

African airlines see cargo volumes decrease by 3.5%

The International Air Transport Association (Iata) latest data for July 2022 global air cargo markets shows that demand continued to track at near pre-pandemic levels in July (-3.5%), but below July 2021 performance (-9.7%).



Source: PublicDomainPictures via [Pixabay](#)

Global demand, measured in cargo tonne-kilometres (CTKs), fell by 9.7% compared to July 2021 (-10.2% for international operations). Capacity was 3.6% above July 2021 (+6.8% for international operations) but still 7.8% below July 2019 levels.

Several factors in the operating environment:

- New export orders, a leading indicator of cargo demand, decreased in all markets, except China which began a sharp upward trend in June.
- The war in Ukraine continues to impair cargo capacity used to serve Europe as several airlines based in Russia and Ukraine were key cargo players.
- Global goods trade continued to recover in Q2 and the additional easing of Covid-19 restrictions in China will further boost recovery in the coming months.

While maritime will be the main beneficiary, air cargo is set to receive a boost.

"Air cargo is tracking at near 2019 levels although it has taken a step back compared to the extraordinary performance of 2020-2021. Volatility resulting from supply chain constraints and evolving economic conditions has seen cargo markets essentially move sideways since April. July data shows us that air cargo continues to hold its own, but as is the case for almost all industries, we'll need to carefully watch both economic and political developments over the coming months," said Willie Walsh, Iata's director general.

Air cargo market in detail - July 2022

	World share ¹	July 2022 (% year-on-year)			
		CTK	ACTK	CLF (%-pt) ²	CLF (level) ³
TOTAL MARKET	100.0%	-9.7%	3.6%	-6.9%	47.2%
Africa	1.9%	-3.5%	-2.2%	-0.6%	45.2%
Asia Pacific	32.6%	-9.0%	2.7%	-7.3%	56.3%
Europe	22.8%	-17.0%	0.9%	-10.6%	49.3%
Latin America	2.2%	9.2%	21.4%	-4.2%	37.4%
Middle East	13.4%	-10.9%	4.9%	-8.3%	46.9%
North America	27.2%	-5.7%	4.2%	-4.2%	39.8%

¹% of industry CTAs in 2021

²Year-on-year change in load factor

³Load factor level

Source: Supplied

Regional performance

- Asia-Pacific airlines saw their air cargo volumes decrease by 9.0% in July 2022 compared to the same month in 2021. This was a significant decrease over the 2.1% decline in June.

Airlines in the region continue to be impacted by the conflict in Ukraine, labour shortages, and lower levels of trade and manufacturing activity due to Omicron-related restrictions. The scale of the decrease indicates volatility in volumes, as pent-up demand from the last Omicron-related lockdowns in China should prevent such notable declines in volumes. Available capacity in the region increased by 2.7% compared to July 2021.

- **North American carriers** posted a 5.7% decrease in cargo volumes in July 2022 compared to the same month in 2021. This was an improvement over the 13.5% decline in June. The lifting of restrictions in China is expected to boost demand in the coming months. Capacity was up 4.2% compared to July 2021

- **European carriers** saw a 17% decrease in cargo volumes in July 2022 compared to the same month in 2021. This was the worst performance of all regions for the third month in a row. This is attributable to the war in Ukraine. Labour shortages and lower manufacturing activity in Asia due to Omicron also affected volumes. Capacity increased 0.9% in July 2022 compared to July 2021.

- **Middle Eastern carriers** experienced a 10.9% year-on-year decrease in cargo volumes in July 2022. Significant benefits from traffic being redirected to avoid flying over Russia failed to materialize and stagnant cargo volumes to/from Europe impacted the region's performance. Capacity was up by 4.9% compared to July 2021.

- **Latin American carriers** reported an increase of 9.2% in cargo volumes in July 2022 compared to July 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 July was up by 21.4% compared to the same month in 2021.

- **African airlines** saw cargo volumes decrease by 3.5% in July 2022 compared to July 2021. This was significantly slower than the growth recorded the previous month (5.7%). Capacity was 2.2% below July 2021 levels.

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