



Airlines for America[®]

We Connect the World

The State of U.S. Commercial Aviation

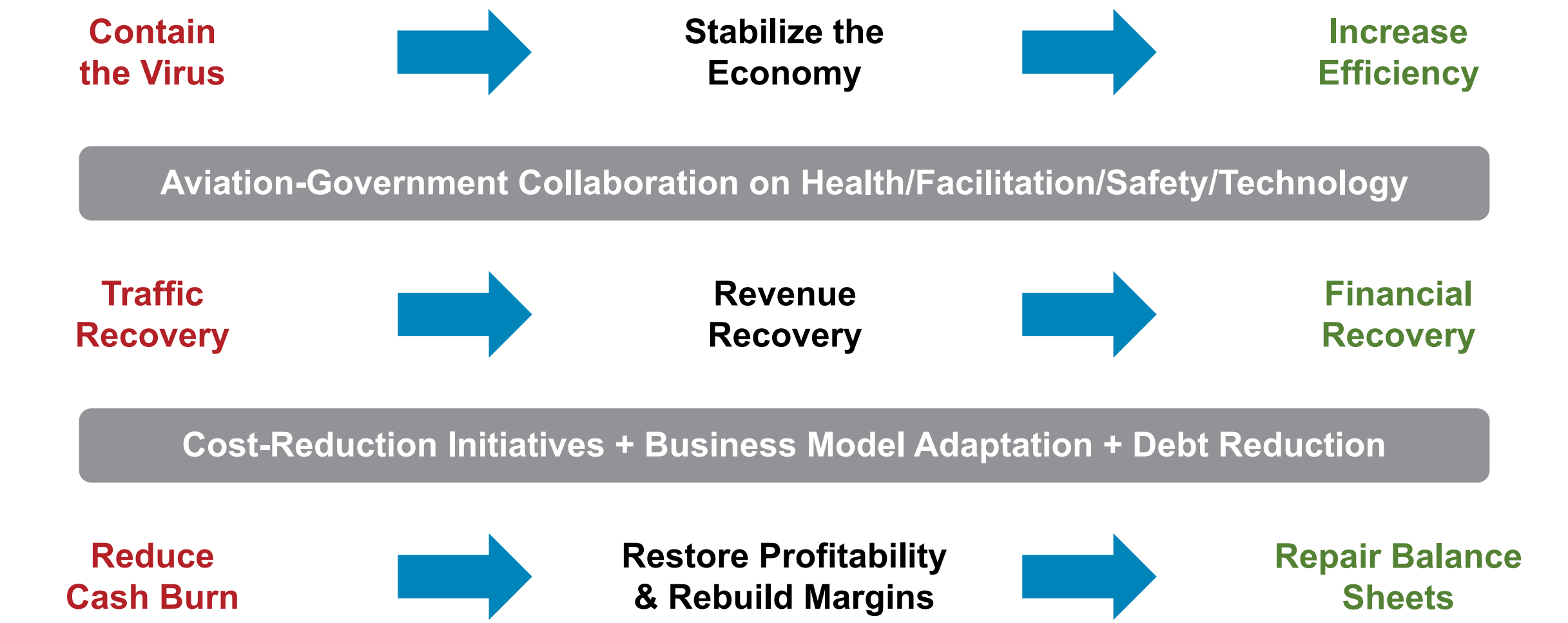
Updated May 11, 2024

<https://www.airlines.org/dataset/state-of-us-aviation/>

Key Points

- » The U.S. economy and air travel remain healthy. Air cargo demand has subsided materially since reaching an all-time high in 2021 but remains solidly above pre-pandemic levels.
- » Post-pandemic YOLOism and the prevailing (though not universal) shift toward hybrid work have been positive for the sector and bode well for the medium term.
- » Airlines of all shapes and sizes continue to retool products and networks to reflect the changing face of demand and to cope with inflation. Capacity growth rates—and profit margins—differ widely.
- » ATC issues, aircraft/engine deliveries, pilot supply/costs, maintenance sector bottlenecks and workforce productivity have curbed flight growth and accelerated up-gauging of domestic fleets.
- » U.S. airlines have faced widespread inflation (e.g., labor, fuel, maintenance, rents).
- » In large part, airlines have been using cash flow to add staff (most since Sept. 2001), renew fleets, upgrade IT and retire the massive debt accumulated in 2020 and 2021 to weather the pandemic.

Airlines Are in Stage Three of the Multiyear Recovery From the Pandemic



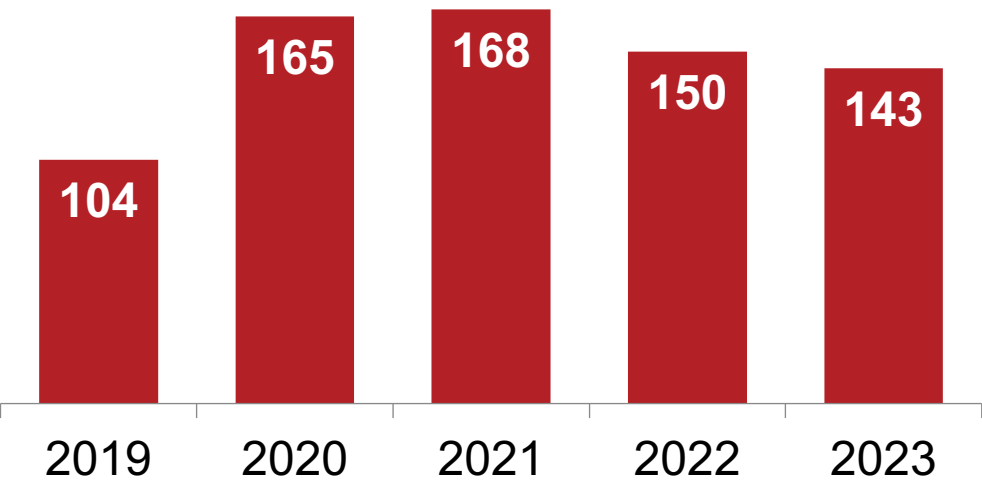
Airlines Have Prioritized Debt Reduction, Accompanied by Heavy Cash Outlays for Interest

Interest Expense Doubled From 2019-2021 and Reached \$6B in 2023

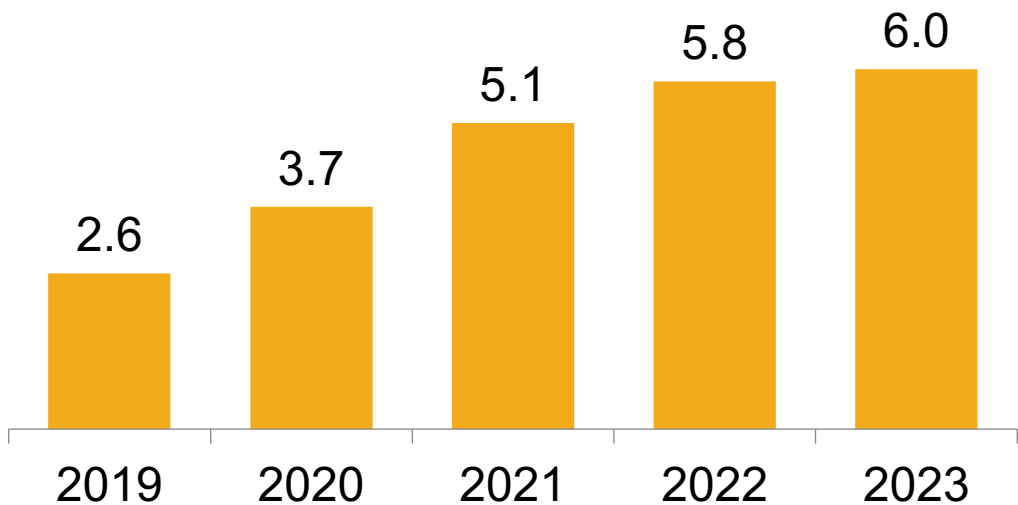
“To suggest that the airlines should have better prepared for this environment seems akin to suggesting Pompeii should have invested more heavily in firefighting technology.” (Jamie Baker, JPMorgan, March 22, 2020)

“For 2021 and beyond, we anticipate a major deleveraging cycle as **the industry will have no choice but to address its significant debt load.**” (Michael Linenberg, Deutsche Bank, July 1, 2020)

Year-End Total Debt* (\$ Billions)



Interest Expense (\$ Billions)

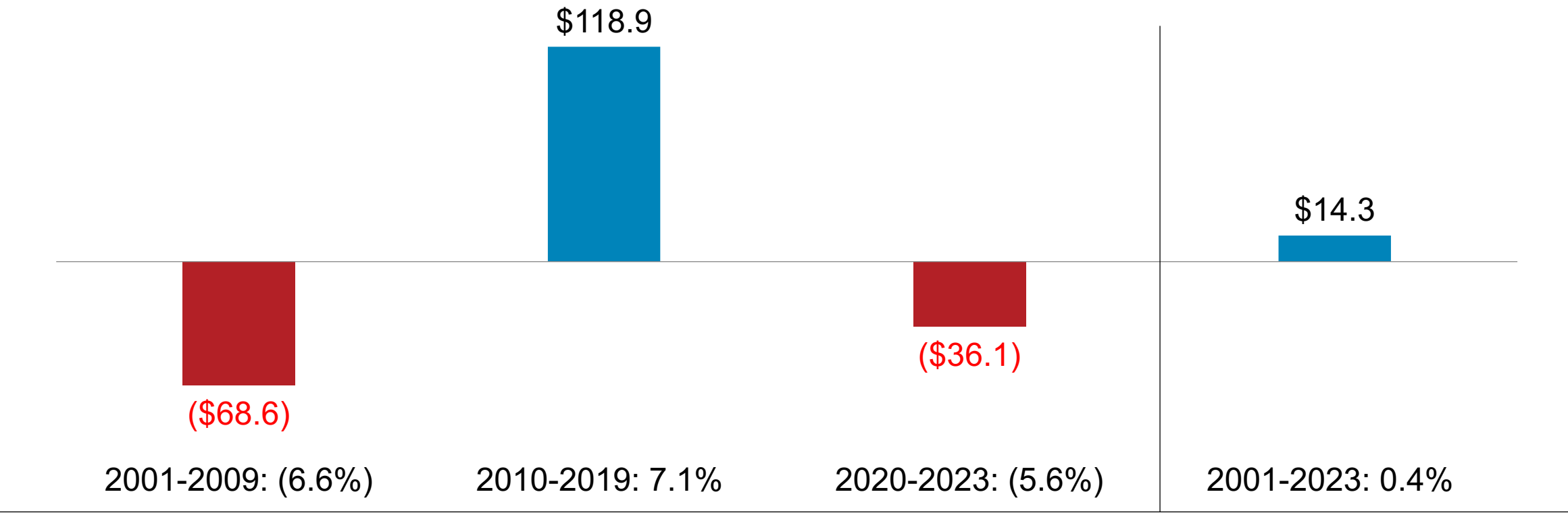


Source: SEC filings of Alaska, Allegiant, American, Delta, Frontier, Hawaiian, JetBlue, Southwest, Spirit and United

