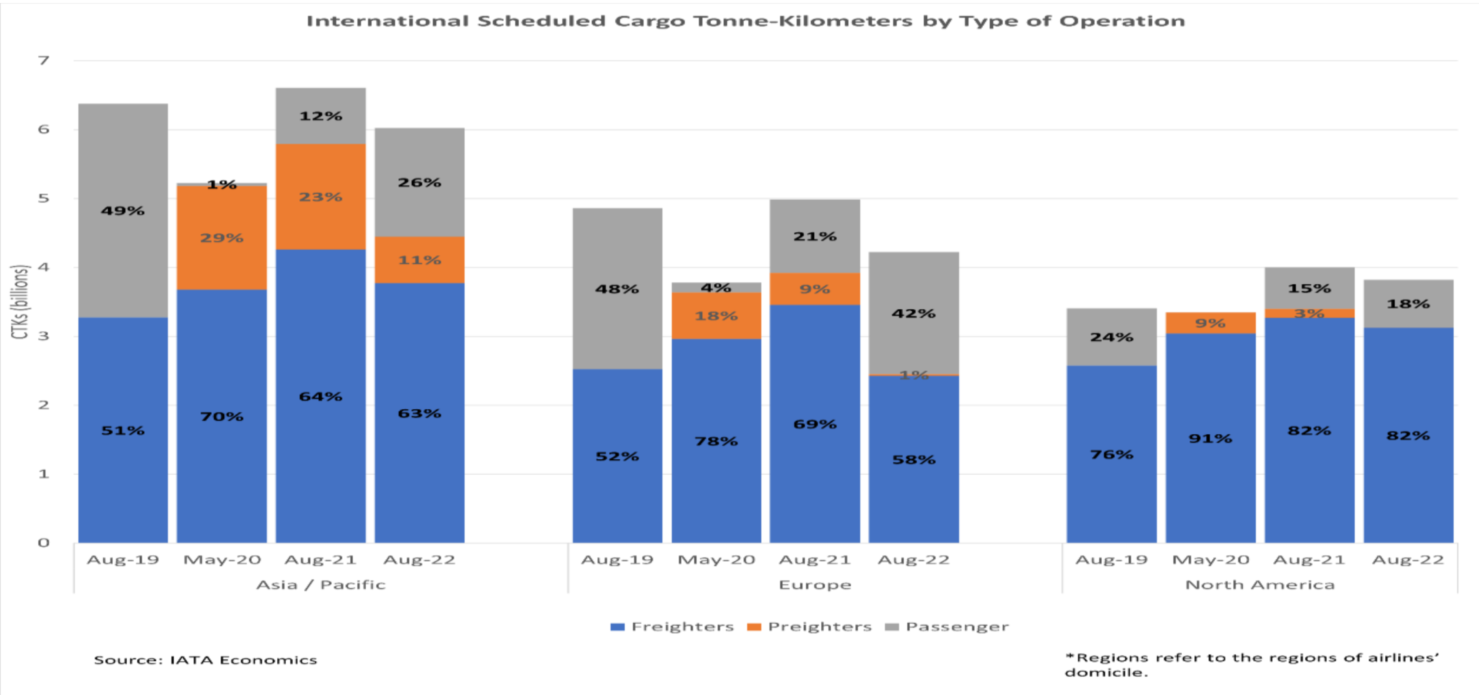
IATA Economics' Chart of the Week

21 October 2022

The Preighter Cargo Operations are Fading Away



- During the period of Covid-19, a substantial number of airlines deployed so-called preighter flights, which means using passenger aircraft for cargo-only operations. However, the frequency of such flights has begun to decrease, primarily due to the resumption of mixed passenger-cargo operations.

- Preighter operations have nearly vanished among European and North American airlines, while for airlines from Asia/Pacific, such operations still represent 11% of the region's total cargo tonne-kilometers (CTKs) as per August 2022 (see chart).

- Dedicated freighter operations increased in 2020 and 2021 thanks to new acquisitions and conversions of aircraft. The rise in belly capacity as passenger traffic approaches 2019 levels has led to a drop in CTKs flown by freighters in 2022, with Europe being the most affected. Clearly, the war in Ukraine is a factor in Europe.

- Growing belly capacity, while still below the pre-Covid level, will put downward pressure on overall cargo load factors. Such developments on an aggregated industry level mask tight capacity on specific cargo routes, many of which do not see much passenger traffic and hence are largely unaffected by the global rise in belly capacity.

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