

IATA's regional airfare outlook

Airfare development 2019-2024

December 2023

For further information,
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Note: Analysis is based on data sourced from third parties

Introduction

Regional and sub-regional outlook for airfares

Using a US-dollar-based index produced by IATA (International Air Transport Association), the recovery in airfares through 2024 has been outlined for four regions (Africa & the Middle East, Americas, Asia Pacific and Europe) and their various sub-regions.

IATA's index covers the airfares paid by [all travelers](#), combining both business and leisure travelers. It does not explicitly reflect movements in the fares paid for corporate travel.

For each of the regions, this report outlines IATA's latest predictions for airfare movements in 2023. It also plots the evolution of airfares from a pre-pandemic 2019 base out to IATA's forecasts for 2024.

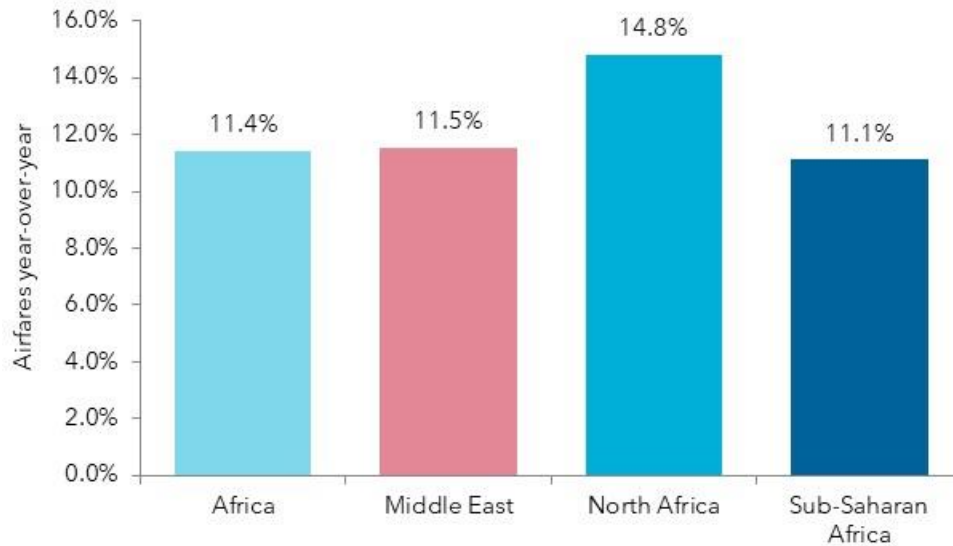
The key messages from this analysis are:

- In 2024, airfares in Africa & the Middle East should have reached a level [one-fifth above](#) 2019 pricing
- In the Americas, the South America sub-region is trailing the general rebound in airfares
- In Asia Pacific, Northeast Asia has lagged the wider regional rebound in pricing
- By 2024, airfares in both European sub-regions should have progressed to [15% above](#) their pre-pandemic level

Africa and the Middle East

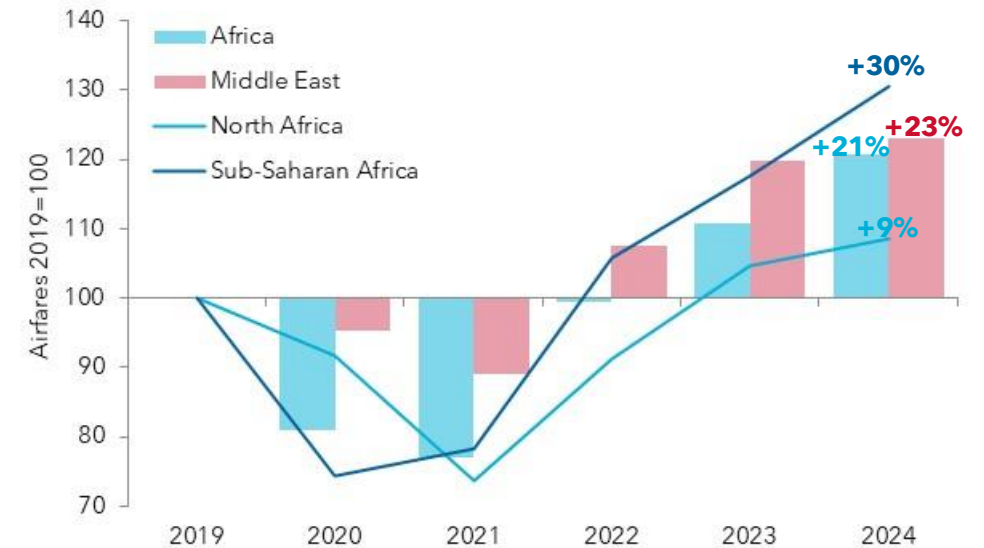
Fares in 2024 should be around one-fifth above their 2019 level

Airfares year-over-year % in 2023



IATA expects fares to increase in 2023 by **more than 11%** in both Africa and the Middle East. At the sub-region level, North Africa stands out for the forecasted **15%** rise in airfares.

