

Mideast air travel demand rises 5.8pc in July

- A Monitor Desk Report

Date: 31 August, 2024



UAE: Middle Eastern carriers recorded a 5.8 per cent year-on-year increase in passenger demand in July as global demand, measured in revenue passenger kilometres (RPK), surged by 8.0 per cent compared to July 2023.

Data released by the International Air Transport Association (Iata) shows that capacity of Middle Eastern carriers increased 5.5 per cent year-on-year and the load factor was 84.1 per cent (+0.3 ppt compared to July 2023).

Globally, total capacity, measured in available seat kilometres (ASK), was up 7.4 per cent year-on-year. The July load factor was 86 per cent (+0.5ppt compared to July 2023). There was no significant negative demand impact from the CrowdStrike IT outage on 19 July.

In the air cargo sector, maritime tensions and an e-commerce boom

helped fuel a 14.7 per cent year-on-year increase in demand for Middle East carriers in July, Iata data showed.

Airlines in the region handled 13.5 per cent of global cargo over the period, unchanged from the previous month. Globally, total demand - measured in cargo tonne-kilometer - soared by 13.6 per cent in July compared to the same month of 2023. Middle Eastern carriers' air cargo capacity expanded by 4.4 per cent in July compared to the same month last year. The Middle East-Europe trade lane performed well, with a 32.2 percent year-on-year growth, while demand on the Middle East-Asia route increased by 15.9 percent.

"July was another positive month. In fact, passenger demand hit an all-time high for the industry and in all regions except Africa, despite significant disruption caused by the CrowdStrike IT outage," said Willie Walsh, Iata's director-general.

"The winding down of the peak northern summer season is a reminder of how much people depend on flying. As the mix of travelers shift from leisure to business, aviation's many roles are evident — reuniting families, enabling exploration, and powering commerce. People need and want to fly. And they are doing that in great numbers. Load factors are at the practicable maximum. But persistent supply chain bottlenecks have made deploying the capacity to meet the need to travel more challenging. As much of the world returns from vacation, there is an urgent call for manufacturers and suppliers to resolve their supply chain issues so that air travel remains accessible and affordable to all those who rely on it," said Walsh.

International passenger demand rose 10.1 per cent compared to July 2023. Capacity was up 10.5 per cent year-on-year and the load factor fell to 85.9 per cent (-0.3ppt compared to July 2023).

Domestic demand rose 4.8 per cent compared to July 2023. Capacity was up 2.8 per cent year-on-year and the load factor was 86.1 per cent (+1.7ppt compared to July 2023).

All regions showed strong growth for international passenger markets in July 2024 compared to July 2023, with signs that many markets are returning to long-term growth trends after the post-pandemic bounce back.

Walsh said air cargo demand hit record highs year-to-date in July with strong growth across all regions. The air cargo business continues to benefit from growth in global trade, booming e-commerce and capacity constraints on maritime shipping. “With the peak season still to come, it is shaping to be a very strong year for air cargo. And airlines have proven adept at navigating political and economic uncertainties to flexibly meet emerging demand trends.”

-B