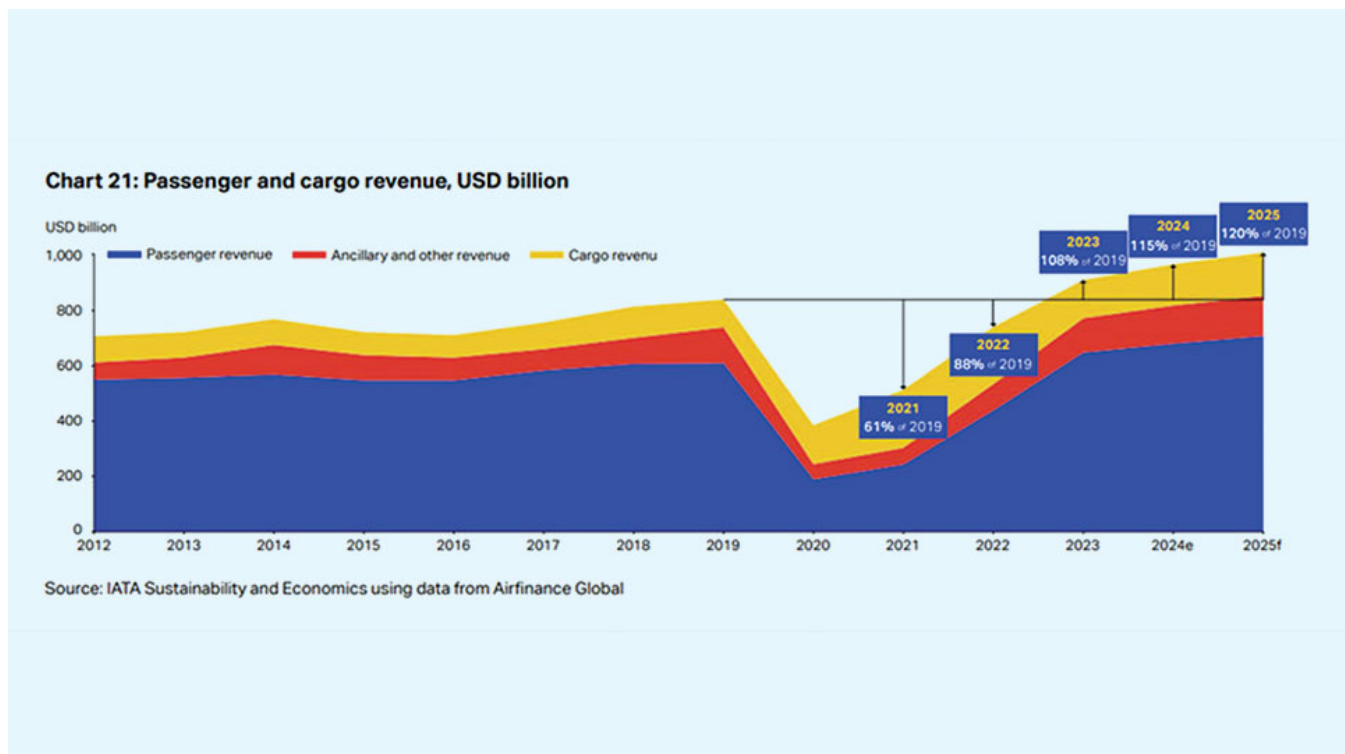


First ever : Global airline industry revenue to surpass USD 1tr in 2025

- A Monitor Report

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Geneva : Total revenues of the global airline industry are expected to be USD 1.007 trillion in 2025, marking an increase of 4.4 per cent from 2024, on the back of lower jet fuel prices and efficiency gains. With this, for the first time ever, industry revenues will be topping the USD 1 trillion mark. At the same time, expenses are expected to grow by 4.0 per cent to USD 940 billion.

The International Air Transport Association (IATA) made the announcement in its financial outlook for the global airline industry in 2025, which shows a slight strengthening of profitability amid ongoing cost and supply chain challenges.

"A trillion dollars is a lot-almost 1 per cent of the global economy. That makes airlines a strategically important industry," said Willie Walsh, Director General, IATA. "However, remember that airlines carry USD

940 billion in costs, not to mention interest and taxes," he added.

For instance, IATA's outlook mentioned, global airline industry's net profits are expected to be USD 36.6 billion in 2025 for a 3.6 per cent net profit margin, marking a slight improvement from the expected USD 31.5 billion net profit in 2024 for a 3.3 per cent net profit margin.

"Meaning, the industry retains a net profit margin of just 3.6 per cent. Put another way, the buffer between profit and loss, even in the good year that we are expecting of 2025, is just USD 7 per passenger," stressed Walsh.

Moreover, passenger numbers are expected to reach 5.2 billion in 2025, a 6.7 per cent rise compared to 2024. This is also the first time that the number of passengers will be exceeding the five billion mark, claimed IATA.

IATA, in its outlook, highlighted the broad benefits of growing connectivity. The most recent estimates show that airline employment is expected to grow to 3.3 million in 2025.

Airlines are the core of a global aviation value chain that employs 86.5 million people and generates USD 4.1 trillion in economic impact, accounting for 3.9 per cent of global GDP (2023 figures).