

Global air cargo continues to demonstrate resilience

The International Air Transport Association (Iata) has released its August 2022 data for global air cargo markets, which demonstrates the industry's resilience amid economic uncertainties.



Image source: [Gallo/Getty](#)

Global demand, measured in cargo tonne-kilometres (CTKs), fell by 8.3% compared to August 2021 (-9.3% for international operations) – this was a slight improvement on the year-on-year decline of 9.7% seen in July. Capacity was 6.3% above August 2021 (+6.1% for international operations) – this is a significant expansion over the 3.6% year-on-year increase in July.

Several factors to note in the operating environment:

- Global goods trade expanded slightly in August and the additional easing of Covid-19 restrictions in China will positively impact cargo markets. While maritime will be the main beneficiary, air cargo will also receive a boost from these developments.
- Inflation levels in G7 countries slowed for the first time since November 2020.
- Oil prices stabilised in August and the jet fuel crack spread fell from a peak in June.
- New export orders, a leading indicator of cargo demand and world trade, decreased in leading economies in all regions except the US.

"Cargo volumes, while tracking below the exceptional performance of 2021, have been relatively stable in the face of economic uncertainties and geopolitical conflicts. Market signals remain mixed. August presented several indicators with upside potential: oil prices stabilised, inflation slowed and there was a slight expansion in goods traded globally.

"The decreases in new export orders in all markets except the US, however, tells us that developments in the months ahead will need to be watched carefully," says Willie Walsh, Iata's director general.

Regional performance

Asia-Pacific airlines saw their air cargo volumes decrease by 8.3% in August 2022 compared to the same month in 2021. This was an improvement over the 9.0% decline in July. Airlines in the region benefited from slightly increased levels of trade and manufacturing activity due to the easing of Covid-19 restrictions in China. Available capacity in the region increased by 13.9% compared to August 2021, a significant increase over the 2.7% growth in July.

North American carriers posted a 3.4% decrease in cargo volumes in August 2022 compared to the same month in 2021. This was an improvement over the 5.7% decline in July. The lifting of restrictions in China improved demand and a further boost is expected in the coming months. Capacity was up 5.7% compared to August 2021.

European carriers saw a 15.1% decrease in cargo volumes in August 2022 compared to the same month in 2021. This was the worst performance of all regions for the fourth month in a row. This is attributable to the war in Ukraine. Labour shortages and high inflation levels, most notably in Türkiye, also affected volumes. Capacity increased by 0.4% in August 2022 compared to August 2021.

Middle Eastern carriers experienced an 11.3% year-on-year decrease in cargo volumes in August. Stagnant cargo volumes to/from Europe impacted the region's performance. Capacity was down 0.1% compared to August 2021.

Latin American carriers reported an increase of 9.0% in cargo volumes in August 2022 compared to August 2021. This was the strongest performance of all regions. Airlines in this region have shown optimism by introducing new services and capacity, and in some cases investing in additional aircraft for air cargo in the coming months. Capacity in August was up 24.3% compared to the same month in 2021.

African airlines saw cargo volumes increase by 1.0% in August 2022 compared to August 2021. This was a significant improvement in growth recorded the previous month (-3.5%). Capacity was 1.4% below August 2021 levels.

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