Airfares v 2019



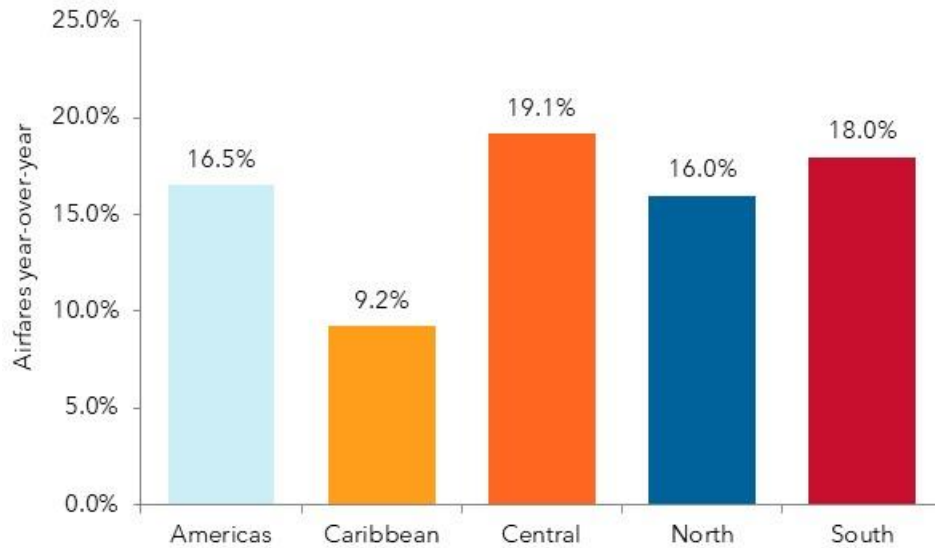
The Middle East led the initial recovery in airfares, which moved back above pre-pandemic levels in 2022. By 2023, fares were **20% above** 2019, but IATA expects a loss of momentum in this region in 2024.

While Africa's fare recovery was much slower, a strong performance in sub-Saharan markets should propel fares in 2024 to **21%** above their 2019 level, closely matching the recovery in the Middle East. But the outlook also includes a loss of momentum in North Africa.

Americas

South America is trailing the general recovery in fares across the Americas

Airfares year-over-year % in 2023

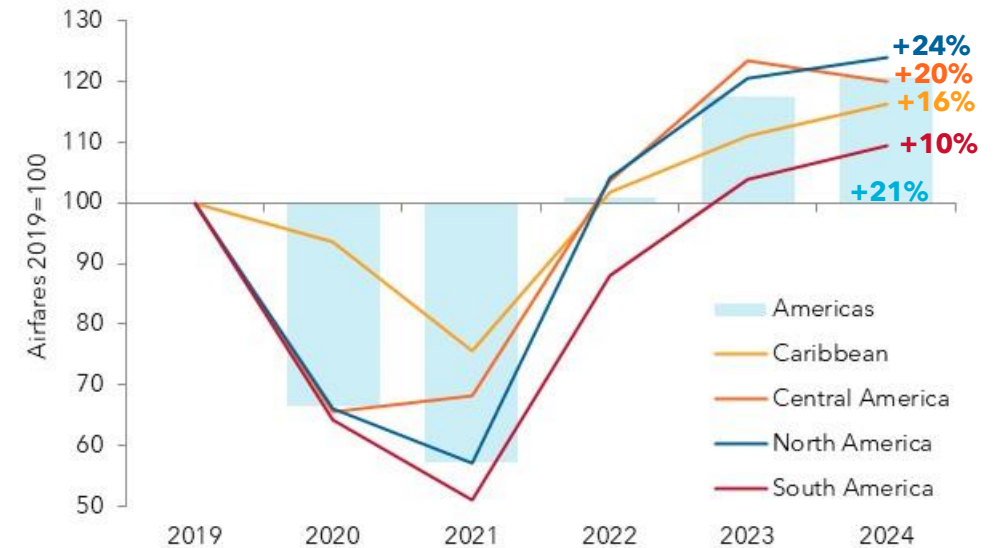


According to IATA's forecasts, airfares across the Americas should rise by **16.5%** year-over-year in **2023**, but there's variation across the sub-regions.

