

# Industry Status and challenges

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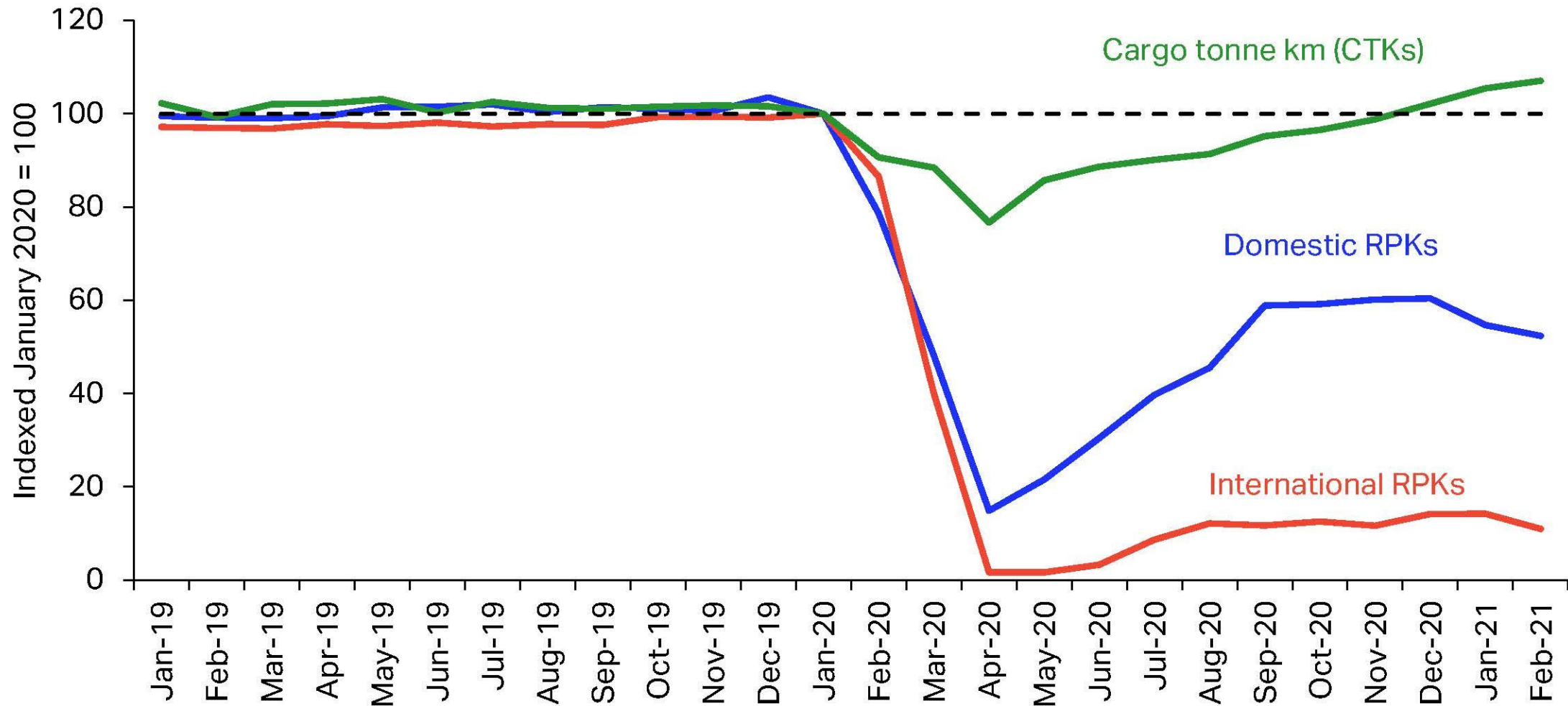
19th May 2021