* Includes lease and pension obligations

From 2001-2023, U.S. Airlines Posted a Razor-Thin 0.4% Pre-Tax Profit Margin
From 2020-2023, \$36B in Pre-Tax Losses Translated to a Negative 5.6% Margin

U.S. Passenger Airlines’ Pre-Tax Profit/(Loss) in Billions and Profit Margin



Source: A4A Passenger Airline Cost Index and Bureau of Transportation Statistics

In 1Q 2024, U.S. Passenger Airlines Collectively Posted a Pre-Tax Loss Margin of -3.8%

Maintenance Expenses Rose 16% and Net Interest Expense Rose 27%, Offsetting 7% Lower Fuel

Financial Results: 1Q 2024	\$ Billions	% Chg. YOY	% of Category
Passenger (RPMs +7.7%, yield -1.8%)	46.9	6	88.4
Cargo	0.9	(7)	1.6
Other ¹	5.3	11	9.9
Total operating revenues	53.1	6	100.0
Salaries, wages and benefits	17.5	10	32.4
Aircraft fuel and taxes (consumption +12%, price -17%)	12.3	(7)	22.7
Maintenance materials and repairs	3.2	16	5.8
Landing fees and airport (terminal/hangar) rents	3.5	15	6.5
Depreciation and amortization ²	2.8	7	5.1
Other ³	14.8	11	27.4
Total operating expenses	54.0	6	100.0
Interest and other non-op expenses, net	1.1	27	n/a
Pre-tax profit/(loss)	(2.0)	n/a	n/a
Pre-tax margin⁴	(3.8%)	(0.6 pts)	n/a

1. Sale of frequent flyer award miles to airline business partners, transportation of pets, in-sourced aircraft and engine repair, flight simulator rentals, inflight sales, etc.
2. Related primarily to ownership of aircraft, ground support equipment, information technology, etc.
3. Aircraft rents, professional fees, food/beverage, insurance, commissions, GDS fees, communications, advertising, utilities, office supplies, crew hotels, payments to regionals, etc.
4. Pre-tax profit/(loss) ÷ total operating revenues

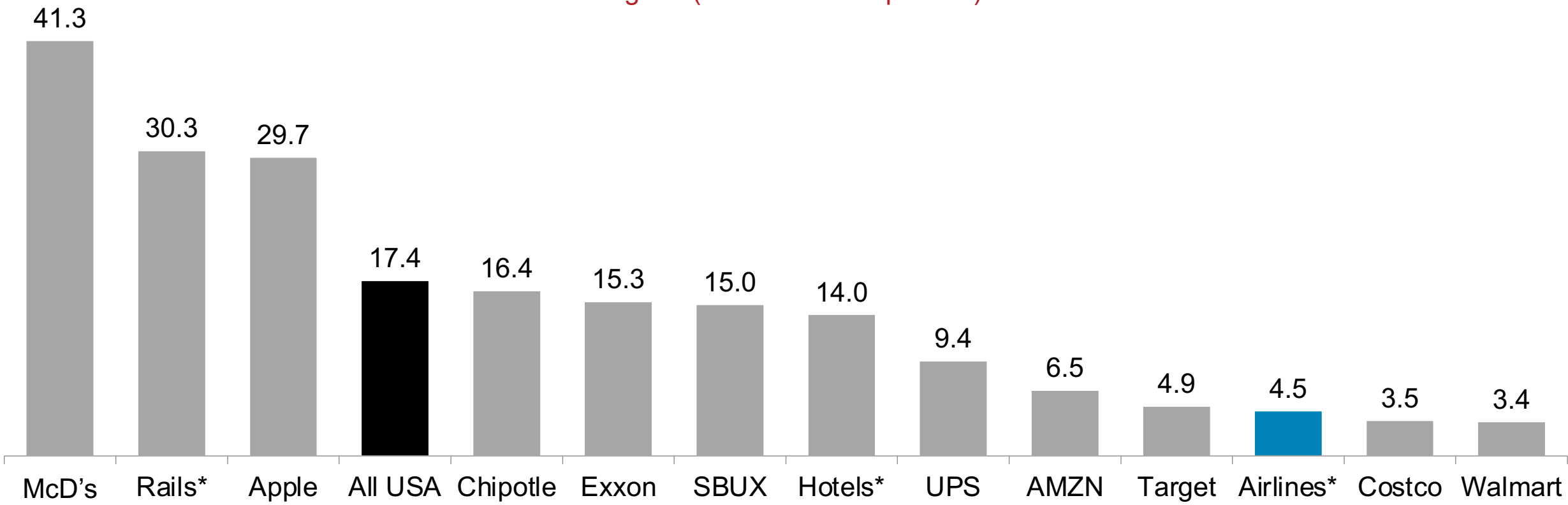
Source: Alaska, Allegiant, American, Delta, Frontier, Hawaiian, JetBlue, Southwest, Spirit and United

In 2023, the Average U.S. Corporation Was Almost Four Times as Profitable as U.S. Airlines

McDonald's Was Nine Times as Profitable as Airlines

Pre-Tax Profit Margin (%) for Selected U.S. Companies and Industries, 2023

Note: Profit Margin = (Revenues – Expenses) ÷ Revenues

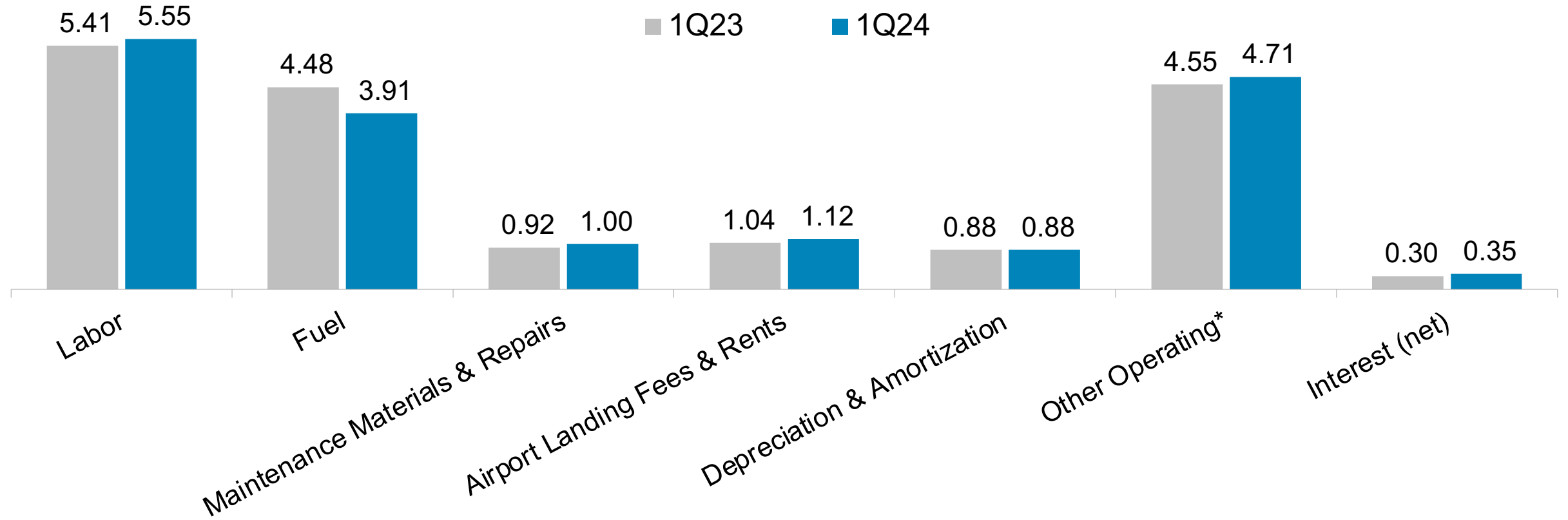


Sources: Bureau of Economic Analysis and company SEC filings * Airlines = ALK/ALGT/AAL/DAL/ULCC/HA/JBLU/LUV/SAVE/UAL; Hotels = Choice/Hilton/Hyatt/Marriott/Wyndham; Rails = CSX/Norfolk Southern/Union Pacific

In 1Q 2024, U.S. Airlines' Pre-Tax Unit Costs Fell Slightly Year Over Year Entirely On Lower Fuel

Labor CASM Up 2.7%, Maintenance CASM Up 8.8%, Airport CASM Up 7.9%

U.S. Passenger Airlines: Cost (in Cents) per Available Seat Mile

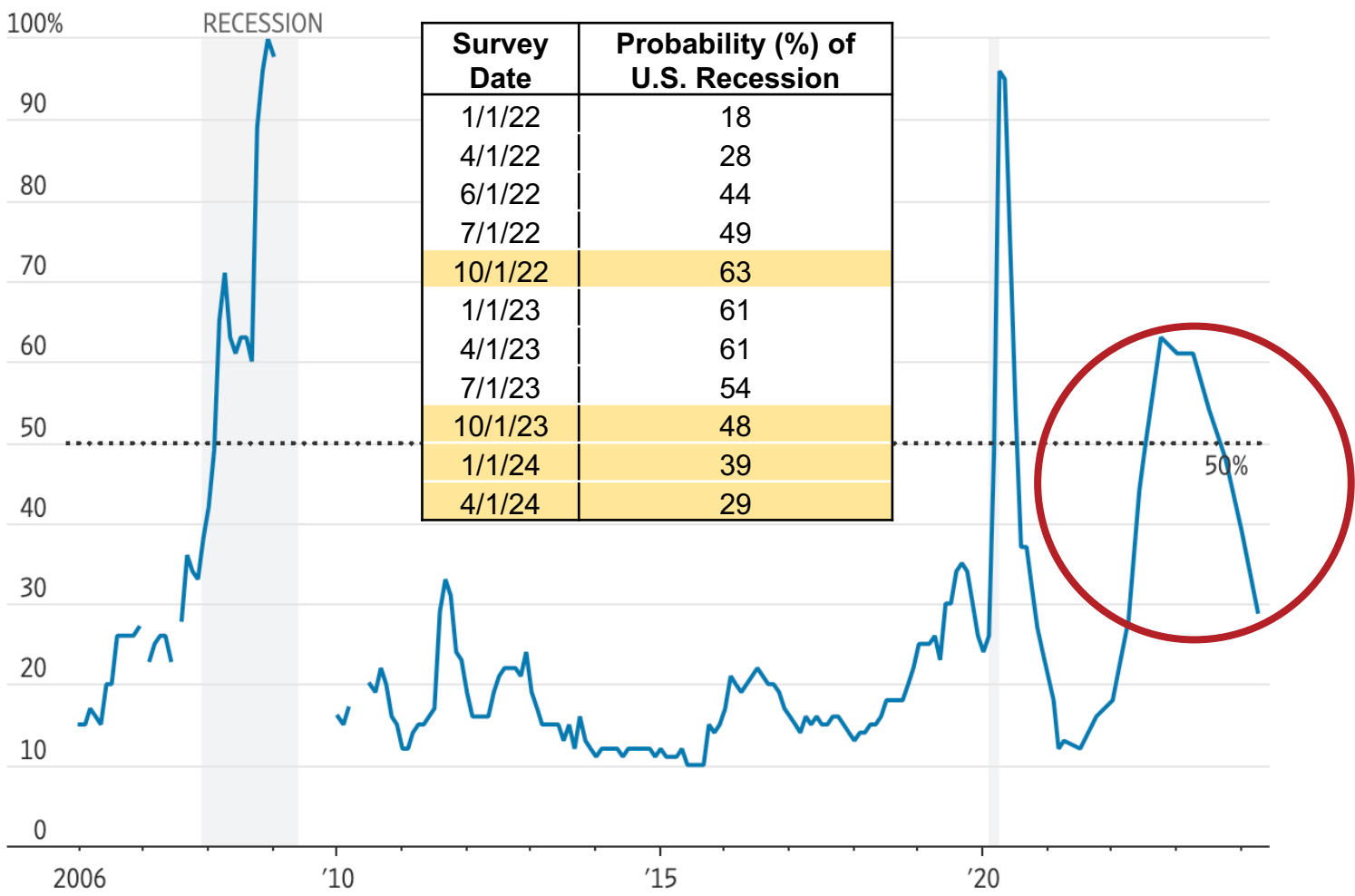


Source: SEC filings of Alaska, Allegiant, American, Delta, Frontier, Hawaiian, JetBlue, Southwest, Spirit and United

* Professional fees, food/beverage, insurance, commissions, GDS fees, communications, advertising, utilities, office supplies, crew hotels, payments to regional carriers, etc.

