



# Air Cargo Market Analysis

September 2024

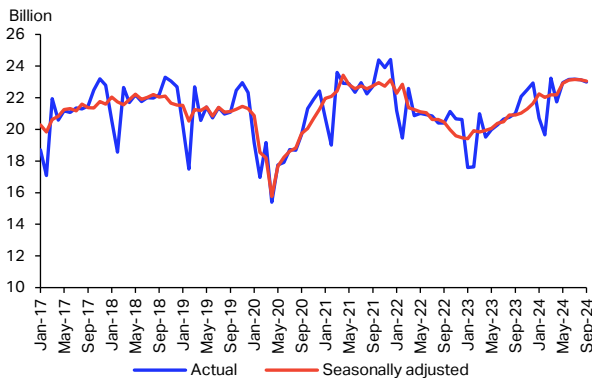
## Industry capacity and demand volumes at all-time highs

- Global Cargo Tonne-Kilometers (CTK) increased by 9.4% year-on-year (YoY) last month, delivering the 14th consecutive month of demand growth. Demand contracted by 0.4% month-on-month (MoM), net of seasonal adjustment,
- International CTK added 10.5% from last year, with growth in all regions and major trade lanes. Latin America and Caribbean carriers led the expansion with 19.8% YoY. Cargo demand for the within-Europe trade lane outpaced other route areas with an 18.0% annual surge.
- Global air cargo capacity, measured in Available Cargo Tonne-Kilometers (ACTK), saw a 6.4% growth YoY in September, slower growth than before while delivering record high capacity.
- Global air cargo yield maintains a moderate upward trend while jet fuel prices fall.

### Air cargo demand sustains 14-month consecutive growth

September marked the global air cargo industry's 14th consecutive month of demand growth, with a 9.4% YoY (**Chart 1**). Concurrently, last month's CTK volumes were the highest on record. In MoM terms, the industry CTK fell for the second consecutive month by -0.4% (after seasonal adjustment).

**Chart 1 – Industry CTK, billion**



Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics

For the sixth consecutive month, the largest contributors to the annual CTK surge were carriers from Asia Pacific and Europe. They contributed 42% and 26% to the global increase, respectively, in

### [Air cargo market in detail - September 2024](#)

	World share <sup>1</sup>	September 2024 (% year-on-year)				September 2024 (% year-to-date)			
		CTK	ACTK	CLF (%-pt)	CLF (level)	CTK	ACTK	CLF (%-pt)	CLF (level)
<b>TOTAL MARKET</b>	<b>100.0%</b>	<b>9.4%</b>	<b>6.4%</b>	<b>1.3%</b>	<b>45.6%</b>	<b>12.6%</b>	<b>8.4%</b>	<b>1.7%</b>	<b>45.2%</b>
International	86.6%	10.5%	8.1%	1.1%	50.8%	13.5%	10.8%	0.2%	50.6%

Note 1: % of industry CTKs in 2023

September. Middle East airlines contributed 15%, while North America contributed 11% during the same period.

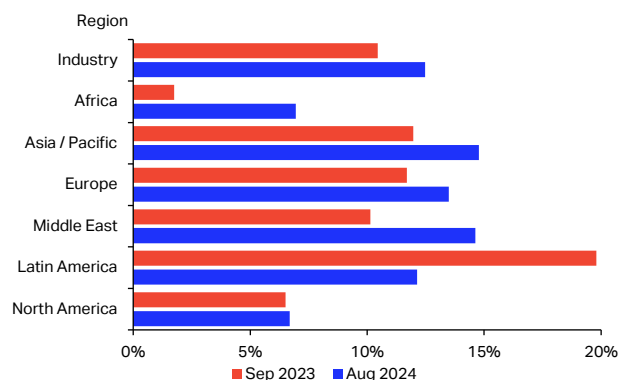
So far this year, air cargo demand in September surged 12.6% compared to 2023, setting a new year-to-date record.

### September sees strong growth in international cargo demand from all regions

International routes have experienced exceptional traffic levels for the fifth month, with a 10.5% YoY increase in September. Airlines are benefiting from rising e-commerce demand in the US and Europe amid ongoing capacity limits in ocean shipping. Carriers from all regions have seen growth in international traffic for most of the year compared to the previous year, and September continues this trend, showing strong growth rates between 1.8% and 19.8% (**Chart 2**).

Airlines in [Latin America and Caribbean](#) marked the highest annual growth in international CTK at 19.8% YoY. [Asia Pacific](#) airlines followed with 12.0%, and [European](#) airlines saw an 11.7% increase.