# Airlines need revenues to recover, but air travel still weak

## International air travel 89% down, domestic falling, though cargo strong

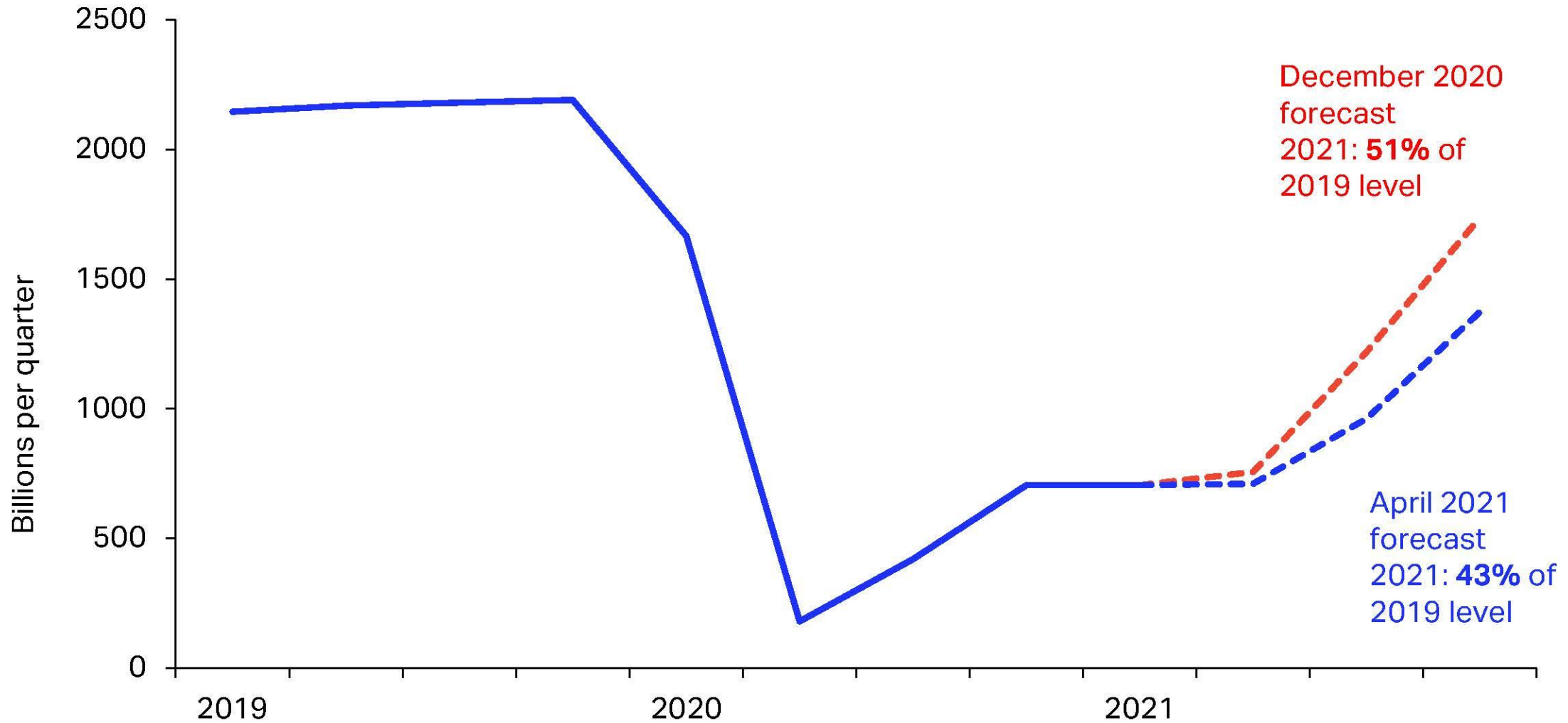
Cargo tonne km (CTK) and passenger km (RPK), Jan 2020 = 100