Economists Now Deem Chance of a U.S. Recession Within Next 12 Months Far Less Likely

Probability Most Recently Gauged at 29%, Down From 39% in January and 61% Just One Year Ago



- Jul-2022** — *As Fed Tightens, Economists Worry It Will Go Too Far*
- Oct-2022** — *Economists Now Expect a Recession, Job Losses by Next Year*
- Jan-2023** — *Economists...Still See Recession This Year Despite Easing Inflation*
- Jan-2024** — *It Won't Be a Recession—It Will Just Feel Like One*
- Apr-2024** — *'Envy of the World'—U.S. Economy Expected to Keep Powering Higher*

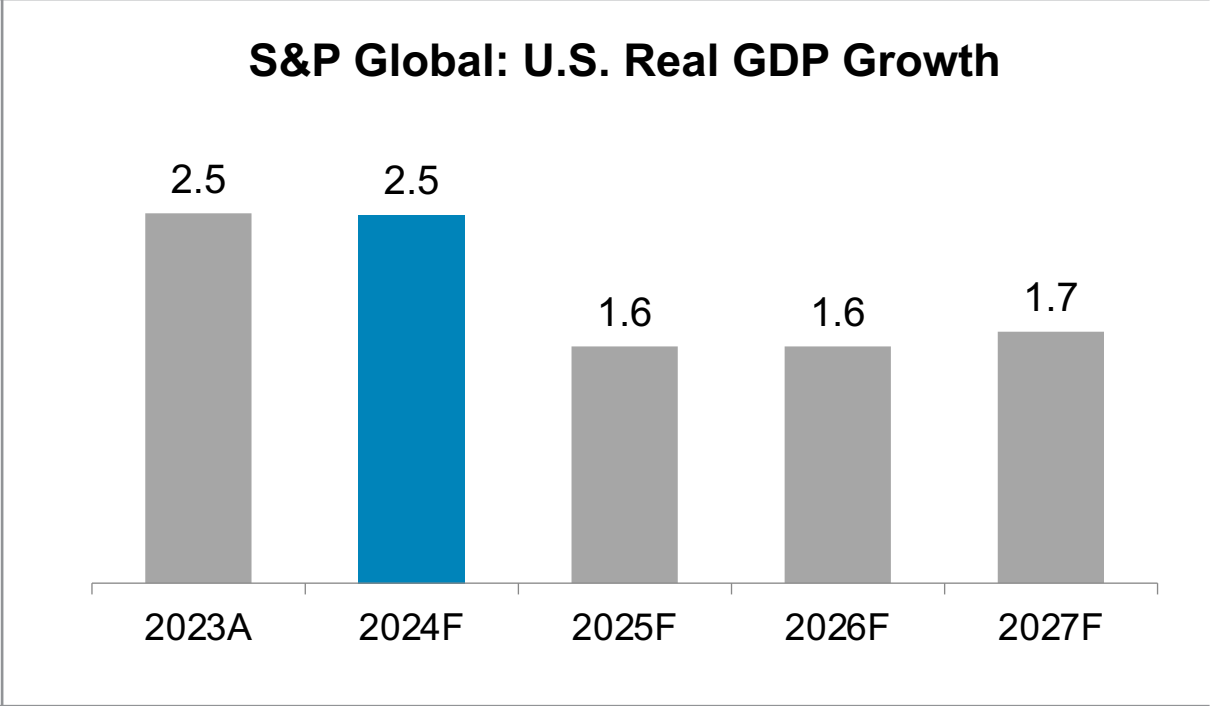
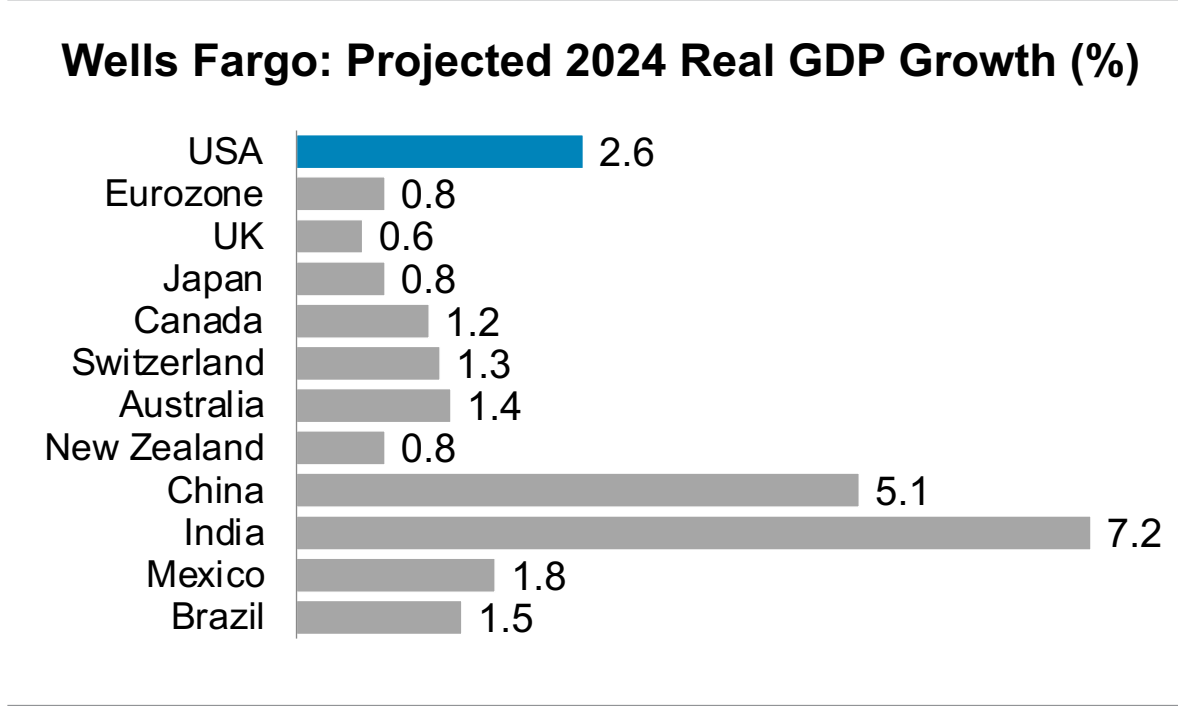
Source: The Wall Street Journal Economic Forecasting Survey and "Envy of the World"—U.S. Economy Expected to Keep Powering Higher," *The Wall Street Journal* (April 14, 2024)

Wells Fargo and S&P Global Expect the U.S. Economy to Grow at Least 2.5% in 2024

Several Major Economies Are Projected to Grow <= 1%

“Economic growth in the United States appears to be in solid shape... [R]eal GDP growth in the second quarter is again setting up to be in the 2%-3% range, and **we continue to see only a modest deceleration in real GDP** in the quarters that follow.”

