

APAC airlines recovering, carry 11.3m passengers in July

A Monitor Report

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Kuala Lumpur : The Association of Asia Pacific Airlines (AAPA) released its preliminary July traffic figures on August 25, which show the strong recovery in international air travel is continuing. The region's airlines carried 11.3 million passengers in July, the first time it has passed the ten million mark since February 2020.

AAPA represents scheduled international airlines based in the Asia-Pacific region. It is headquartered in the Malaysian capital of Kuala Lumpur and compiles data from 40 Asia-Pacific-based carriers.

There are too many to list, but a cross-section includes AirAsia, Cathay Pacific, Korean Air, Japan Airlines, Singapore Airlines, Qantas, Vietnam Airlines, China Eastern and IndiGo.

Comparing July 2021 to July 2022, passengers climbed from 1.5 million to 11.3 million, and load factors increased from 32 per cent to 80 per cent. In the first seven months of this year, AAPA airlines carried 42.84 million passengers at a load factor of 65.4 per cent, compared to 8.78 million passengers and a 28.7 per cent load factor in 2021. Tellingly, in July, revenue passenger kilometers rose by 546 per cent year on year, significantly outpacing the 157 per cent growth in available seat capacity.

Commenting on the results, AAPA Director General Subhas Menon said travel markets continued to accelerate in July, and the 43 million carried in the first seven months of 2022 was almost five-fold more than the nine million last year.

"However, full recovery remains a long way off, with traffic in July averaging only 34 per cent of the corresponding pre-pandemic month."

In a weird juxtaposition, as passenger markets increase, cargo markets are weakening, reversing the Covid-era trends. For July, international air cargo demand for Asia-Pacific airlines dropped by 11.6 per cent year on year, as measured by freight tonne kilometers (FTK).

However, the available freight tonne kilometers or capacity offered held relatively steady, edging just 0.4 per cent lower than in July 2021. That resulted in the average international freight load factor declining from 76.4 per cent in July 2021 to 67.8 per cent in 2022.