# RPK forecast is not as positive as in December

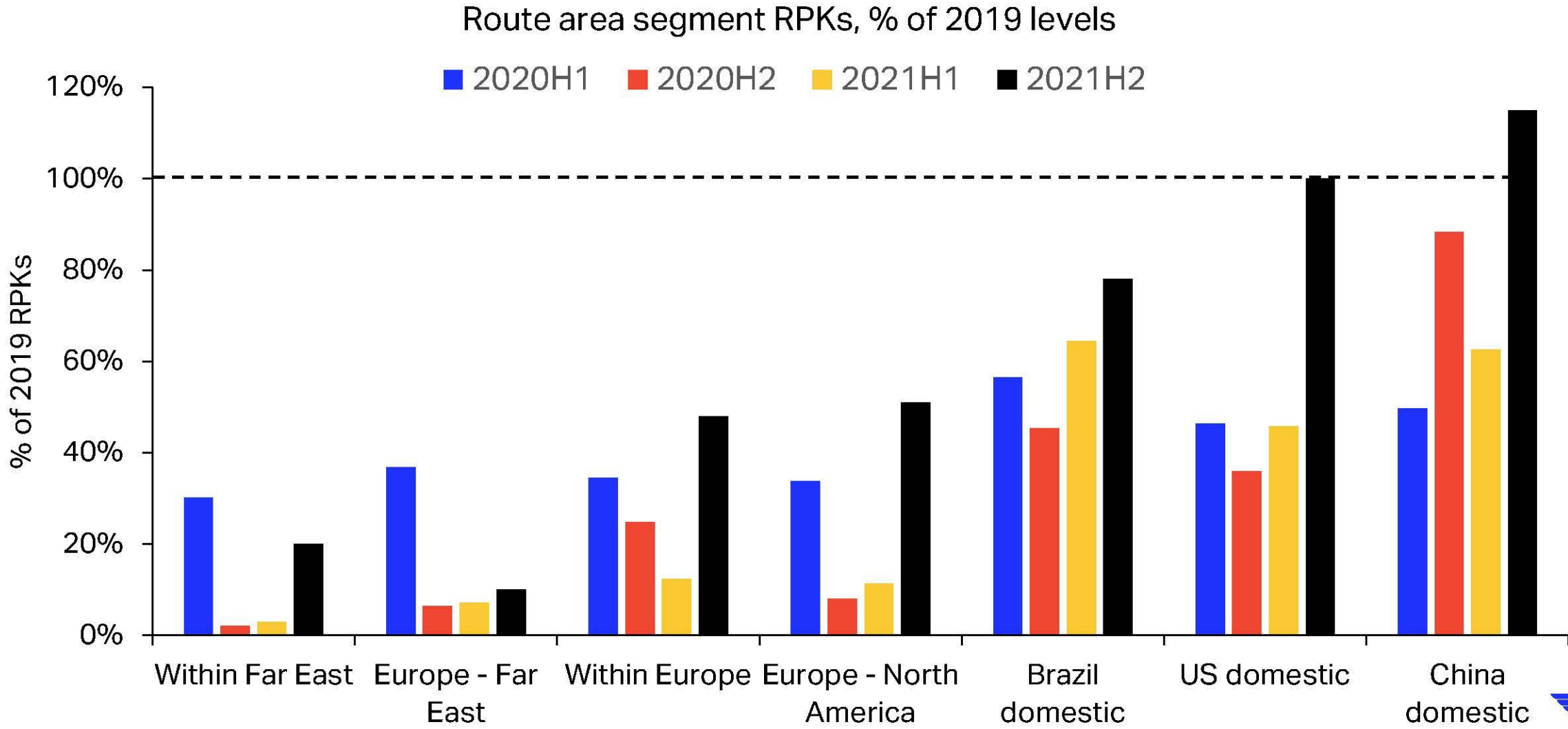
Delays to vaccination and government risk aversion limits market opening