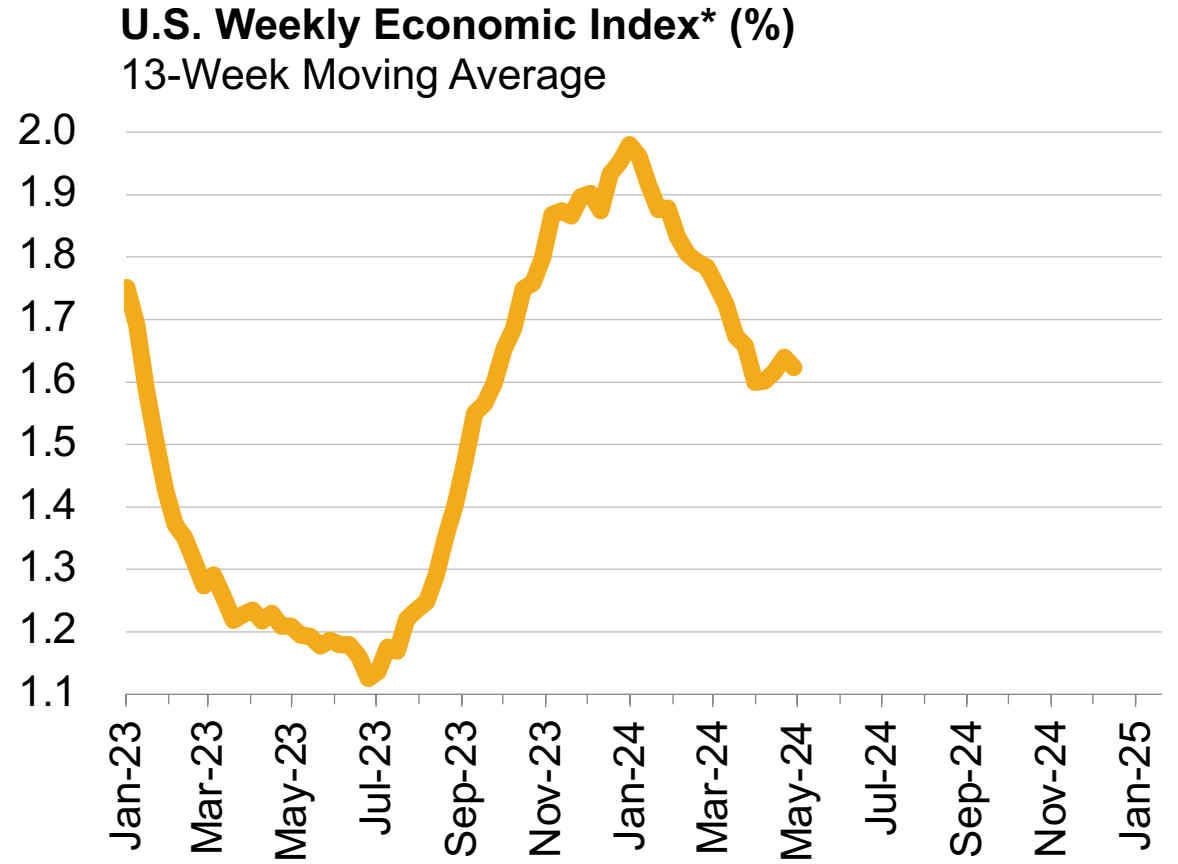
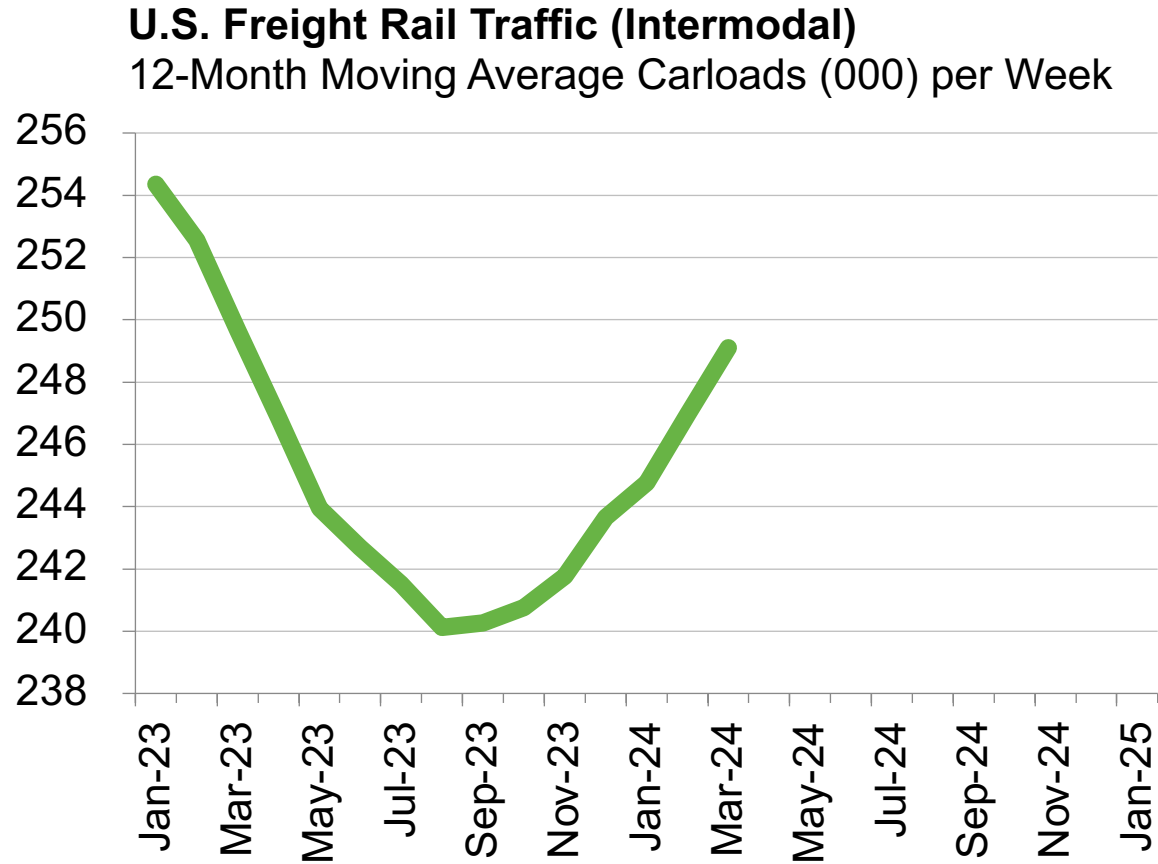
“S&P Global Market Intelligence **held its forecast of US real GDP growth for 2024 unchanged at 2.5%** but lowered its projections for 2025 and 2026 by 0.1 percentage point each to 1.6%.”



Source: Wells Fargo (May 8, 2024) and “Economic Outlook U.S. Q2 2024: Heading For An Encore,” S&P Global Ratings (May 9, 2024)

After 18 Consecutive Months of Declines, Freight Rail Traffic Rose Over Past Six Months

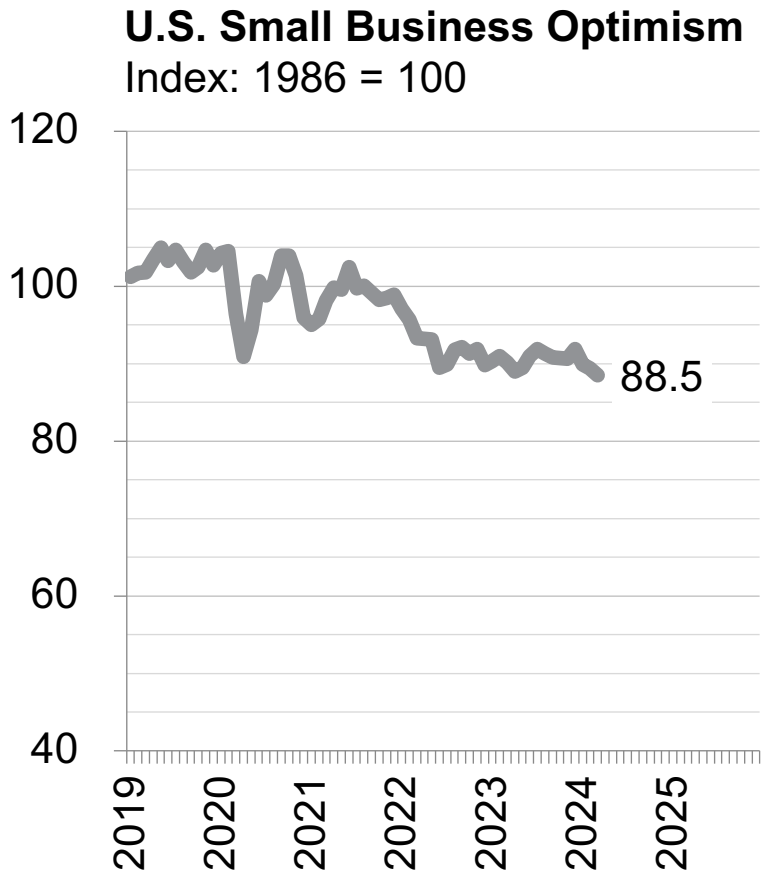
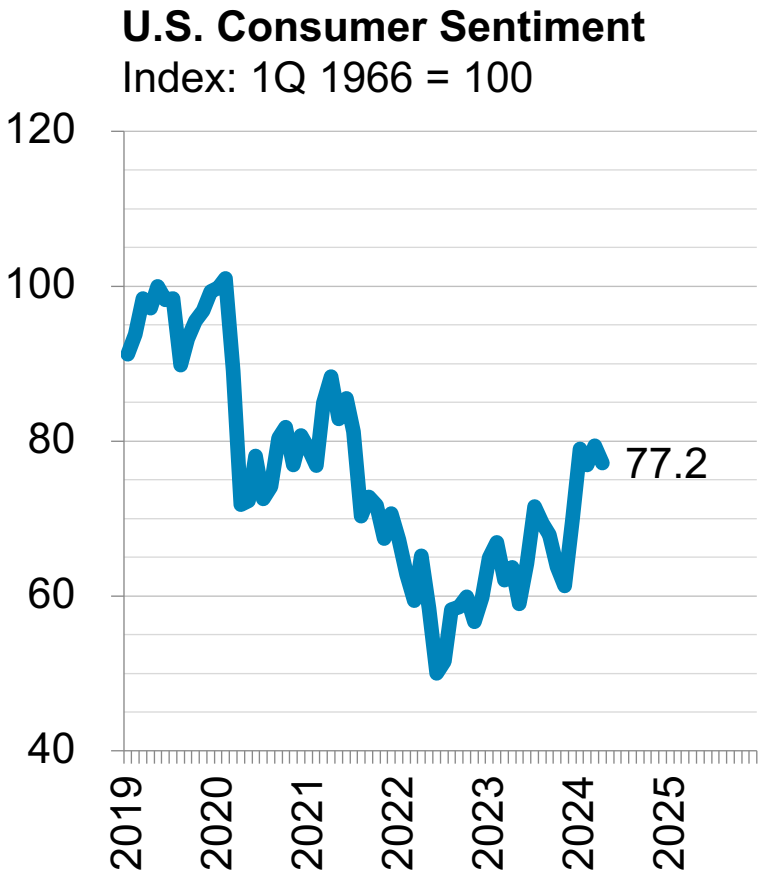
U.S. Economic Activity Is Persisting—Albeit at a Slower Rate—in Early 2024



Sources: Association of American Railroads (AAR) and Federal Reserve Bank of Dallas * Index of 10 daily and weekly indicators of real economic activity; developed by Daniel J. Lewis, Karel Mertens and James H. Stock

In April, U.S. Consumer Sentiment Slipped But Remains at Highest Level Since July 2021

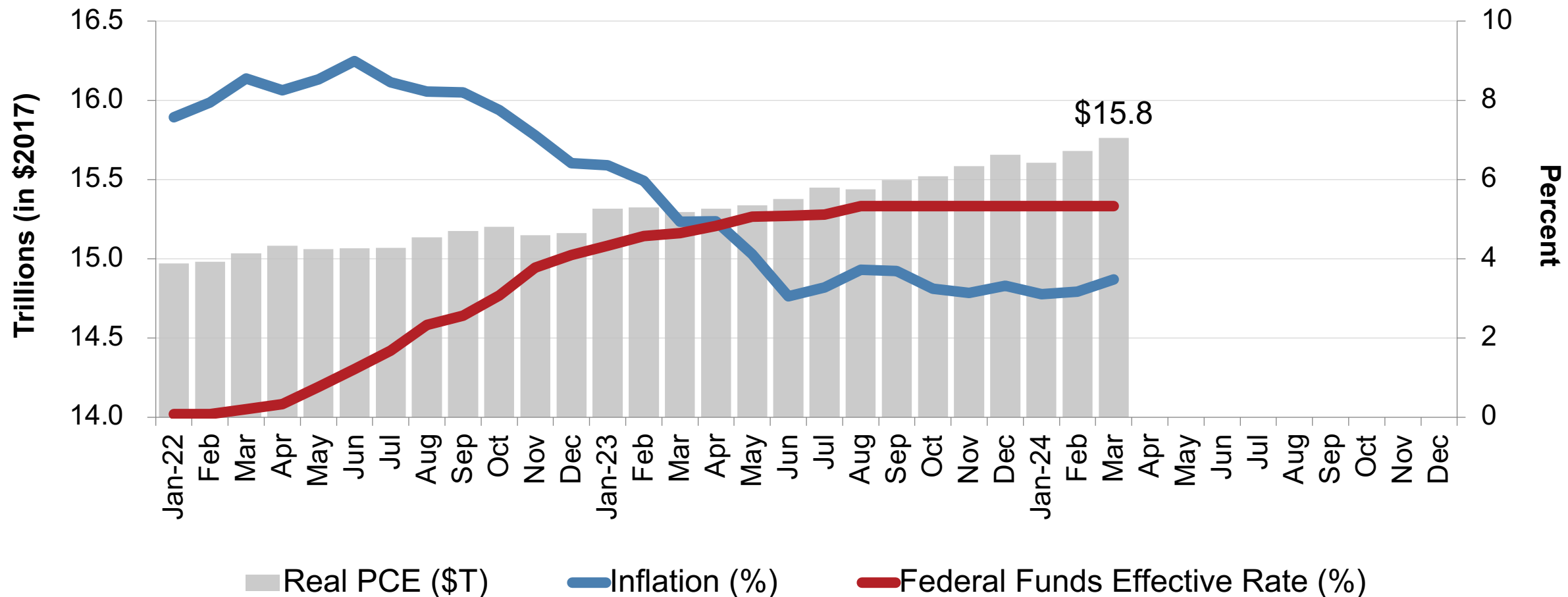
U.S. Misery Index Has Fallen Sharply, But Business Optimism Remains Depressed