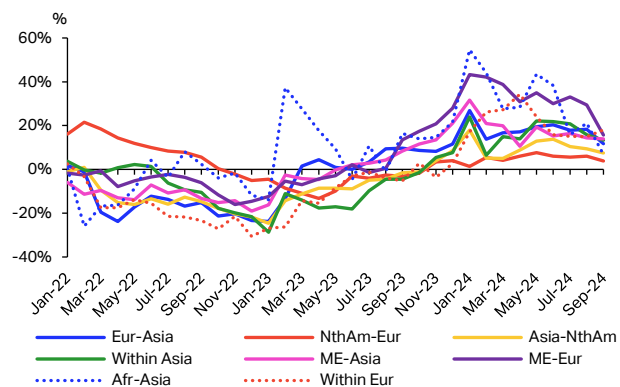
**Chart 2 – International CTK by airline region of registration, YoY, %**



Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics

Annual international CTK growth was positive across all major routes, though at varying levels (**Chart 3**). The highest increase came from routes within Europe at 18.0%, marking nine straight months of double-digit growth. Middle East-Europe followed with 15.6% YoY growth, sustaining growth for 14 months, including 13 months at double digits. Middle East-Asia ranked third, rising 13.9% YoY, maintaining 16 consecutive growth months, 12 of which were double digits. The largest markets, Asia-North America and Europe-Asia, grew more moderately at 7.6% and 11.8%, respectively. The former logged 11 consecutive growth months and 19 for the latter.

**Chart 3 – International CTK by route area, YoY, %**

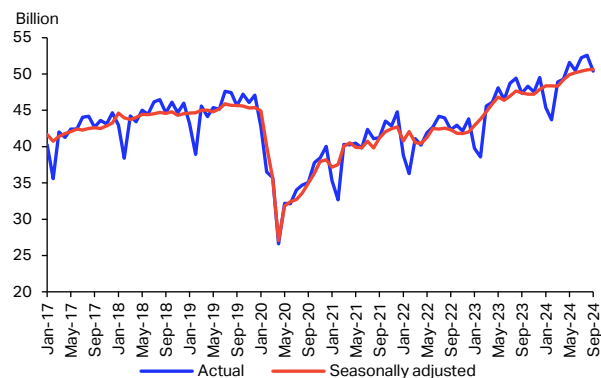


Source: IATA Sustainability and Economics using data from IATA Information and Data

**September continues record air cargo capacity streak**

Global ACTK rose by 6.4% YoY in September, with a 0.2% MoM increase after seasonal adjustment. (**Chart 4**). Industry-wide capacity continued to hit record highs for the ninth consecutive month in 2024. Year-to-date, ACTK surged by 8.4%. The air cargo load factor, indicating the balance between demand and supply, increased by 1.3 percentage points compared to September 2023.

**Chart 4 – Industry ACTK, billion**

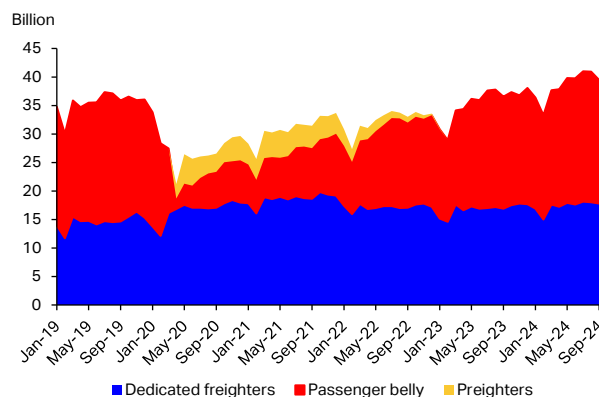


Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics

Air cargo capacity growth last month mirrored demand trends, driven largely by international routes, which saw an 8.1% YoY increase. This growth continued the pattern of recent years, with a significant boost in international belly-hold capacity, which surged by 10.3% YoY, marking the 41st consecutive instance of double-digit annual growth in this category (**Chart 5**). Overall, international air cargo capacity reached its highest volumes for any September on record despite decelerating growth rates.

Year-over-year growth in belly-hold capacity has steadily declined from its peak in April 2021, though volumes remain near record highs. In contrast, dedicated freighter volumes are still below their 2021 peak, with a modest growth of 5.4% YoY in September.