While the expectations for the two largest sub-regions, North and South America, are broadly aligned with the Americas average, Central America's forecast is slightly above it at **19%**.

Airfare movements will be weakest in the Caribbean, with just a **9%** rise likely in **2023**.

Airfares v 2019



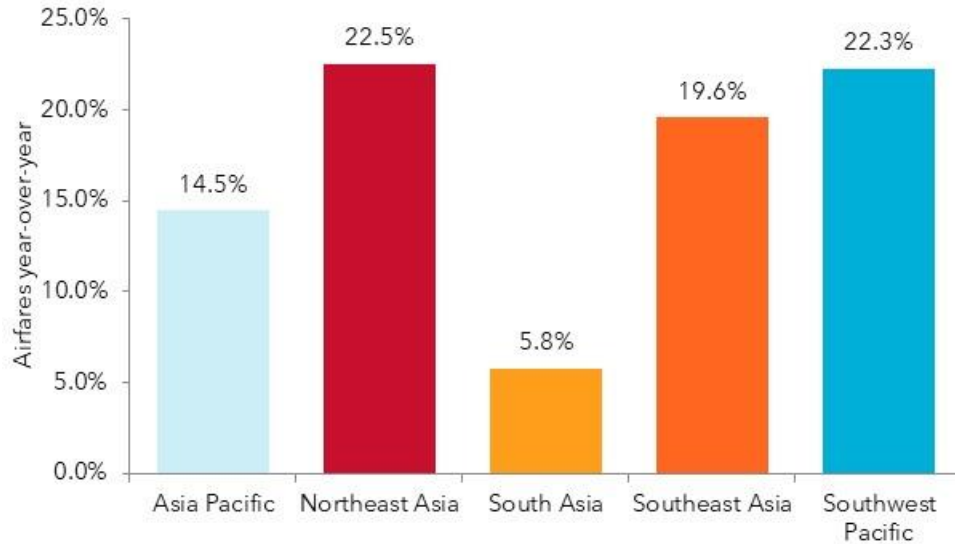
The rate at which airfares are increasing should slow in North and South America in **2024**, while IATA predicts a **3% decline** in Central America.

On average, fares across the Americas should still be around **one-fifth above** their pre-pandemic level. But in South America, which was hit the hardest during the pandemic, a delayed and slower recovery may leave fares in 2024 just **10% higher** than they were in 2019. Exchange rate issues may be weighing on the recovery of US dollar-based fares in this sub-region.

Asia Pacific

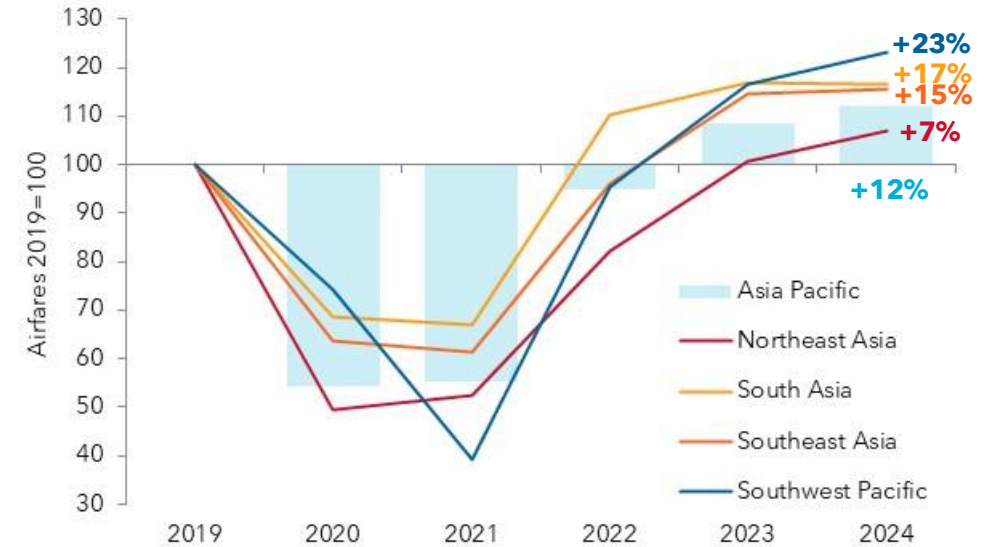
Northeast Asia is lagging the wider regional recovery in airfares

Airfares year-over-year % in 2023



On average, airfares across Asia Pacific look set to rise by **14.5%** year-over-year in **2023**. In most sub-regions, ticket prices should rise by around **one-fifth** or more. However, the pricing environment is much weaker in South Asia, with a rise of **less than 6%** expected in 2023.

