

## Sky-high intl' airfares likely to descend : CAPA

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A Monitor Report

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Singapore : Current high prices of airfares on international routes are unlikely to continue and are projected to moderate significantly by 2023, stated a report from aviation consultancy firm Centre for Asia Pacific Aviation (CAPA).

Airlines will need to scrutinise the impact of higher fares on global demand.

"International traffic is expected to reach 55-60 million passengers, around 20 per cent below pre-Covid," said the CAPA report.

For next year though, airline losses are projected to stabilise from around "USD 3 billion in FY2022 to around USD 1.4 billion," the report mentioned, which should translate into a dip in airfare price levels.

Meantime, preliminary May 2022 month-to-date traffic figures released by the Association of Asia Pacific Airlines (AAPA), based on data by 40 full service carriers in the region, showed that international air passenger demand has strengthened, amidst the lifting of travel restrictions in a number of countries.

For the month, the number of international passengers carried by Asia Pacific airlines increased more than five-fold to a combined total of 7.3 million, a 461 per cent jump versus 2021, and approaching 23.6 per cent of volumes recorded in May 2019.