

Airline revenues to hit \$1t in 2025: IATA

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Dhaka: Airline revenues are expected to hit a record high of nearly US\$1 trillion in 2025, with industry net profit projected to remain steady at around US\$36 billion, according to the International Air Transport Association (IATA).

However, IATA warned on Monday (June 2) that ongoing trade tensions—particularly US-imposed tariffs—are dragging on the sector. The association noted that airline performance, along with growth in both passenger and cargo volumes, has fallen short of forecasts made at the end of 2024.

Speaking at Iata's annual general meeting in New Delhi, Walsh said that he anticipates "airlines flying more people and more cargo in 2025 than they did in 2024, even if previous demand projections have been dented by trade tensions and falls in consumer confidence", he added.

Walsh also called on sustainable aviation fuel producers and governments to boost production of sustainable aviation fuel, a key method of achieving the sector's goal of net-zero carbon emissions by 2050.

"The first half of 2025 has brought significant uncertainties to global markets. Nonetheless, by many measures including net profits, it will still be a better year for airlines than 2024, although slightly below our previous projections," said Iata director-general Willie Walsh.

Iata, which is the global trade organisation for airlines, said in its 2025 aviation industry outlook report that airline revenue for the year is projected to increase 1.3 per cent from 2024 to US\$979 billion. That is a new all-time high, although below the US\$1 trillion previously put forward at the end of 2024.

Net profit will improve to US\$36 billion from US\$32.4 billion in 2024, also below the original projection of US\$36.6 billion.

Net profit margins will improve to 3.7 per cent from 3.4 per cent in 2024, and outdo the original projection of 3.6 per cent.

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