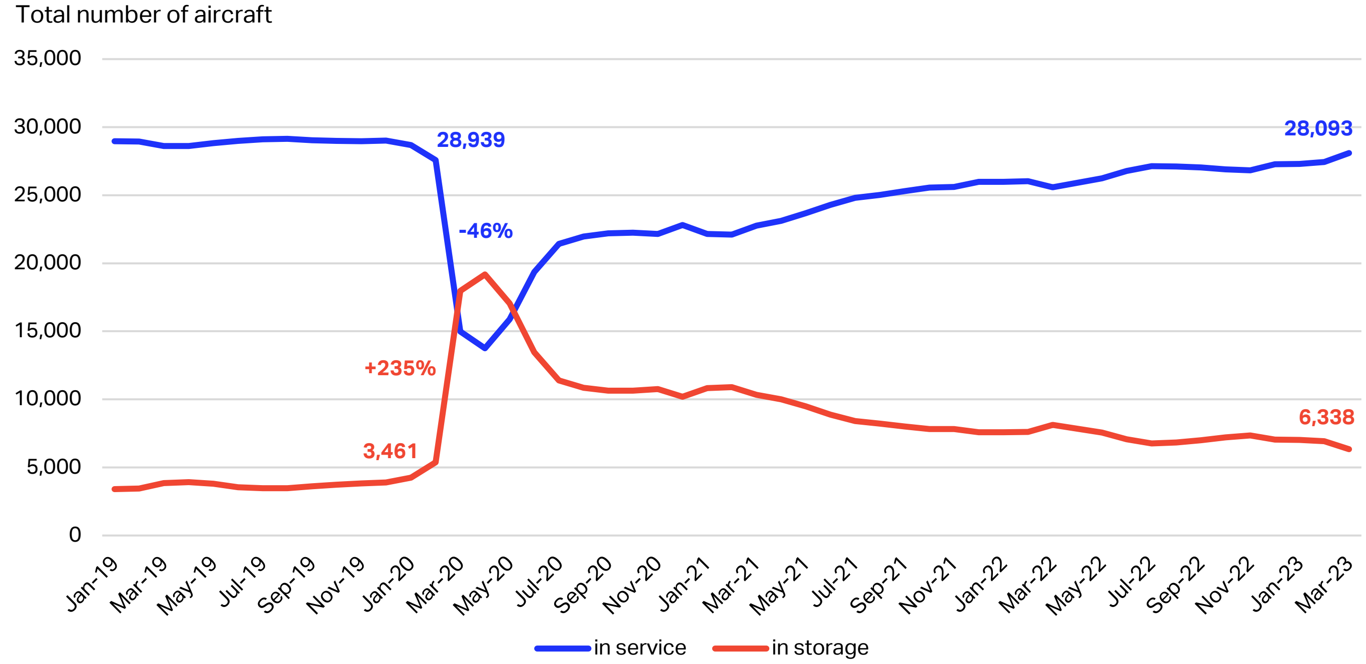
IATA Economics' Chart of the Week

31 March 2023

Parked aircraft returning to service support global recovery



Source: Cirium

- The travel restrictions and border closures which accompanied the onset of the COVID-19 pandemic resulted in the number of aircraft in service dropping precipitously in early 2020, falling by as much as 46% month-on-month (MoM) in March. Although some of these aircraft were retired, many were placed into long-term storage; the number in storage rose by 235% MoM in March 2020.
- With the lifting of travel restrictions and re-opening of airline routes and markets, these dramatic COVID effects on airline fleets have been steadily unwinding. Airlines have shifted their airline assets back into service, in line with the increase in air passenger demand. By March 2023, the number of active aircraft had recovered to 98% of pre-pandemic levels (compared to the same month in 2019). To be sure, this increase also includes new aircraft deliveries – as we discussed in a recent Chart of the Week, here – however these are nonetheless dominated by the return of stored aircraft into active service.
- There are still more than 6,300 aircraft in storage today – roughly 2,900 aircraft (or 83%) more than in the pre-pandemic period. It is notable that the share of widebody aircraft currently in storage is substantially higher (by 7 percentage points) than in the pre-pandemic period. By the same token, the share of regional turboprop aircraft is considerably lower (by around 9 percentage points).
- This is consistent with the lagging recovery in international air travel markets compared with the shorter-haul regional and domestic routes. In the latest available data, domestic RPKs are back to around 97.5% of their pre-pandemic level, while international RPKs are at 77%.
- Despite the production challenges for new aircraft, with the current number of aircraft in storage exceeding by some margin the pre-COVID level, this provides further potential for airlines to continue to meet the recovering demand for air travel this year.

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