

Asia Pacific cargo demand drops 10pc

A Monitor Report

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Singapore : International air cargo markets for Asia Pacific Airlines remained under pressure as export activity was hampered by depressed business and consumer confidence levels amid a deterioration in global macroeconomic conditions. The latest update from the Association of Asia Pacific Airlines (AAPA), the trade association for scheduled international airlines based in the Asia Pacific region, said this in its latest report.

International air cargo demand, as measured in freight tonne kilometres (FTK), recorded a decline of 10.4 per cent year-on-year in September to 5.4 billion.

Offered freight capacity increased 5.9 per cent 8.4 billion, leading to a 11.6 percentage point fall in the average international freight load factor to 64 per cent.

For the first nine months of the current financial year (January-September 2022), FTK was down 4 per cent to 50 billion and capacity was up 5 per cent to nearly 74 billion.

"The outlook for the cargo market remains subdued in the near term," said Subhas Menon, Director General, AAPA.

"Overall, the region's airlines continue to face a challenging operating environment with operating costs under pressure as a result of high fuel prices and weak local currencies."