Sources: University of Michigan, Bureau of Labor Statistics (via Federal Reserve Bank of St. Louis) and National Federation of Independent Business via NFIB Research enter

Real U.S. Consumer Spending Reached an All-Time High in March 2024

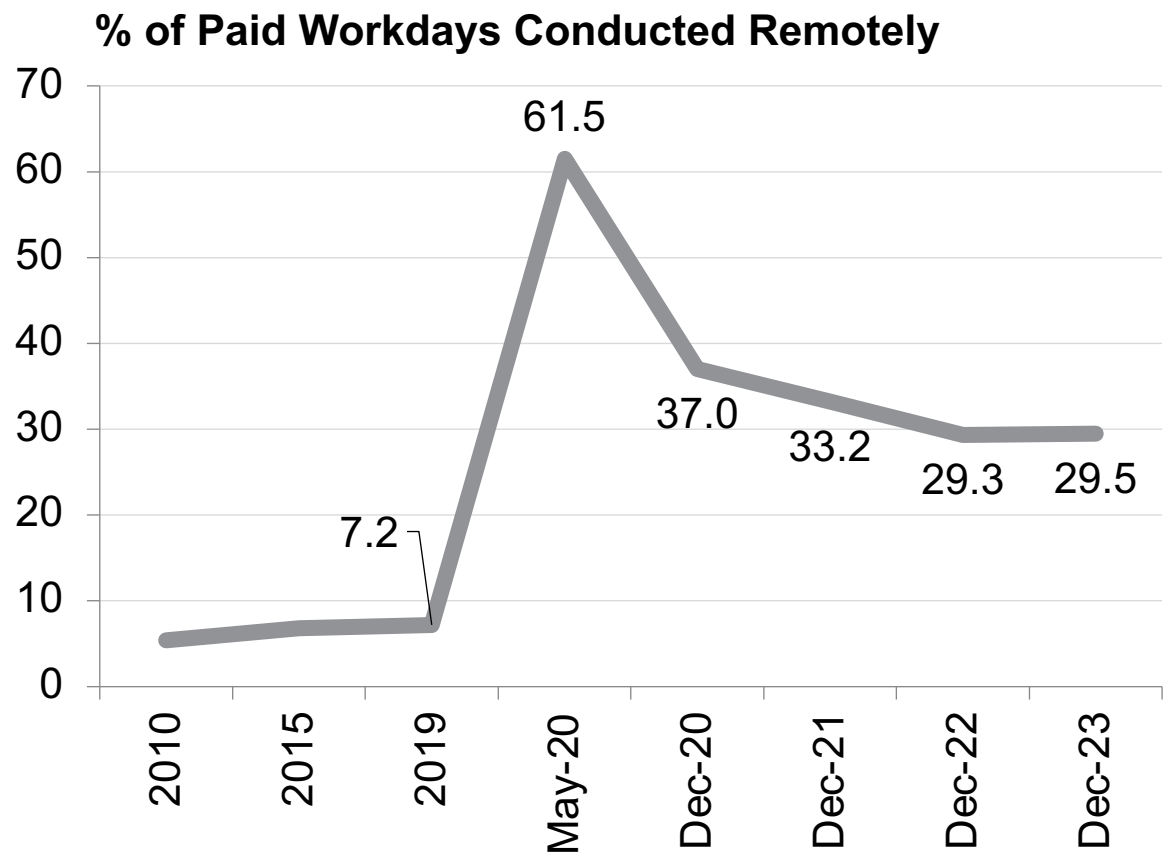
Consumers Have Been Buoyed by Lower Inflation, Undaunted by Elevated Interest Rates



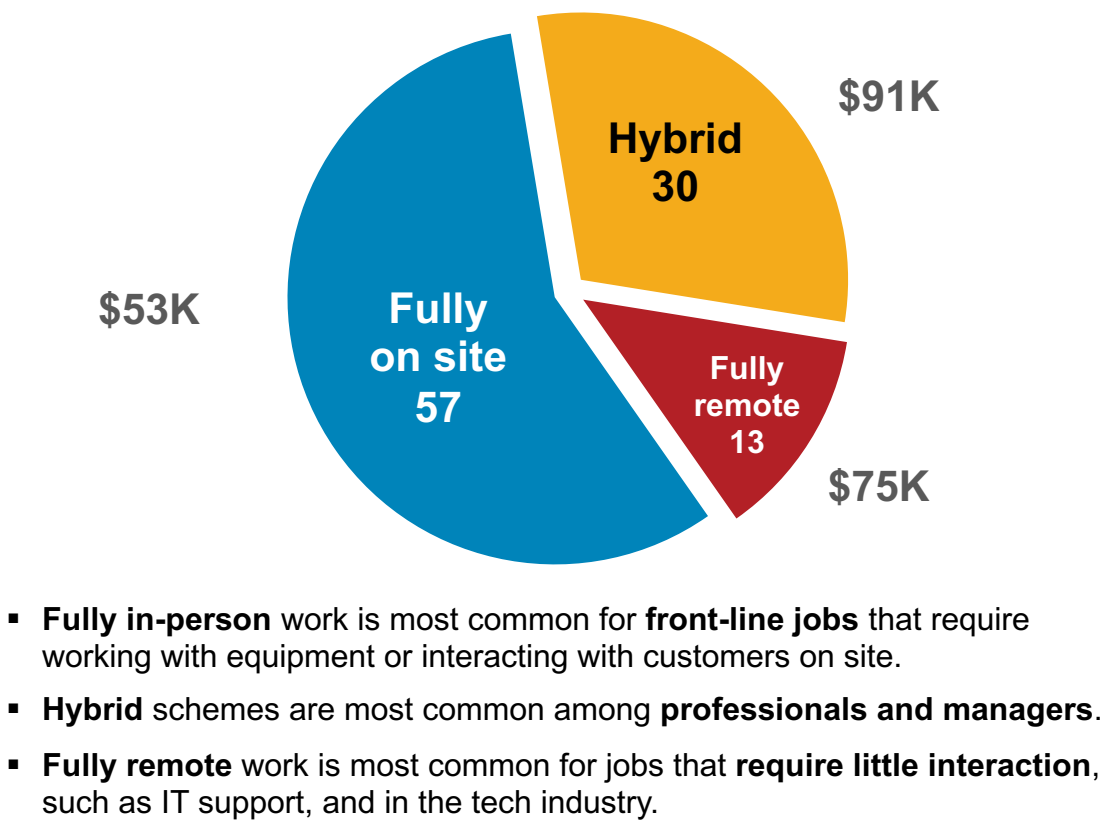
Source: U.S. Bureau of Economic Analysis and Bureau of Labor Statistics via Federal Reserve Bank of St. Louis Note: Personal consumption expenditures (PCE) and inflation are seasonally adjusted and annualized

Share of Remote Work Has Stabilized Well Above Pre-Pandemic Level

Hybrid Workers, Who Earn the Most, Have Time and Money to Spend on Air Travel



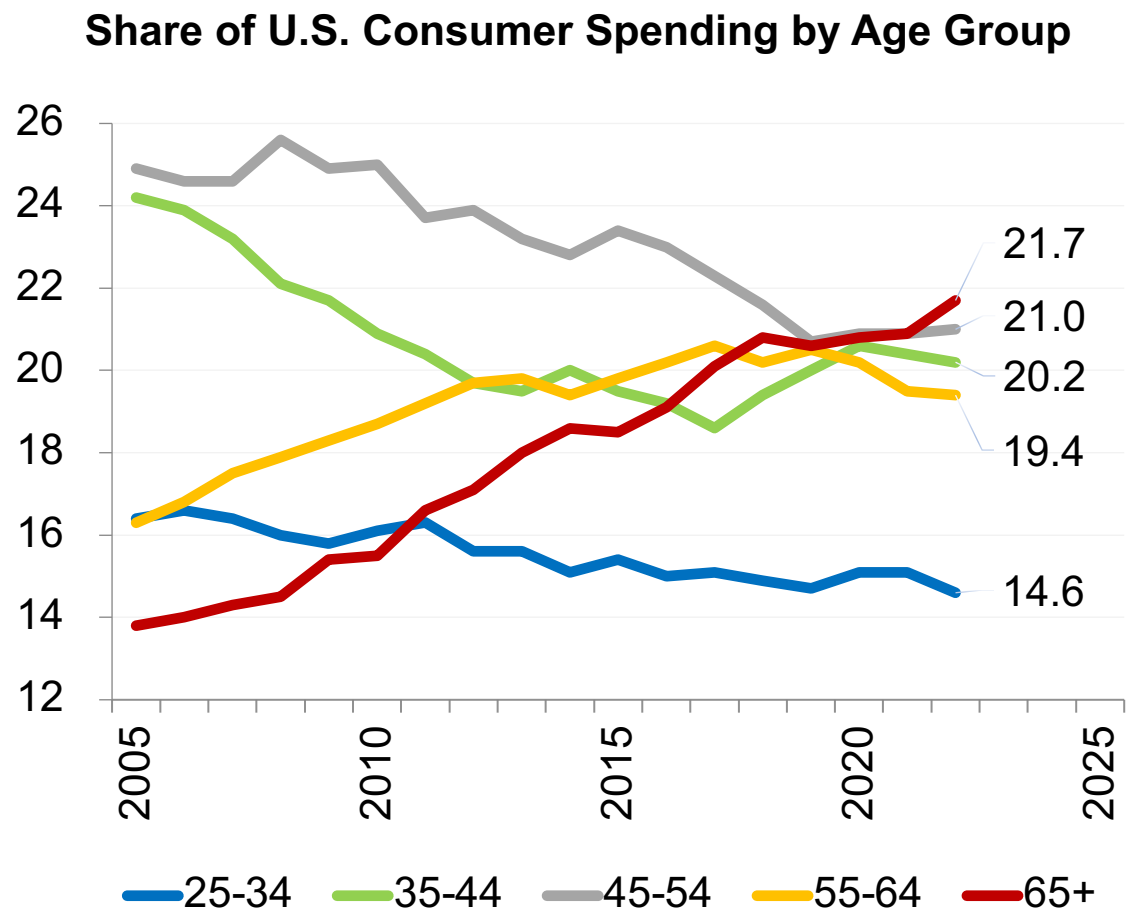
% of U.S. Resident Full-Time Employees by Working Arrangement (Dec-2023) and Earnings (1H23)



Source: Survey of Working Arrangements and Attitudes (SWAA), Barrero, Jose Maria, Nicholas Bloom, and Steven J. Davis, 2021. "Why working from home will stick," National Bureau of Economic Research Working Paper 28731.