**Chart 5 – International ACTK by cargo business type, billion**



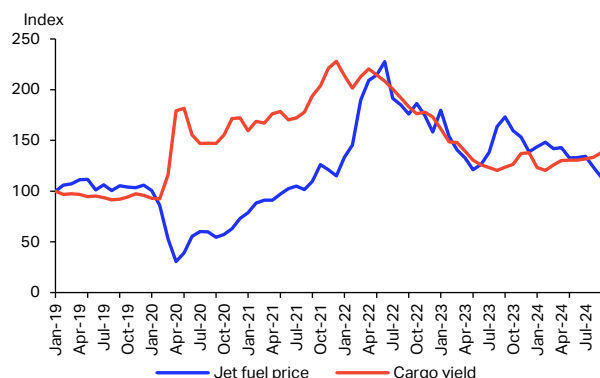
Source: IATA Sustainability and Economics using data from IATA Information and Data

**Global air cargo yields rise further amid falling fuel costs**

For September, global jet fuel prices averaged a 4.4% decline from the previous month and dropped 34.4% YoY, settling at USD 85.8 per barrel on September 30 (**Chart 6**). The jet fuel crack spread narrowed to 12.9 USD.

Global oil demand growth is slowing, largely influenced by a decline in consumption in China. Airlines can benefit from lower oil prices through reduced jet fuel costs, a significant factor in their overall operating expenses. After a period of exceptionally wide crack spread, a return to more conservative figures is a welcome development for airlines' margins.

**Chart 6 – Jet fuel price and air cargo yield (with surcharges), global index, Jan 2019 = 100**



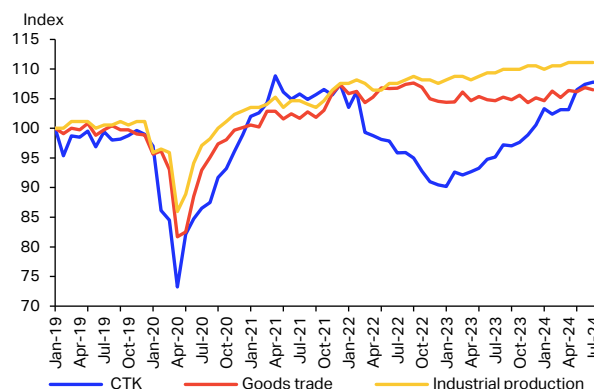
Source: IATA Sustainability and Economics using data from IATA Jet fuel price monitor, CargoIS

In the meantime, the global air cargo yield (including surcharges) increased by 3.6% MoM and 11.7% YoY, building on, and enhancing the positive trend from the previous month. By the end of September, air cargo yields stood at 50% above 2019 levels. The current high yield is partly driven by new e-commerce businesses and companies transitioning from sea to air transport due to limited ocean shipping capacity and rising sea freight costs, competing for space with traditional air cargo customers.

**Strong industrial production and trade amid weak PMIs for exports and output**

In August, industrial production—mining, manufacturing, and utilities—rose by 0.5% MoM in constant USD terms (**Chart 7**). Year-over-year, the index grew 1.6%, maintaining the moderate post-pandemic growth trend. Global goods trade increased 2.8% from the previous year, marking its sixth consecutive month of growth, and monthly growth reached 1.4%, the highest in seven months. This rise in trade is partly due to inventory stockpiling in anticipation of potential uncertainties, particularly surrounding the U.S. presidential election in November.

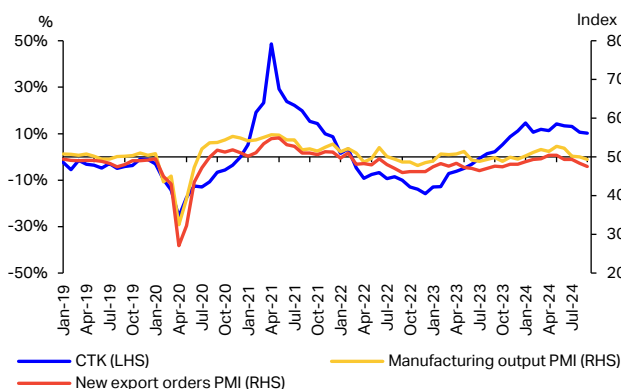
**Chart 7 – CTK, industrial production at constant USD prices, and cross-border goods trade volume, global index, seasonally adjusted, Jan 2019 = 100**



Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics, Macrobond

The global manufacturing sector continued to contract in September, with the Purchasing Managers' Index (PMI) falling for the fourth consecutive month. It dropped to 49.4, remaining below the key 50-point threshold that separates growth from contraction. This suggests a further deterioration in the manufacturing sector's overall health. Key factors contributing to the decline include a significant drop in production in the eurozone, led by Germany, followed by weaker performance in the U.S. At the same time, China saw its third straight month of stalled growth (**Chart 8**). The global new export orders PMI, which reflects the health of international trade, showed another contraction in September, scoring 47.5 points, 0.9 points below August. Purchasing managers signaled that new export orders were expected to shrink for the second consecutive month, highlighting continued weakness in global trade demand and uncertainty across key markets.

