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Air freight recovery continues

The global air freight market grew by 2.9 per cent in February this year compared to last, signalling continued recovery in the sector



The International Air Transport Association (IATA) released data for global air freight markets in February showing a 2.9 per cent increase in demand compared to February 2013.

The first two months of 2014 have seen an overall 3.6 per cent improvement in demand over the previous year, the IATA said. This continues the strengthening in cargo markets which began in the second half of 2013.

"Cargo has had a positive start to the year. There is good cause for measured optimism for the cargo industry's prospects in 2014. The 3.6 per cent growth in demand recorded over the first two months of this year is a significant step up from the 1.4 per cent growth in demand over the whole of 2013,"

said Tony Tyler, IATA's director general and CEO, in a statement.

The vast majority of the growth in cargo was realised by airlines in the Middle East and Europe, which recorded 11.9 per cent and 5.5 per cent growth respectively compared to the previous February.

North American and Asia-Pacific markets, on the other hand, were flat or declining.

Asia-Pacific carriers grew just 0.1 per cent in February, compared to a year ago. As in 2013, the impact of Lunar New Year (which fell on January 31) may have dampened demand a little in February, the IATA said.

Regional trade growth in recent months has been improving, so stronger air freight growth should be posted in the months ahead, it added.

Chinese economic performance, however, may be on the verge of a slowdown, which would restrict trade and freight demand. Capacity grew faster than demand, at 3.9 per cent.

North American airlines experienced a slight contraction of 0.3 per cent year-on-year, according to the IATA. However, February business indicators in the manufacturing sector were close to a three-year high, suggesting that growth in exports and air freight demand should resume. Capacity fell 1.9 per cent which helped shore up the load factor to 35.1 per cent.