U.S. Seniors, Who Value Experiences Such as Travel, Constitute a Growing, Spending Force

Americans Age 65+ Accounted for ~22% of Spending in 2022 vs. ~15% in 2010



“**These are the consumers that will matter over the coming year,**” said Susan Sterne, chief economist at Economic Analysis Associates. **‘Our large share of older consumers provides a consumption base in times like today** when job growth slows, interest rates rise and student-debt loan repayments begin again.’

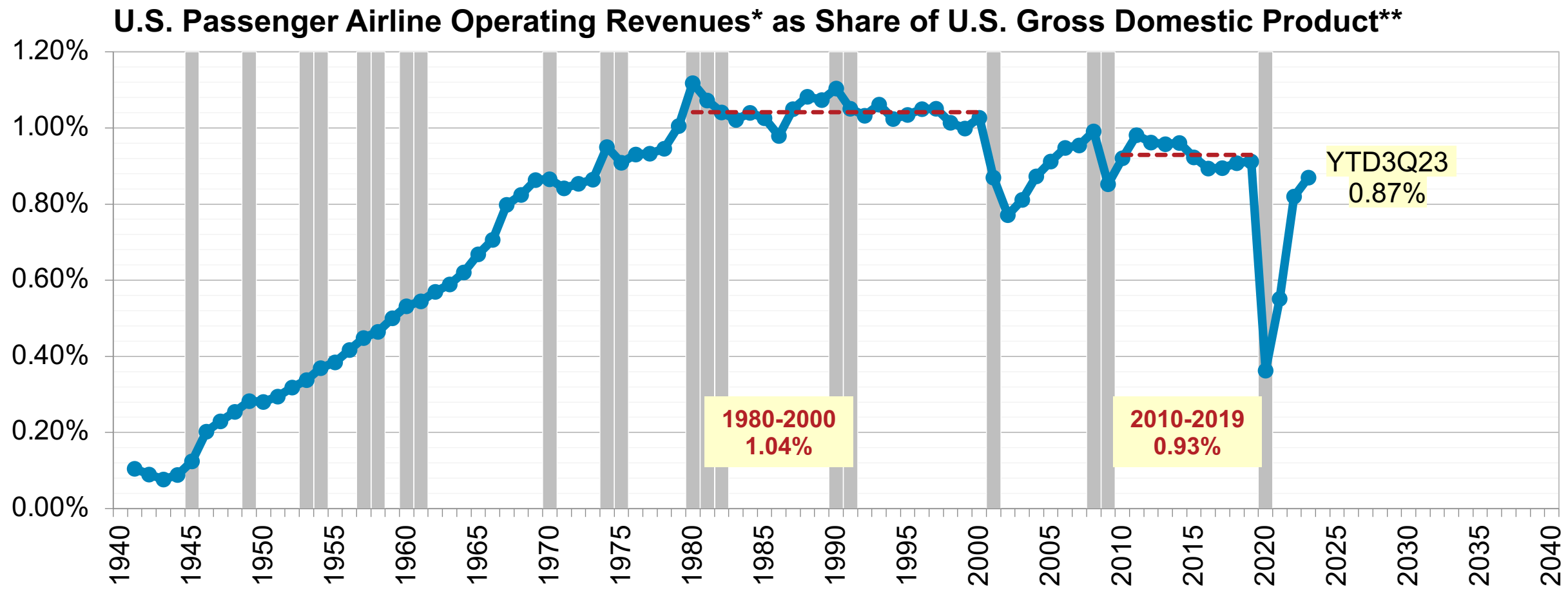
Seniors’ high spending propensities reflect health, wealth and perhaps lingering psychological effects of the pandemic... **They have less consumer debt, minimal student debt and are more likely to own their homes outright.** Many of those who have mortgages refinanced at the unprecedented low in mortgage rates after the pandemic hit. They are also less likely to need to move due to an expanding family or a new job than Gen Z and Millennials, shielding them from the impact of rising housing costs.”

The Wall Street Journal (Oct. 8, 2023)

Sources: U.S. Bureau of Labor Statistics Consumer Expenditure Surveys and Gwynn Guilford, “The U.S. Economy’s Secret Weapon: Seniors With Money to Spend,” *The Wall Street Journal* (Oct. 8, 2023)

Reduced Revenue Relative to Size of U.S. Economy Cost Airlines ~\$26-54 Billion in 2022

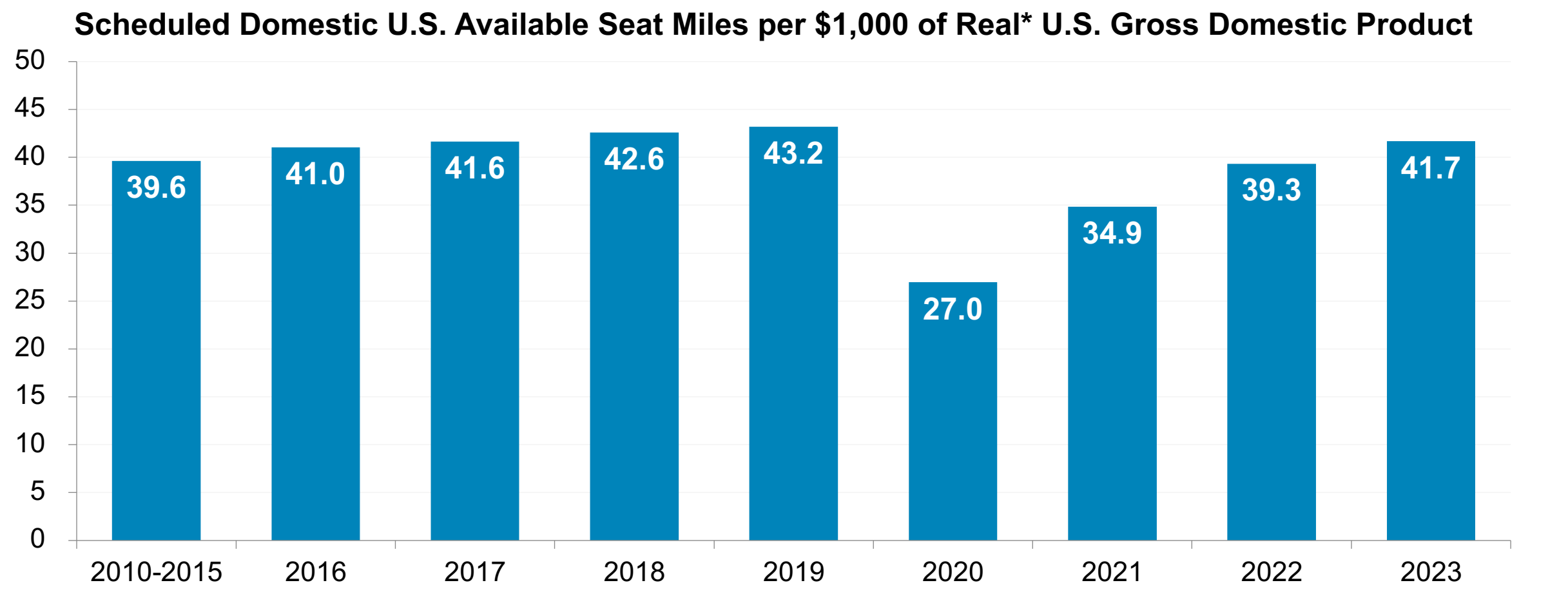
Heightened Competition Among Carriers and Travel Modes Plus Ease of Comparison-Shopping



Source: A4A Passenger Airline Cost Index * DOT Form 41 systemwide operating revenues on a four-quarter rolling basis ** Gray shading indicates U.S. recession exceeding one month in respective year

Relative to the U.S. Economy, 2023 Domestic Scheduled Airline Capacity Fell Below 2018-2019

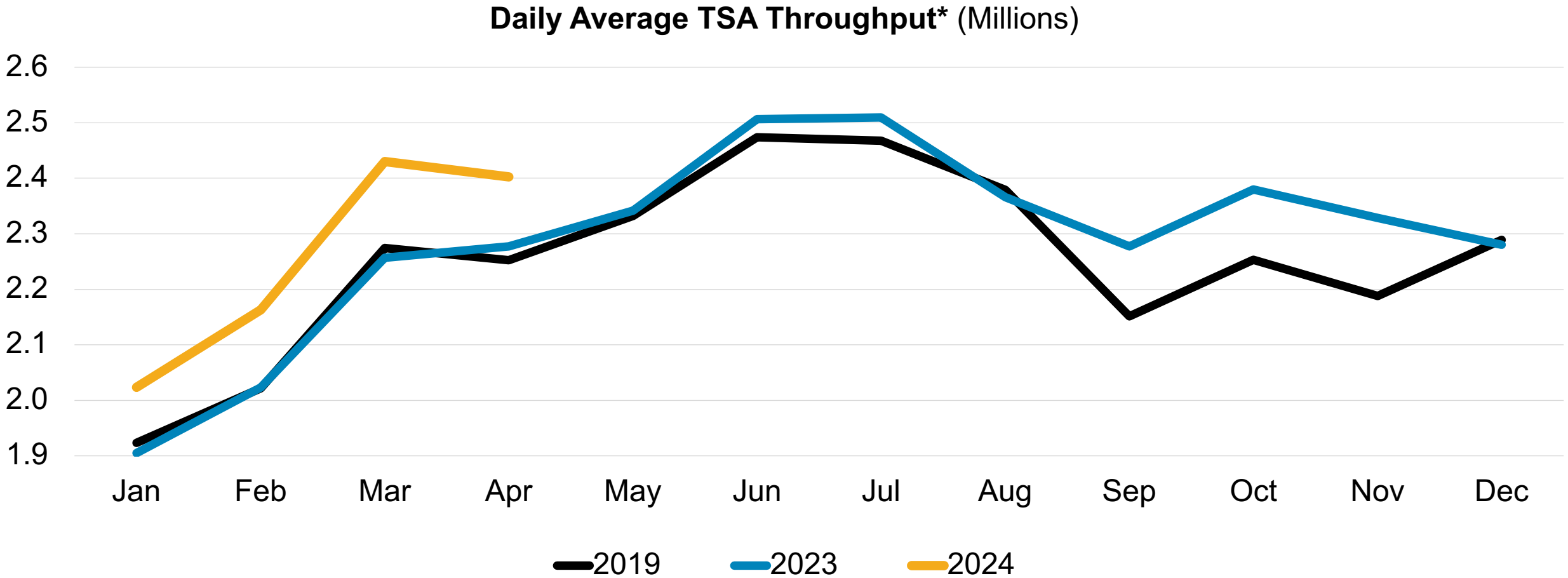
Constraints Include ATC Staffing, Aircraft/Engine Delivery Delays and Regional Airline Pilot Supply



