	% Change	Jan-May 2023	Jan-May 2022	% Change
Passengers (Thousand)	21,387	7,294	+ 193.2%	95,929	21,057	+ 355.6%
RPK (Million)	78,326	29,843	+ 162.5%	359,287	94,402	+ 280.6%
ASK (Million)	100,522	41,429	+ 142.6%	446,089	164,002	+ 172.0%
Passenger Load Factor	77.9%	72.0%	+ 5.9 pp	80.5%	57.6%	+ 22.9 pp
FTK (Million)	5,175	5,567	- 7.0%	24,949	27,807	- 10.3%
FATK (Million)	8,604	8,116	+ 6.0%	40,724	40,042	+ 1.7%
Freight Load Factor	60.1%	68.6%	- 8.5 pp	61.3%	69.4%	- 8.1 pp

Effective January 2020, the dataset comprises aggregated traffic data from the following 40 Asia Pacific based carriers: 3K, 5J, 6E, 7C, 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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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 represent 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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