

Asia Pacific airlines witness solid growth in August

- A Monitor Report

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Singapore : Asia Pacific airlines continued to witness strong growth trajectory in August 2024. Both passenger and cargo markets demonstrated resilience and increasing strength across the region.

According to the Association of Asia Pacific Airlines (AAPA), the region's carriers transported a total of 32.3 million international passengers in August 2024, representing a 21.7 per cent increase compared to the same month last year. This sustained growth increased traffic volumes to 96.1 per cent of pre-pandemic levels, highlighting the industry's ongoing recovery.

Commenting on the results, Subhas Menon, Director General, AAPA, said, "During the first eight months of the year, the region's carriers saw a 36 per cent growth in the number of international passengers carried reaching a total of 240 million, boosted by increased air connectivity and less restrictive visa policies."

Passenger traffic upped by 21.7 per cent year-on-year to 32.3 million passengers in August. Revenue passenger kilometres increased by 20.7 per cent year-on-year. Available seat kilometres up by 19.7 per cent year-on-year. Passenger load factor increased by 0.7 percentage points to 83.2 per cent.

On the other hand, air cargo demand increased by 12.2 per cent year-on-year. Available freight tonne kilometres up by 10.4 per cent year-on-year. Freight load factor increased by 0.9 percentage points to 59.6 per cent.

Moreover, the air cargo sector also exhibited sustained strength, with international air cargo demand surging by 12.2 per cent year-on-year. The consistent increase in e-commerce activity, coupled with ongoing disruptions to maritime shipping, continued to fuel demand for air freight services.



The Asia Pacific airline industry's positive momentum has signaled further growth in the coming months. The region's carriers have successfully navigated challenges and demonstrated adaptability, leading to a strong recovery from the pandemic.

While supply chain disruptions remain a concern, the outlook for the aviation market remains optimistic due to the continued expansion of air connectivity and less restrictive visa policies.

However, the industry continues to face challenges such as delays in aircraft deliveries, shortages of spare parts, and a lack of skilled labor, which have contributed to flight disruptions and increased operational costs.

To mitigate these challenges, airlines are carefully managing flight frequencies, routes, and schedules while maintaining stringent safety standards.

"During the same period, international air cargo demand surged by 15 per cent year-on-year, driven by several key factors, including a thriving e-commerce sector. Disruptions in ocean freight logistics also encouraged modal shifts from sea to air, as businesses sought faster and more reliable transport alternatives," added Subhas Menon, Director General, AAPA.

Looking ahead, Menon said, "Supported by ongoing expansions in connectivity, travel demand is expected to remain healthy on routes within and across the regions. Similarly, the outlook for air cargo markets is positive, with businesses replenishing inventories in preparation for the year-end festive season."

Menon further claimed, "Nevertheless, persistent supply chain disruptions continue to pose challenges to the region's carriers. Delays in aircraft deliveries, shortages of spare parts and lack of skilled labour have heightened operational pressures, contributing to flight disruptions, and further increasing costs. Faced with such external pressures, airlines are carefully managing flight frequencies and schedules, without compromising the industry's excellent safety standards."

The Asia Pacific airline industry's strong performance in August reinforces the positive outlook for the remainder of the year.

The region's carriers are well-positioned to capitalise on the growing demand for air travel and cargo services while navigating the challenges posed by supply chain disruptions and other external factors.