Sources: Bureau of Economic Analysis for GDP; Diio by Cirium (Jan. 5, 2024) for published schedules * Chained 2017 dollars

TSA Checkpoint Volumes Off to a Record Start in 2024

In First Four Months, Daily Average Rose 5.6% From 2023

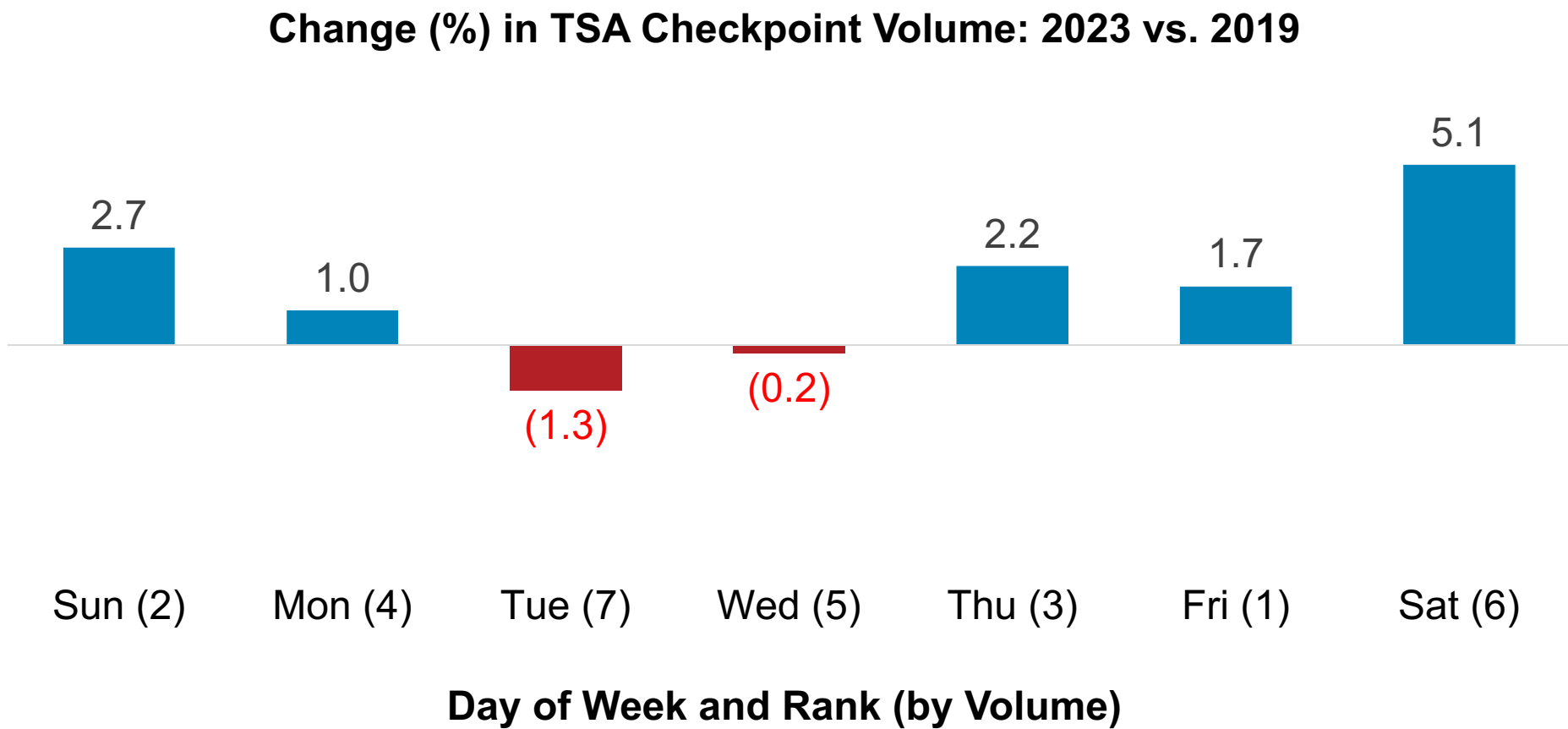


Source: A4A analysis of data from the Transportation Security Administration

* U.S. and foreign-carrier customers (excludes Known Crewmember® personnel) traversing TSA checkpoints

Change in Day-of-Week Air-Travel Patterns Provides Evidence of Increased Leisure Mix

Saturday and Sunday, Known for Leisure, Are the Big Winners; Friday Remains the Busiest Day



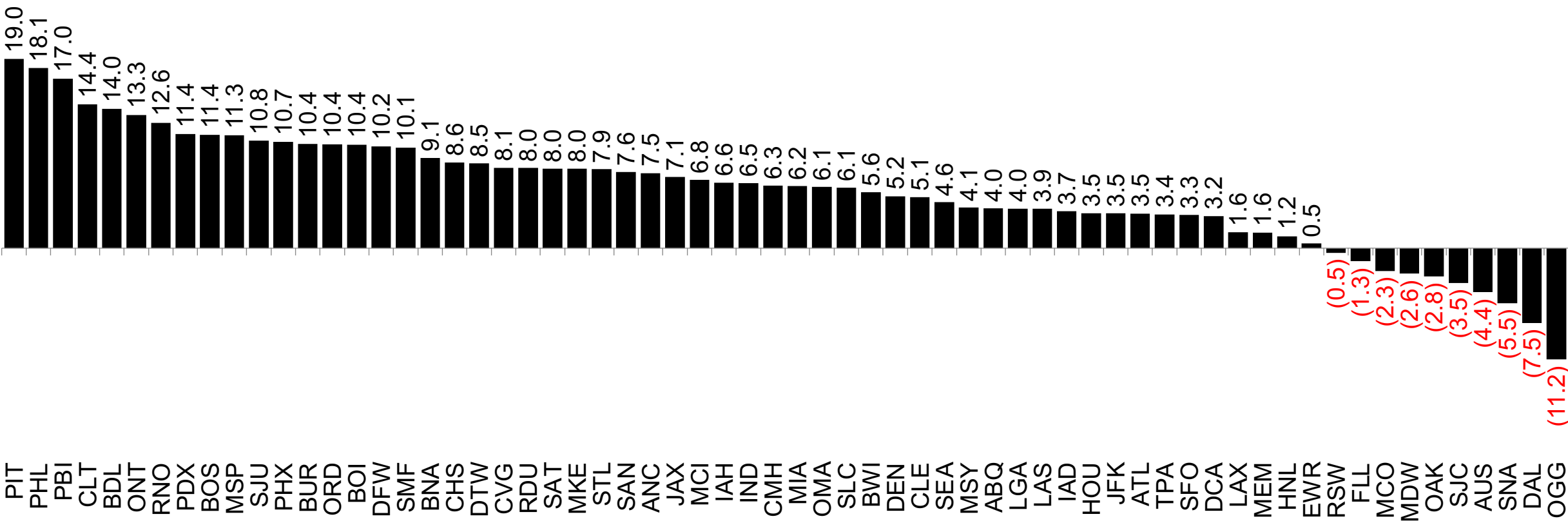
Source: A4A analysis of data from the Transportation Security Administration

Note: Volume reflects travelers only, not Known Crewmember® personnel.

In 3Q 2024, Almost All Large and Medium-Hub U.S. Airports Are Seeing More Seats YOY

Pittsburgh, Philadelphia and West Palm Are the Fastest-Growing; Maui Is Contracting the Most

Change (%) in Systemwide Scheduled Seats: 3Q24 vs. 3Q23

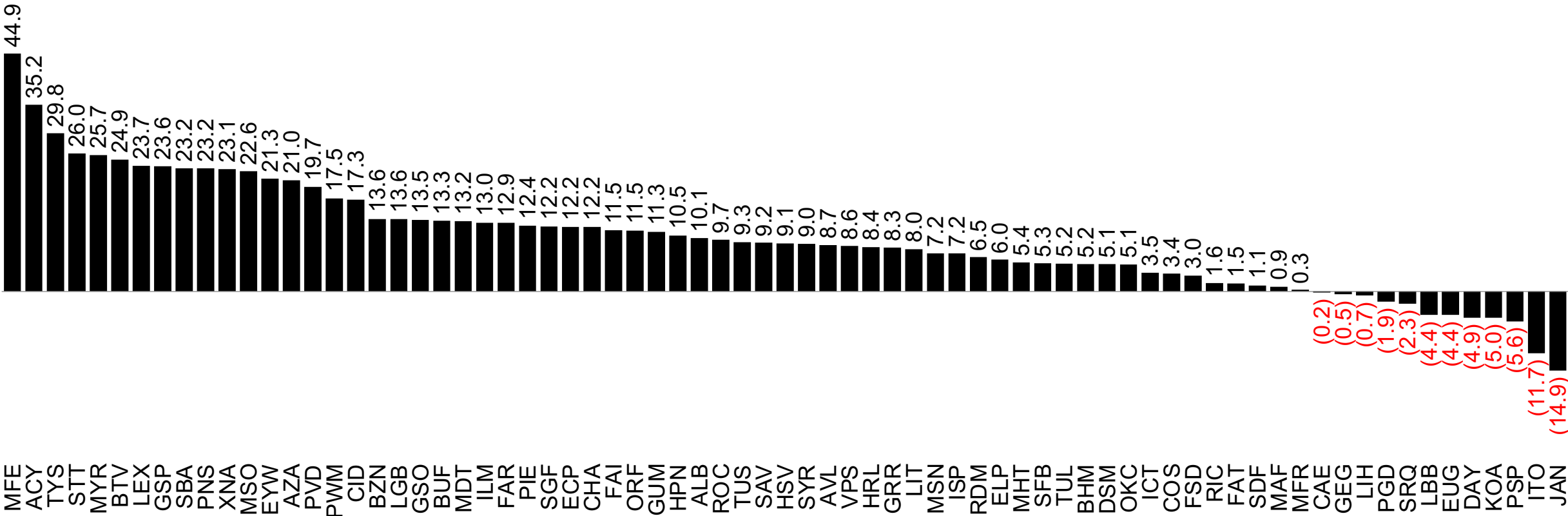


Source: Cirium published schedules (May 10, 2024) for all U.S. and non-U.S. airlines providing scheduled service to all U.S. and non-U.S. destinations

