Divergent performance in the Americas

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Global travel still very strong, unlike cargo



Source: ICAO, IATA

The airline industry is performing well, on average



Source: McKinsey, IATA

Ending decades of under-paying investors

Difference between investing in airlines and investing in similar assets elsewhere



Source: McKinsey, IATA

Step improvement in airlines' asset use



And the productivity of airline capital is rising



Source: ICAO, McKinsey, IATA

Some have consistently generated economic profits



Source: McKinsey for IATA

But since 2010 N and Latin America have diverged



Source: ICAO, IATA

Latin American trade growth relatively strong

International trade in goods



Source: Netherlands CPB

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But commodities 'super-cycle' disappeared

Commodity prices



Source: Oxford Economics

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Major exchange rate shifts



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Causing inflation problems for some



Source: Datastream

Higher interest rates adding to growth challenge





Source: Datastream

Air travel tax policy damaging competitiveness



Economies still diverging



Airlines now better sizing capacity to demand



Source: IATA Statistics

Profit margins still showing major divergence

Operating margin, latest quarter 2015



Source: IATA, The Airline Analyst

But free cash flows now trending in right direction

Free cash flow



Source: The Airline Analyst