

African airlines see 2.1% rise in demand for passenger travel

The International Air Transport Association (IATA) has announced its global passenger traffic results for March 2019. The results show that demand (measured in revenue passenger kilometres, or RPKs) rose by 3.1%, compared to the same month a year ago, which was the slowest pace for any month in nine years. This largely was owed to the timing of the Easter holiday, which fell nearly a month later than in 2018.



©kasto via [123RF](#)

On a seasonally-adjusted basis, the underlying growth rate has been relatively steady since October 2018 at a 4.1% annualised pace. Capacity (available seat kilometres or ASKs) for the month of March grew 4.2% and load factor dropped by 0.9 percentage points to 81.7%.

"While traffic growth slowed considerably in March, we do not see the month as a bellwether for the rest of 2019. Nevertheless, the economic backdrop has become somewhat less favourable, with the IMF having recently revised its GDP outlook downward for a fourth time in the past year," said Alexandre de Juniac, IATA's Director General and CEO.

| March 2019 (% year-on-year) | World share ¹ | RPK | ASK | PLF (%-pt) ² | PLF (level) ³ |
|--------------------------------|--------------------------|-------------|-------------|-------------------------|--------------------------|
| Total Market | 100.0% | 3.1% | 4.2% | -0.9% | 81.7% |
| Africa | 2.1% | 2.6% | 2.0% | 0.4% | 72.0% |
| Asia Pacific | 34.4% | 1.9% | 3.5% | -1.3% | 81.2% |
| Europe | 26.7% | 4.9% | 5.4% | -0.4% | 83.7% |
| Latin America | 5.1% | 5.6% | 5.1% | 0.3% | 81.5% |
| Middle East | 9.2% | -3.0% | 2.1% | -3.9% | 73.9% |
| North America | 22.5% | 4.9% | 5.0% | -0.1% | 85.0% |

¹% of industry RPKs in 2018 ²Year-on-year change in load factor ³Load Factor Level

International passenger markets

March international passenger demand rose just 2.5% compared to March 2018, which was down from 4.1% year-over-year growth recorded in February and almost 5 percentage points below its five-year average pace. All regions showed growth with the exception of the Middle East. Total capacity climbed by 4.0%, with the load factor falling by 1.2 percentage points to 80.8%.

- European carriers saw March demand increase by 4.7% over March 2018, down from 7.5% annual growth in February. The result partly reflects falling business confidence in the Eurozone and ongoing uncertainty about Brexit. March capacity rose by 5.4%, with the load factor sliding by 0.6 percentage points to 84.2%, which still was the highest among regions.
- Asia-Pacific airlines' traffic climbed by 2.0% in March, compared to the year-ago period, which was down from 4% growth in February. However, results were stronger on a seasonally-adjusted basis. Capacity increased by 4.0%, while the load factor dropped by 1.6 percentage points to 80.1%.
- Middle East carriers' passenger demand fell by 3.0% in March, marking a second consecutive month of declining traffic. This reflects the broader structural changes in the industry which have been taking place in the region. Capacity increased by 2.3%, while the load factor plunged by 4.0 percentage points to 73.8%.
- North American airlines posted a 3.0% traffic rise in March compared to the year-ago period, which was down somewhat from 4.2% year-on-year growth in February. However, on a seasonally-adjusted basis, traffic has been trending strongly upwards. Capacity climbed by 2.6%, while load factor edged up 0.3 percentage points to 83.7%.
- Latin American airlines had the fastest traffic growth at 5.5%, compared to a year ago, up from 4.6% in February. March capacity rose by 5.8%, while the load factor dipped 0.2 percentage points to 81.9%. Latin America was the only region to show an increase in the year-on-year growth rate for March compared to February. In seasonally-adjusted terms traffic continues to trend upward sharply, notwithstanding economic and political uncertainty in some key countries.
- African airlines' demand increased by 2.1% compared to March 2018, down from a 2.5% rise in February. Capacity climbed by 1.1%, while the load factor strengthened by 0.7 percentage points to 71.4%. The upward traffic trend has softened since mid-2018 in line with falling business confidence in some of the region's key economies.

Domestic passenger markets

Domestic demand rose by 4.1% in March, which was a deceleration from 6.2% growth recorded in February that was driven largely by developments in China and India. Domestic capacity climbed by 4.5%, while the load factor dipped by 0.3 percentage points to 83.4%.

| March 2019 (% year-on-year) | World share ¹ | RPK | ASK | PLF (%-pt) ² | PLF (level) ³ |
|--------------------------------|--------------------------|-------------|-------------|-------------------------|--------------------------|
| Domestic | 36.0% | 4.1% | 4.5% | -0.3% | 83.4% |
| Australia | 0.9% | -3.2% | -2.1% | -0.9% | 79.3% |
| Brazil | 1.1% | 3.2% | 2.1% | 0.9% | 80.9% |
| China P.R | 9.5% | 2.9% | 4.4% | -1.2% | 84.2% |
| India | 1.6% | 3.1% | 4.7% | -1.4% | 86.6% |
| Japan | 1.0% | 4.2% | 3.6% | 0.4% | 74.5% |
| Russian Fed | 1.4% | 14.2% | 11.1% | 2.2% | 80.5% |
| US | 14.1% | 6.3% | 6.9% | -0.5% | 85.8% |

¹% of industry RPKs in 2018 ²Year-on-year change in load factor ³Load Factor Level

- India's domestic traffic rose just 3.1% in March, down from February's growth of 8.3% and well-off the torrid five-year average growth pace of close to 20% per month. The slowdown largely reflects the reduction in flight operations of Jet Airways—which stopped flying in April—as well as disruptions at Mumbai airport owing to construction.
- Australia's domestic traffic fell by 3.2% in March, marking the fifth consecutive month of contracting demand.

The bottom line

"Despite March's slowdown, the outlook for air travel remains solid. Global connectivity has never been better. Consumers can choose from more than 21,000 city pair combinations on more than 125,000 daily flights. And airfares continue to decline in real terms.

Aviation is truly the Business Freedom for the more than 12.5 million passengers who will board flights everyday. But it also remains extremely challenging, as the recent failures of Jet Airways and WOW Air illustrate

"Airlines compete intensely with one another, but they also cooperate in areas such as safety, security, infrastructure and the environment, to ensure that aviation can accommodate a forecast doubling in demand by 2037. Next month, leaders of the industry will gather in Seoul for the 75th IATA Annual General Meeting and World Air Transport Summit where all of these items will be high on the agenda."

[Read the full March Passenger Traffic Analysis.](#)