Global RPKs flown, billions per quarter



# Strong 2<sup>nd</sup> half in domestic markets, international weak

International RPK only 34% of 2019 by 2021H2, but domestic back to 96%

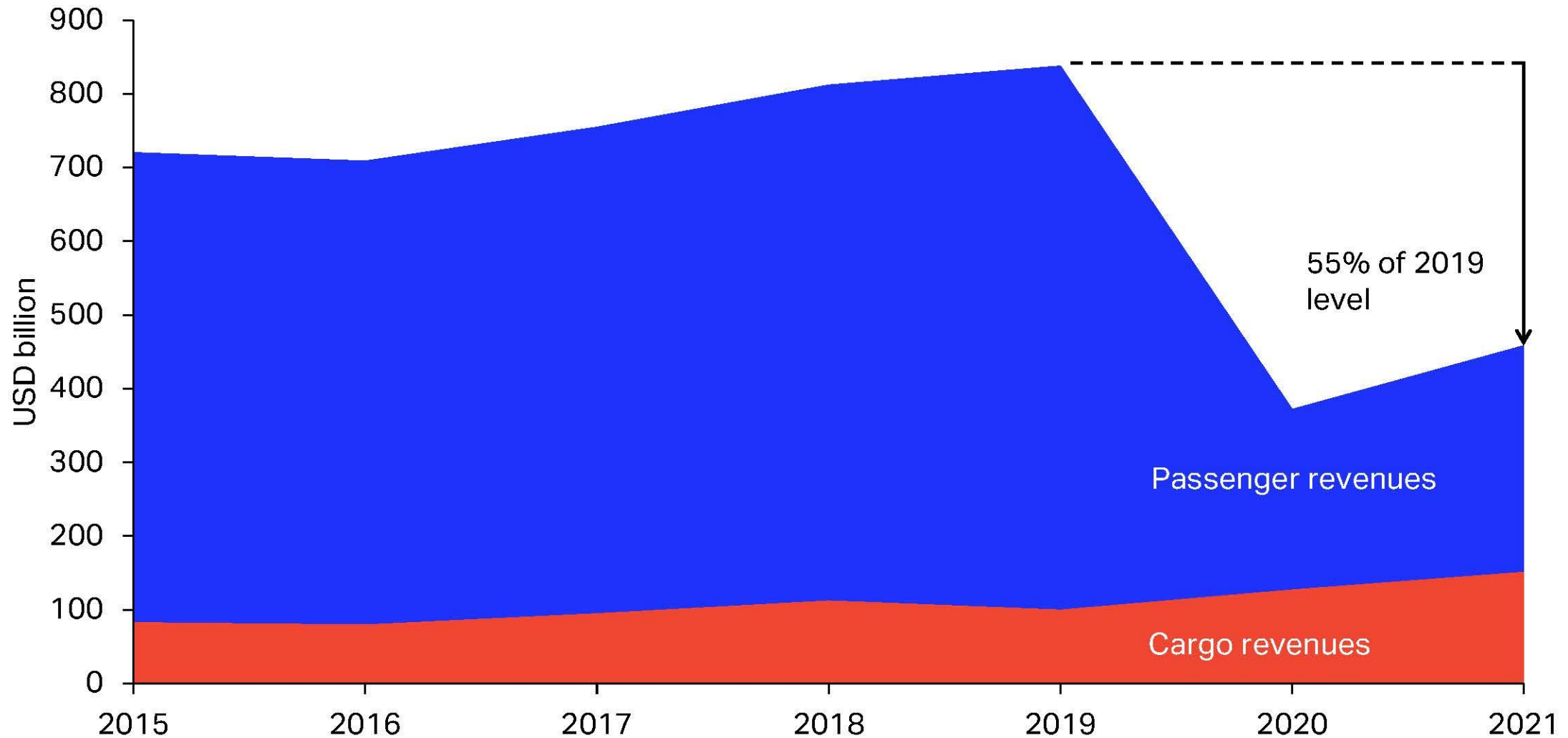


Source: IATA Economics Airline Industry Financial Forecast update, April 2021

# Some revenue recovery in 2021 - to 55% of 2019 level

## Cargo revenues strong, but insufficient to offset shrunken pax revenues

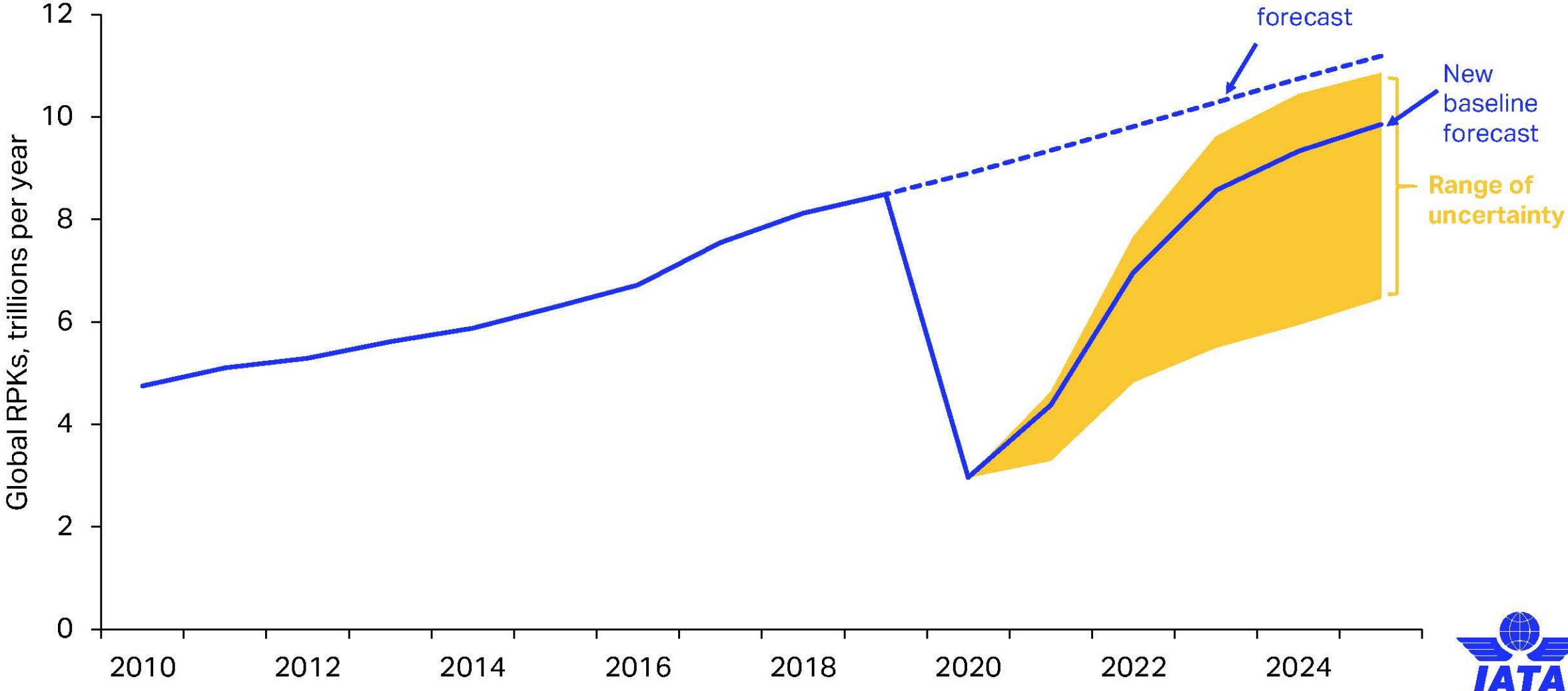
