

Global air cargo demand up 12% in April

The International Air Transport Association (IATA) has released its April 2021 data for global air cargo markets showing that air cargo demand continued to outperform pre-Covid levels by 12%.



Image source: [Gallo/Getty](#)

As comparisons between 2021 and 2020 monthly results are distorted by the impact of Covid-19, unless otherwise noted, all comparisons to follow are to April 2019 which followed a normal demand pattern.

Seasonally adjusted demand is now 5% higher than the pre-crisis August 2018 peak. The strong performance was led by North American carriers contributing 7.5 percentage points to the 12% growth rate in April. Airlines in all other regions except for Latin America also supported the growth.

Capacity remained 9.7% below pre-Covid-19 levels (April 2019) due to the ongoing grounding of passenger aircraft. Airlines continue to use dedicated freighters to plug the lack of available belly capacity. International capacity from dedicated freighters rose 26.2% in April 2021 compared to the same month in 2019, while belly-cargo capacity dropped by 38.5%.

Underlying economic conditions and favourable supply chain dynamics remain supportive for air cargo:

- Global trade rose 4.2% in March.

• Competitiveness against sea shipping has improved. Air cargo rates have stabilised since reaching a peak in April 2020, while shipping container rates have remained relatively high in comparison. Meanwhile, longer supplier delivery times as economic activity ramps up make the speed of air cargo an advantage by recovering some of the time lost in the production process.

"Air cargo continues to be the good news story for the air transport sector. Demand is up 12% on pre-crisis levels and yields are solid. Some regions are outperforming the global trend, most notable carriers in North America, the Middle East and Africa. Strong air cargo performance, however, is not universal. The recovery for carriers in the Latin American region, for example, is stalled," said Willie Walsh, IATA's director-general.

April regional performance

Asia-Pacific airlines saw demand for international air cargo increase 9.2% in April 2021 compared to the same month in 2019. This was a significant improvement in performance compared to the previous month. International capacity remained constrained in the region, down 18.7% versus April 2019. As was also the case in March, the region's airlines reported the highest international load factor at 77.5%.

North American carriers posted a 25.6% increase in international demand in April 2021 compared to April 2019. This strong performance reflects the appetite of US consumers for products manufactured in Asia. North American carriers have also been able to grow their market share, notably on routes between North and South America, owing to the large freighter fleets they have available. International capacity grew by 5.5% compared with April 2019.

European carriers posted an 11.4% increase in demand in April 2021 compared to the same month in 2019. This was a significant improvement compared to the previous month. Improved operating conditions and recovering export orders contributed to the positive performance. International capacity decreased by 17.5% in April 2021 versus April 2019, remaining unchanged from the previous month.

Middle Eastern carriers posted a 15.3% rise in international cargo volumes in April 2021 versus April 2019. This was a significant improvement compared to the previous month. Seasonally adjusted volumes remain on a robust upward trend. International capacity in April was down 17.5% compared to the same month in 2019.

Latin American carriers reported a decline of 32.7% in international cargo volumes in April compared to the 2019 period. This was the worst performance of all regions and a decline in performance compared to the previous month. Drivers of air cargo demand in Latin America remain relatively less supportive than in the other regions, and airlines in the region have lost market share to other carriers due to financial restructuring. Despite this, volumes on several routes in the region (such as Europe and Central America, and North and South America) performed well. International capacity decreased 52.5% compared with April 2019.

African airlines' cargo demand in April increased 30.6% compared to the same month in 2019, the strongest of all regions and the fourth consecutive month of growth at or above 25% compared to 2019. Robust expansion on the Asia-Africa trade lanes contributed to the strong growth. April international capacity increased by 0.6% compared to April 2019.