

Global air cargo capacity, demand continue to grow, says IATA

The International Air Transport Association (IATA) has released March 2024 data, indicating significant yearly increases in global air cargo demand.



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The overall demand, tracked using cargo tonne-kilometers (CTKs), climbed by 10.3% over March 2023 (11.4% for international operations), marking the fourth consecutive month of double-digit growth from the previous year. Meanwhile, capacity, recorded in available cargo tonne-kilometers (ACTKs), grew by 7.3% compared to March 2023, with a 10.5% rise in international operations.

"Air cargo demand grew by 10.3% over the previous March. This contributed to a strong first quarter performance which slightly exceeded even the exceptionally strong 2021 first quarter performance during the Covid crisis. With global cross-border trade and industrial production continuing to show a moderate upward trend, 2024 is shaping up to be a solid year for air cargo," says Willie Walsh, IATA's director general.

Several factors in the operating environment should be noted:

- Global cross-border trade and industrial production increased by 1.2% and 1.6% respectively in February.
- In March, the manufacturing output Purchasing Managers' Index (PMI) climbed to 51.9, indicating expansion. The new export orders PMI also rose to 49.5, remaining slightly below the 50 threshold that would indicate growth expectations.
- Inflation saw a mixed picture in March. In the EU and Japan, inflation rates fell to 2.6% and 2.7% respectively, while rising in the US to 3.5%. In contrast, China experienced a slight deflation of -0.01%. This latest figure marks a return to deflation after February's brief period of inflation.

March regional performance

Asia-Pacific airlines saw 14.3% year-on-year demand growth for air cargo in March. Demand for the Asia-Europe route grew by 2.7 ppt to 17.0% and the Asia market grew by 6.7 ppt to 11.8%. Capacity increased by 14.3% year-on-year.

North American carriers saw 0.9% year-on-year demand growth for air cargo in March —the weakest among all regions. Demand on the North America–Europe trade lane grew by 2.9% year-on-year while Asia–North America grew by 4.7% year-on-year. March capacity decreased by -1.9% year-on-year.

European carriers saw 10.0% year-on-year demand growth for air cargo in March. Intra-European air cargo rose by 24.7% year-on-year. Europe–Middle East routes saw demand grow by 38.3% year-on-year, while Europe–North America expanded by 2.9% year-on-year. March capacity increased 8.0% year-on-year.

Middle Eastern carriers saw 19.9% year-on-year demand growth for air cargo in March – the strongest of all regions. The Middle East–Europe market was the strongest performing with 38.3% growth, ahead of Middle East-Asia which grew by 19.6% year-on-year. March capacity increased 10.6% year-on-year.

Latin American carriers saw 9.2% year-on-year demand growth for air cargo in March. Capacity increased 7.0% year-on-year.

African airlines saw 14.2% year-on-year demand growth for air cargo in March. Demand in the Africa–Asia market increased to 22.9%, however, this was a 19.8 ppt decrease compared to February's performance and the largest contraction across the major route areas. March capacity increased by 17.3% year-on-year.

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