Airfares v 2019



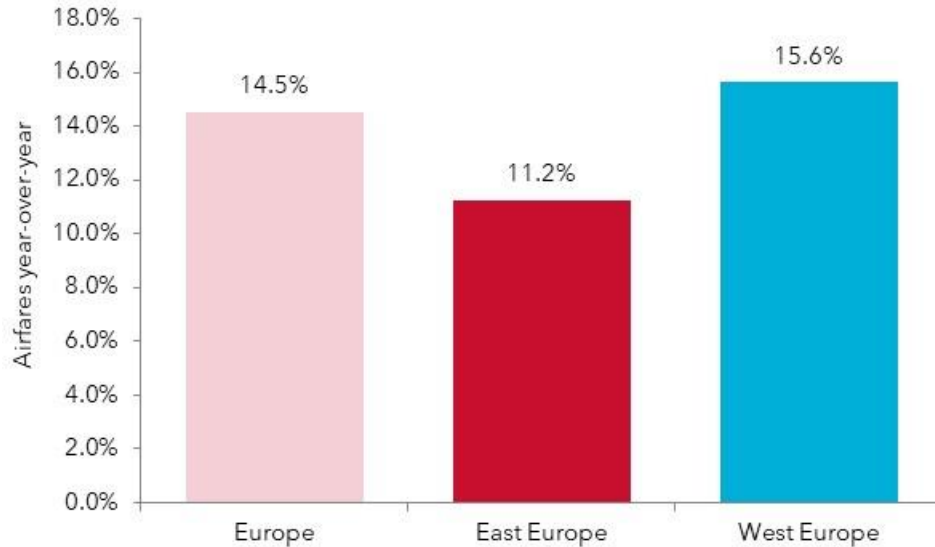
Southwest Pacific has led the airfares recovery, with pricing in **2024** likely to be almost **one-quarter above 2019**. South and Southeast Asia have both posted solid recoveries, with airfares likely to be on average **16%** higher.

Northeast Asia is lagging the general recovery. Airfares in this sub-region only returned to their pre-pandemic levels in 2023, and IATA only expects them to be **7% higher** in **2024**.

Europe

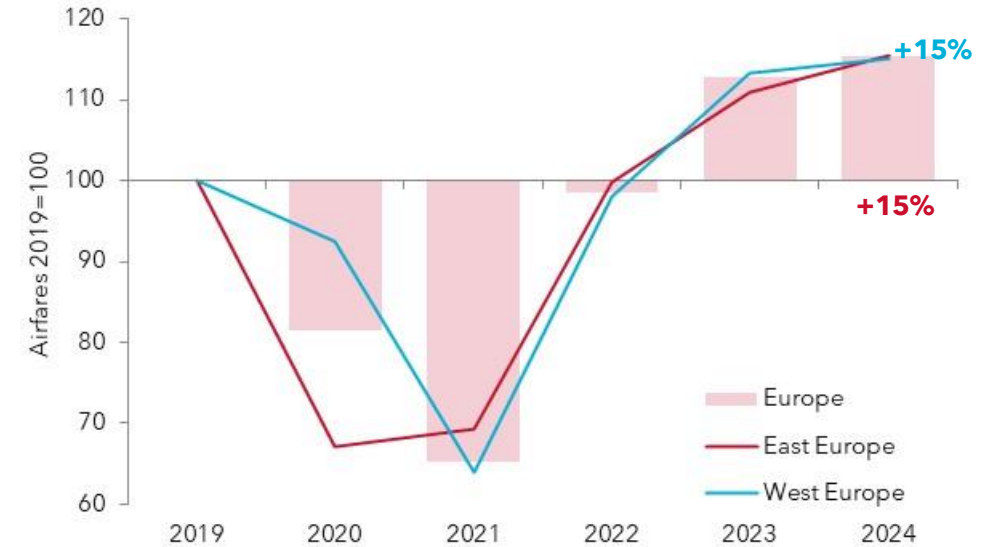
Fares in 2024 should be 15% higher than in 2019

Airfares year-over-year % in 2023



Amid a prediction for a 14.5% rise in European airfares in 2023, IATA expects the strongest inflation in ticket prices among markets in West Europe. In East Europe, airfares should rise by a marginally lower 11%.

Airfares v 2019



Since 2021, the airfare recoveries in East and West Europe have been essentially synchronized. As a result, IATA expects fares in 2024 in both sub-regions to be 15% above their pre-pandemic level.

End

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