

IATA: African airlines record 3.6% rise in demand for July

The International Air Transport Association (IATA) has recorded slow global passenger demand growth for July. The total revenue passenger kilometres (RPKs) rose 3.6%, compared to the same month in 2018. This was down from 5.1% annual growth recorded in June.



Omar Prestwich via [Unsplash](#)

All regions posted traffic increases. Monthly capacity (available seat kilometres or ASKs) increased by 3.2%, with the load factor rising by 0.3 percentage points to 85.7%, which is a new high for any month.

"July's performance marked a soft start to the peak passenger demand season. Tariffs, trade wars, and uncertainty over Brexit are contributing to a weaker demand environment than we saw in 2018. At the same time the trend of moderate capacity increases is helping to achieve record load factors," said Alexandre de Juniac, IATA's director-general and CEO.

International passenger markets

July international passenger demand rose 2.7% compared to July 2018, which was a deceleration compared to the 5.3% growth recorded in June. Capacity climbed by 2.4%, with the load factor edging upward by 0.2 percentage points to 85.3%. All regions reported growth, led by airlines in Latin America.

Asia-Pacific airlines' July traffic rose by 2.7% over the year-ago period, a slowdown compared to June's growth of 3.9%; their weakest performance since early 2013. Capacity increased by 2.4%, with the load factor rising by 0.2 percentage points to 82.6%. US-China and Japan-South Korea trade tensions, as well as political tensions in Hong Kong all, have weighed on business confidence.

European carriers registered a modest 3.3% annual growth in July, down from a 5.6% year-over-year increase in June. This is the slowest rate of growth since mid-2016.

Continuing uncertainty over Brexit and slowing German exports and manufacturing activity contributed to a weakening in business and consumer confidence. Capacity rose by 3.2%, with the load factor climbing by 0.1 percentage points to 89.0%, the highest among the regions.

Middle East carriers had a 1.6% increase in demand for July, well down on the 8.3% growth recorded for June, after the end of Ramadan. Weakness in global trade, volatile oil prices and heightened geopolitical tensions have been negative factors for the region. July's capacity climbed by 1.0% compared to a year ago, with the load factor rising by 0.4 percentage points to 81.3%.

North American airlines' traffic climbed by 1.5% compared to July a year ago. This was down from 3.5% growth in June, reflecting the slowdown in the US and Canadian economies and the trade disputes. July's capacity rose by 0.7%, with the load factor climbing by 0.7 percentage points to 87.9%, the second-highest among the regions.

Latin American airlines experienced a 4.1% rise in traffic in July, which was the strongest growth among the regions but a decline from 5.8% year-over-year growth in June. It occurred amid continued disruption following the demise of Avianca Brasil and more challenging business conditions in some key regional economies. Capacity rose by 2.7%, with the load factor climbing by 1.1 percentage points to 85.6%.

African airlines' July traffic rose by 3.6%, a significant decline from 9.8% growth recorded in June, as weakening business confidence in South Africa offset solid economic conditions elsewhere on the continent. Capacity rose by 6.1%, with the load factor slipping by 1.7 percentage points to 72.9%.

Domestic passenger markets

Domestic travel demand outperformed international growth in July, as RPKs rose by 5.2% in markets tracked by IATA, up from 4.7% growth in June. Domestic capacity climbed by 4.7%, with the load factor rising by 0.4 percentage points to 86.5%.

China's domestic traffic rose 11.7% in July—an acceleration over the 8.9% growth recorded in June and the strongest domestic performance. Growth is benefitting from lower fares and more connections.

Japan's domestic traffic climbed by 4.7% in July, up from 2.6% in June. Business confidence and economic growth are relatively positive at the moment.

The bottom line

Over the peak northern summer period, millions of people took to the skies to reunite with families, to explore the world or to simply enjoy well-deserved vacations. The aviation industry is working hard to ensure that the environmental costs of all travel are minimised.

"The carbon footprint of the average air journey this year is half what it would have been in 1990. From 2020 overall net

emissions will be capped. And realising the full potential of sustainable aviation fuels will play a major role in our 2050 target to cut overall net emissions to half 2005 levels. Unfortunately, with a host of environmental taxes planned or under consideration in Europe, it seems that governments are more interested in taxing aviation than partnering with industry to make it sustainable," said de Juniac.

Read the full passenger analysis for July (pdf)

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