

What Recession? The Rebound Of Commercial Aviation

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By Informa Markets



This is a brief summary of the commentary exchange between the webinar participants.

Two years ago, no one would have believed in such a rapid "comeback" for aviation as we see today. COVID-19 hit the aviation industry hard created uncertainty and an unpredictable situation not experienced before. The situation today, even with war in Ukraine, is for the aviation industry more predictable and "easier" to cope with.

Air traffic does not fully follow the macro-economic situation in the world. The reasons for this come down to among others two primary factors. Firstly, a large "pent-up demand" has emerged as result of COVID-19 and the travel restrictions during this period. Secondly, more of demographic factor, today's younger people tend priority differently whereas they tend to prefer to spend more of their money on travel and experiences rather than "goods and things".

This combination has resulted in the traffic growth we see today and expect to take place in the time ahead. This view is also mirrored when executives of major airlines describe the current situation and prospects for the future.

North America and Europe are on the path of full recovery. As of today, China has not yet said when it will open to international travel, which holds Asia's general recovery back. However, Asian markets outside China pick up momentum.

There are a number of large aircraft orders to be placed in the time ahead.

<https://aviationweek.com/air-transport/webinar-what-recession-rebound-commercial-aviation>

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The large short-haul markets have largely recovered, but long-haul markets are still 25%-40% below their 2019 levels