Global airlines revenue, USD billion



# 2022/23 should see much stronger rebound of revenues

Once barriers down there is large pent-up demand and savings to spend

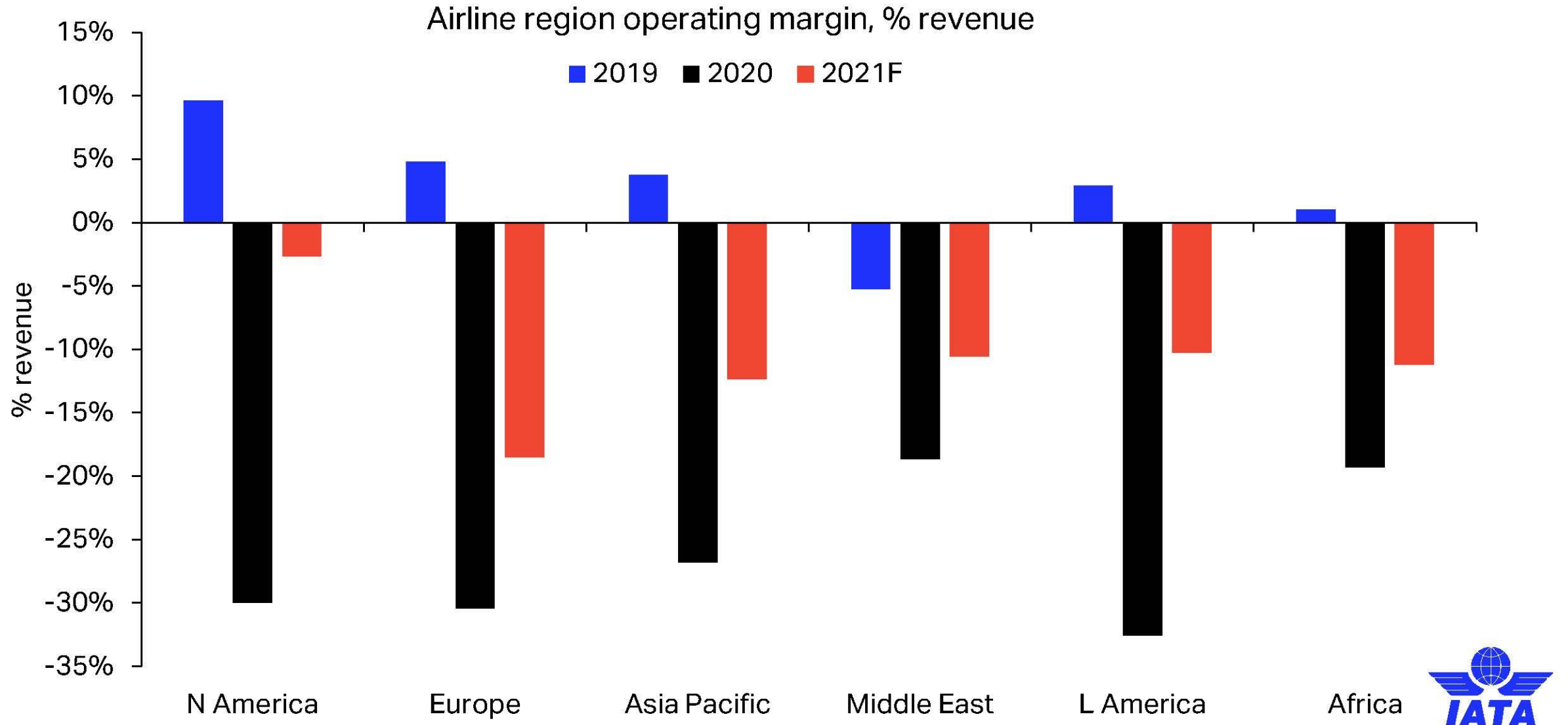
Global RPKs, trillions per year



Source: IATA/Tourism Economics 'Air Passenger Forecasts' January 2020

# N American airlines improving fast, Europe the least

## Regions with large domestic markets forecast to perform better in 2021



# Harmonization is key

- IATA fully support CART recommendations
- We urge governments to implement recommendations quickly
- Speed up risk assessment for vaccinated people
- Requirements for globally accepted COVID-19 test certificates including technology framework for securely creating digital versions and future incorporation of vaccination certificates are essential for restart
- States to access guidance for targeted extensions of licenses to make best use of it



We look forward to  
welcoming you!

