

PRESS RELEASE

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Association of Asia Pacific Airlines
(Reg. No.587)
36th Floor, Menara Maxis
Kuala Lumpur City Centre
50088 Kuala Lumpur
MALAYSIA
Tel: +603 2615 0188
Fax: +603 2615 0088
www.aapairlines.org

Asia Pacific Airlines August 2023 Traffic Results

Steady growth in passenger markets, but further decline in cargo demand

Kuala Lumpur, Malaysia – Preliminary August 2023 traffic figures released today by the Association of Asia Pacific Airlines (AAPA) showed further recovery in international passenger markets, underpinned by robust travel demand and expansion in city-pair connections from both outside and within the region.

In total, Asia Pacific airlines carried 25.7 million international passengers in August, a solid 129.7% year-on-year growth compared to the same month last year, bringing demand to average 76.5% of pre-pandemic levels. In revenue passenger kilometres (RPK), demand rose by 102.0% year-on-year, while available seat capacity expanded by 88.7%, leading to a 5.4 percentage point increase in the average international passenger load factor to 82.8%.

Meanwhile, renewed declines in export orders prolonged the decline in air cargo markets. Demand, as measured in freight tonne kilometres (FTK), saw a slight 1.8% year-on-year fall in August when compared to the subdued volumes recorded in the same month last year. The international freight load factor remained under pressure, recording a 6.6 percentage point decline to average 58.8% for the month, after accounting for a 9.2% year-on-year expansion in offered freight capacity.

Commenting on the results, Mr. Subhas Menon, AAPA Director General said, “Despite the moderation in global economic activity, demand has continued to grow in the services sectors, including travel and tourism. Against this background, Asia Pacific airlines saw a healthy 232% increase in the number of international passengers carried to a combined 171 million during the first eight months of the year.”

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“On the other hand, the same period saw Asian airlines record a 7.6% decline in international air cargo demand, reflecting prevailing weakness in international trade flows. In addition, the normalisation of container shipping rates affected demand for air shipments of non-time sensitive goods.”

Looking ahead, Mr. Menon said, “Forward booking trends indicate resilient travel demand in the coming months. While this augurs well for the passenger business segment, airlines are facing higher costs, driven by inflation and the recent rise in jet fuel prices, which threaten to squeeze margins. Delays in aircraft deliveries and parts shortages may affect airline fleet deployment plans. Competition is also intensifying, in tandem with the increase in capacity globally. Asian airlines remain focused on efforts to increase productivity, as the industry strives to return to profitability following three consecutive years of heavy losses.”

TRAFFIC UPDATE – PRELIMINARY
International Scheduled Services of Asia Pacific Airlines

International	Aug-23	Aug-22	% Change	Jan-Aug 2023	Jan-Aug 2022	% Change
Passengers (Thousand)	25,693	11,187	+ 129.7%	171,392	51,588	+ 232.2%
RPK (Million)	94,842	46,947	+ 102.0%	639,568	222,766	+ 187.1%
ASK (Million)	114,505	60,680	+ 88.7%	782,374	328,303	+ 138.3%
Passenger Load Factor	82.8%	77.4%	+ 5.4 pp	81.7%	67.9%	+ 13.8 pp
FTK (Million)	5,388	5,489	- 1.8%	41,246	44,650	- 7.6%
FATK (Million)	9,159	8,390	+ 9.2%	67,778	65,514	+ 3.5%
Freight Load Factor	58.8%	65.4%	- 6.6 pp	60.9%	68.2%	- 7.3 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.

For further information, please contact:
Office of the Director General
Tel: +603 2615 0188
Fax: +603 2615 0088
Email: odg@aapa.org.my
Website: www.aapairlines.org
Twitter: @aapairlines

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