**Chart 8 – Seasonally adjusted industry CTK, YoY, % (LHS), and global manufacturing PMIs, 50 = no change (RHS)**

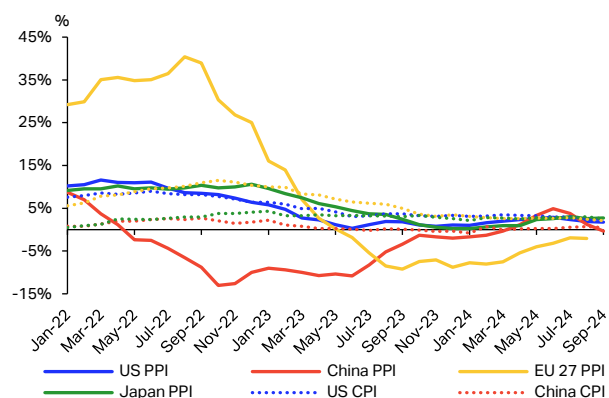


Source: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics, S&P Global Market

## Consumer price inflation drops further in EU and US while China's CPI rise reverses last month

US headline inflation, based on the annual Consumer Price Index (CPI), declined by 0.2 percentage points to 2.4% in September, marking the seventh straight month of easing inflation (**Chart 9**). In the same month, the inflation rate in the EU fell by 0.3 percentage points to 2.1%, continuing a process started in January 2023.

**Chart 9** – Consumer price index and producer price index in major economies, YoY, %



Source: IATA Sustainability and Economics using data from Macrobond

In September, Japan's consumer price inflation rate fell by 0.5 percentage points to 2.5%, marking the first slowdown in five months. This was largely due to slower increases in energy costs. China's consumer inflation remained low at 0.4% in September amid concerns of an economic slowdown.

The Producer Price Index (PPI), which tracks price changes at the producer level, often hints at upcoming trends in consumer inflation. In September, the PPI in the U.S. decreased to 1.8%, marking a 0.2 percentage point drop from August and the third monthly decline. In China, producer prices fell into negative territory at -0.3%, down by 1.5 percentage points from August's 1.2%. Conversely, Japan's PPI increased slightly to 2.8%, up by 0.2 percentage points. While the EU's September PPI data isn't yet available, August showed a continued deflationary trend at -2.1% YoY, largely unchanged from July.

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<b>TOTAL MARKET</b>	<b>100.0%</b>	<b>9.4%</b>	<b>6.4%</b>	<b>1.3%</b>	<b>45.6%</b>	<b>12.6%</b>	<b>8.4%</b>	<b>1.7%</b>	<b>45.2%</b>
Africa	2.0%	1.7%	13.9%	-4.7%	39.2%	11.9%	17.3%	-2.0%	42.1%
Asia Pacific	33.3%	11.7%	8.5%	1.4%	48.5%	15.6%	12.4%	1.3%	46.4%
Europe	21.4%	11.7%	7.5%	1.9%	52.5%	13.6%	9.3%	2.0%	52.9%
Latin America	2.8%	20.9%	7.9%	3.9%	36.8%	11.9%	8.1%	1.2%	36.1%
Middle East	13.5%	10.1%	2.9%	3.1%	47.4%	16.4%	7.5%	3.5%	46.4%
North America	26.9%	3.8%	4.2%	-0.1%	38.9%	6.3%	3.5%	1.0%	39.5%
<b>International</b>	<b>86.6%</b>	<b>10.5%</b>	<b>8.1%</b>	<b>1.1%</b>	<b>50.8%</b>	<b>13.5%</b>	<b>10.8%</b>	<b>0.2%</b>	<b>50.6%</b>
Africa	2.0%	1.8%	13.5%	-4.6%	40.1%	11.9%	17.1%	2.2%	43.2%
Asia Pacific	29.8%	12.0%	12.4%	-0.2%	54.9%	15.6%	16.4%	0.4%	54.1%
Europe	21.0%	11.7%	7.9%	1.8%	54.3%	13.8%	9.7%	0.2%	55.0%
Latin America	2.4%	19.8%	8.9%	3.7%	40.7%	10.7%	9.7%	0.2%	40.0%
Middle East	13.4%	10.1%	2.9%	3.1%	47.7%	16.4%	7.5%	0.2%	46.8%
North America	17.9%	6.5%	5.4%	0.5%	46.4%	8.1%	6.3%	-1.1%	46.7%

Note 1: % of industry CTKs in 2023

Note 2: the total industry and regional growth rates are based on a constant sample of airlines combining reported data and estimates for missing observations. Airline traffic is allocated according to the region in which the carrier is registered; it should not be considered as regional traffic. Historical statistics are subject to revision.

IATA Sustainability and Economics

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