

Mideast carriers witness 9.4pc air cargo demand growth: IATA

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Geneva: Middle Eastern carriers saw 9.4pc year-on-year demand growth for air cargo in April as global demand, measured in cargo tonne-kilometres (CTKs), rose by 11.1pc compared to April 2023 levels (11.6pc for international operations).

This is the fifth consecutive month of double-digit year-on-year growth, said the International Air Transport Association (IATA), which released data for April 2024 global air cargo markets showing strong annual growth in demand into the second quarter (Q2).

The Middle East-Europe market performed particularly well with 30.1pc annual growth, ahead of Middle East-Asia which grew by 10.4pc year-on-year. April capacity increased 5.7pc year-on-year.

Global capacity

Global capacity, measured in available cargo tonne-kilometres (ACTKs), increased by 7.1pc compared to April 2023 (10.2pc for international operations).

"Air cargo demand started Q2 with a solid 11.1pc increase. While many economic uncertainties remain, it appears that the roots of air cargo's strong performance are deepening. In recent months, air cargo demand grew even when the Purchasing Managers Index (PMI) was indicating the potential for contraction. With the PMI now indicating growth, the prospects for continued strong demand are even more robust," said Willie Walsh, IATA's Director General.

Several factors in the operating environment should be noted:

- In April, the PMIs for global manufacturing output and new export orders turned positive (51.5 and 50.5 respectively). This is the first time in two years that the new export orders PMI has been in growth territory.
- Industrial production increased by 1.6pc in March year-on-year, while global cross-border trade contracted by 0.8pc.
- Inflation remained relatively stable across the US, EU, and Japan in April with rates at 3.4pc, 2.6pc, and 2.5pc, respectively. China reported a 0.2pc increase in consumer prices year-on-year—a positive signal amid concerns over China's economic slowdown.

April regional performance

Asia-Pacific airlines saw 14.0pc year-on-year demand growth for air cargo in April – the strongest of all regions. Demand within the Asia market grew by 13.2pc compared to April 2023, and the Asia-Europe route grew by 17.7pc.

The Middle East-Asia route rose by 10.4pc, 9.5 percentage points (ppt) less than the growth recorded in March. Capacity increased by 7.8pc year-on-year.

North American carriers saw 7.0pc year-on-year demand growth for air cargo in April—the weakest among all regions. Demand on the Asia-North America trade lane grew by 7.3pc year-on-year, while the North America-Europe route saw an increase of 5.6pc, marking the largest

demand growth for this route since September 2022. April capacity increased by 4.0pc year-on-year.

European carriers saw 12.7pc year-on-year demand growth for air cargo in April. Intra-European air cargo rose by 34.4pc compared to April 2023, reflecting the highest annual growth in over a decade and a jump of 8.1ppt compared to the month before. Europe-Middle East routes saw demand increase by 30.1pc, experiencing a drop of 8.5ppt compared to the previous month's figure. April capacity increased 10.3pc year-on-year.

Latin American carriers saw 11.7pc year-on-year demand growth for air cargo in April. Capacity increased 9.8pc year-on-year.

African airlines saw 10.6pc year-on-year demand growth for air cargo in April. Demand on the Africa-Asia market increased by 25.8pc compared to April 2023. April capacity increased by 18.7pc year-on-year.

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