In 3Q 2024, Almost All Small-Hub U.S. Airports Are Showing More Seats YOY

McAllen (TX) and Atlantic City (NJ) Are Leading Small-Hub Growth

Change (%) in Systemwide Scheduled Seats: 3Q24 vs. 3Q23

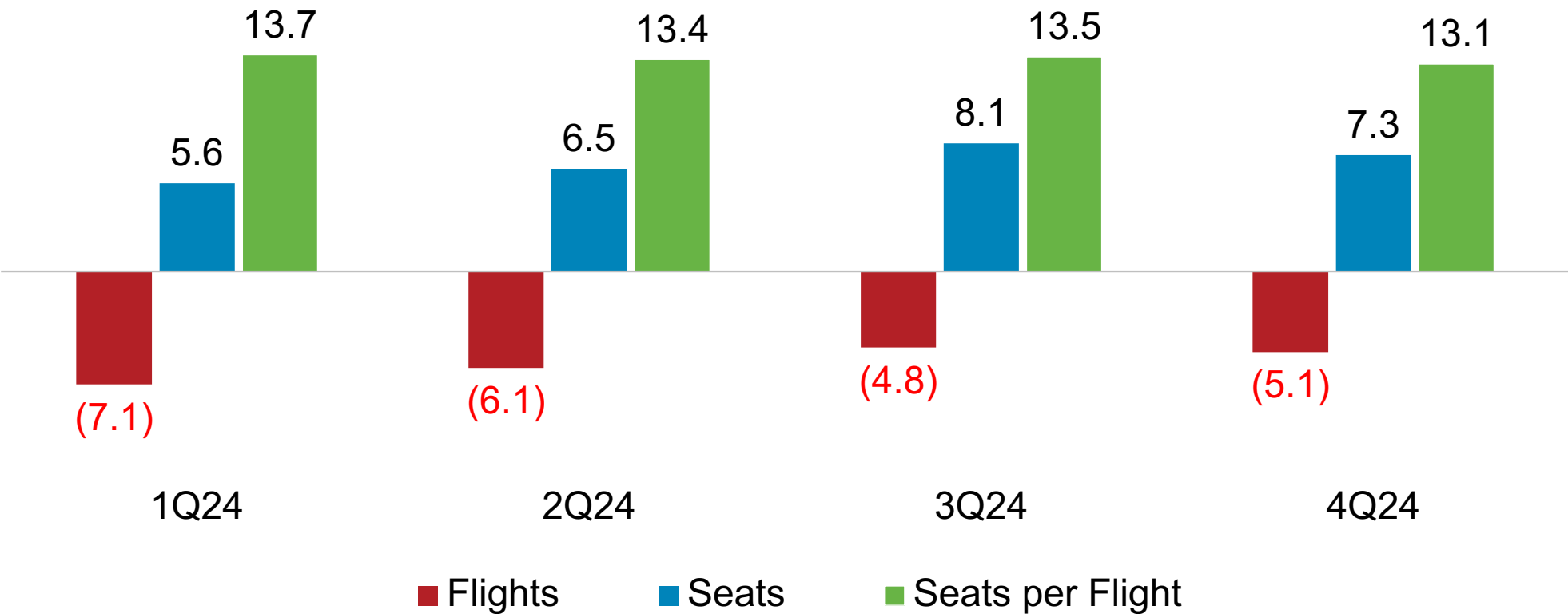


Source: Cirium published schedules (May 10, 2024) for all U.S. and non-U.S. airlines providing scheduled service to all U.S. and non-U.S. destinations

Seats Available to Customers Continue to Grow Despite Fewer U.S. Flights Than in 2019

At U.S. Airports, U.S. and Foreign-Flag Carriers Are Averaging 13-14% Larger Aircraft Than in 2019

Change (%) vs. 2019 in Scheduled Passenger Service at U.S. Airports*



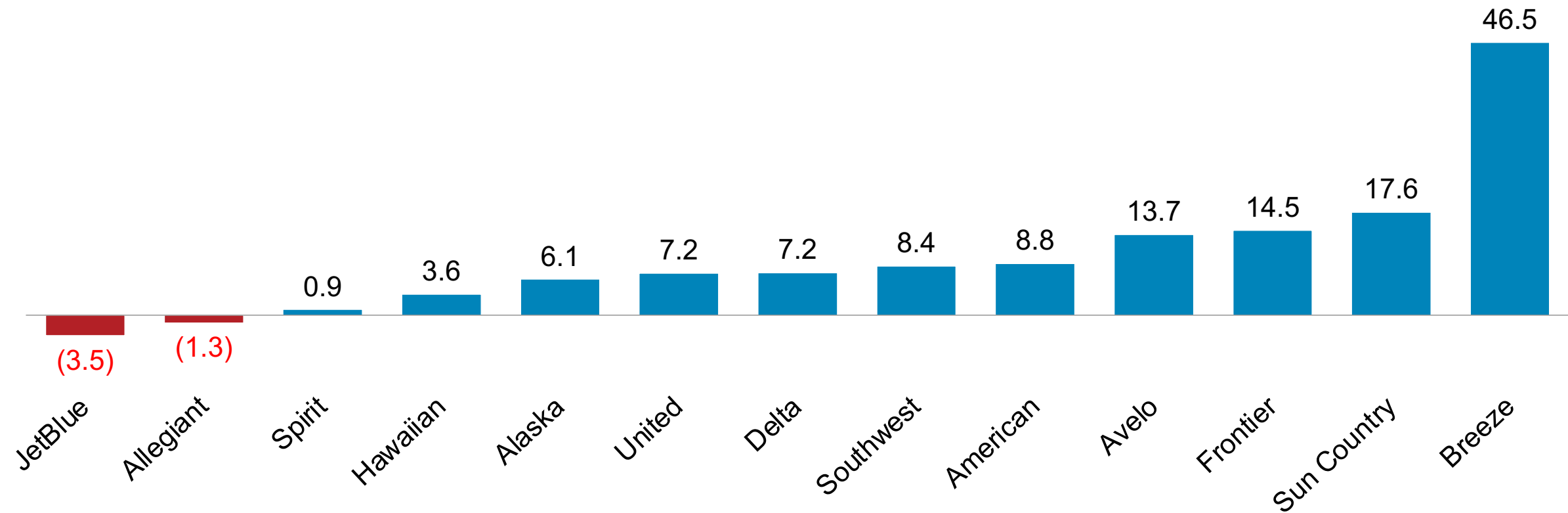
Source: Cirium published schedules (May 10, 2024) for all U.S. and foreign-flag airlines departing U.S. airports for all destinations

* 1Q24 includes an extra day (Feb. 29)

Schedules for 2Q 2024 Show Four ULCCs Dominating Year-Over-Year Capacity Growth

JetBlue and Allegiant Showing Contraction

Change (%) in Systemwide Capacity (ASMs): 2Q 2024 vs. 2Q 2023



Source: Cirium published schedules (May 10, 2024) for selected marketing airlines on a consolidated basis

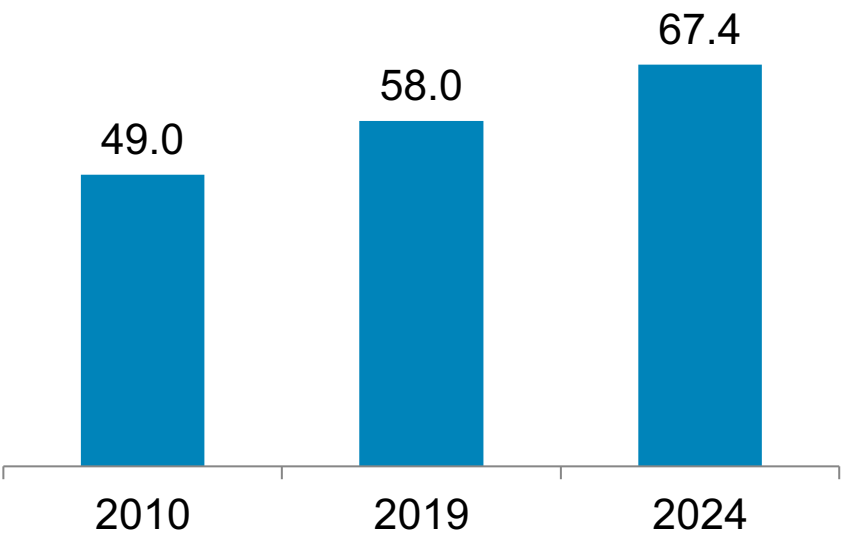
Note: ASMs = available seat miles

Increases in Mainline Flying *and* in Aircraft Size Have Fueled Domestic Up-Gauging

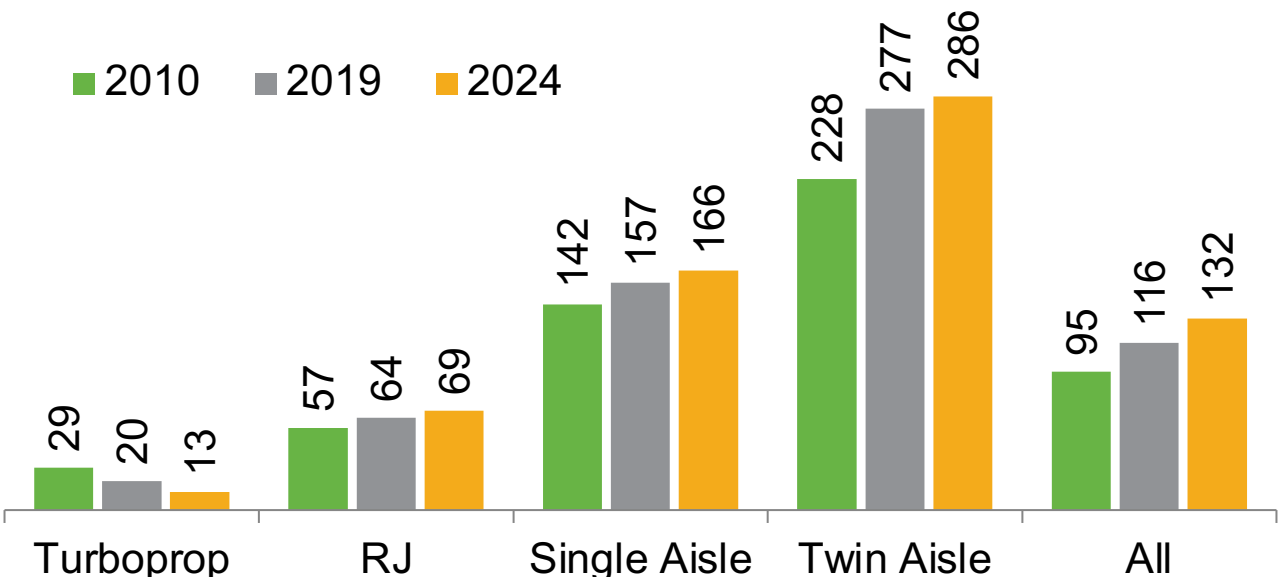
Mainline Now Accounts for More Than Two-Thirds of Domestic Flights, Up From Half in 2010

“For some markets, we’re gonna need to make choices as to whether we’re gonna fly a larger flight, whether we’re gonna consolidate the number of operations, but **you’re never again gonna see the 50-seat aircraft have the level of prominence in the industry.**” (Delta CEO Ed Bastian, Sept. 20, 2022)

Mainline* % of Domestic U.S. Flights



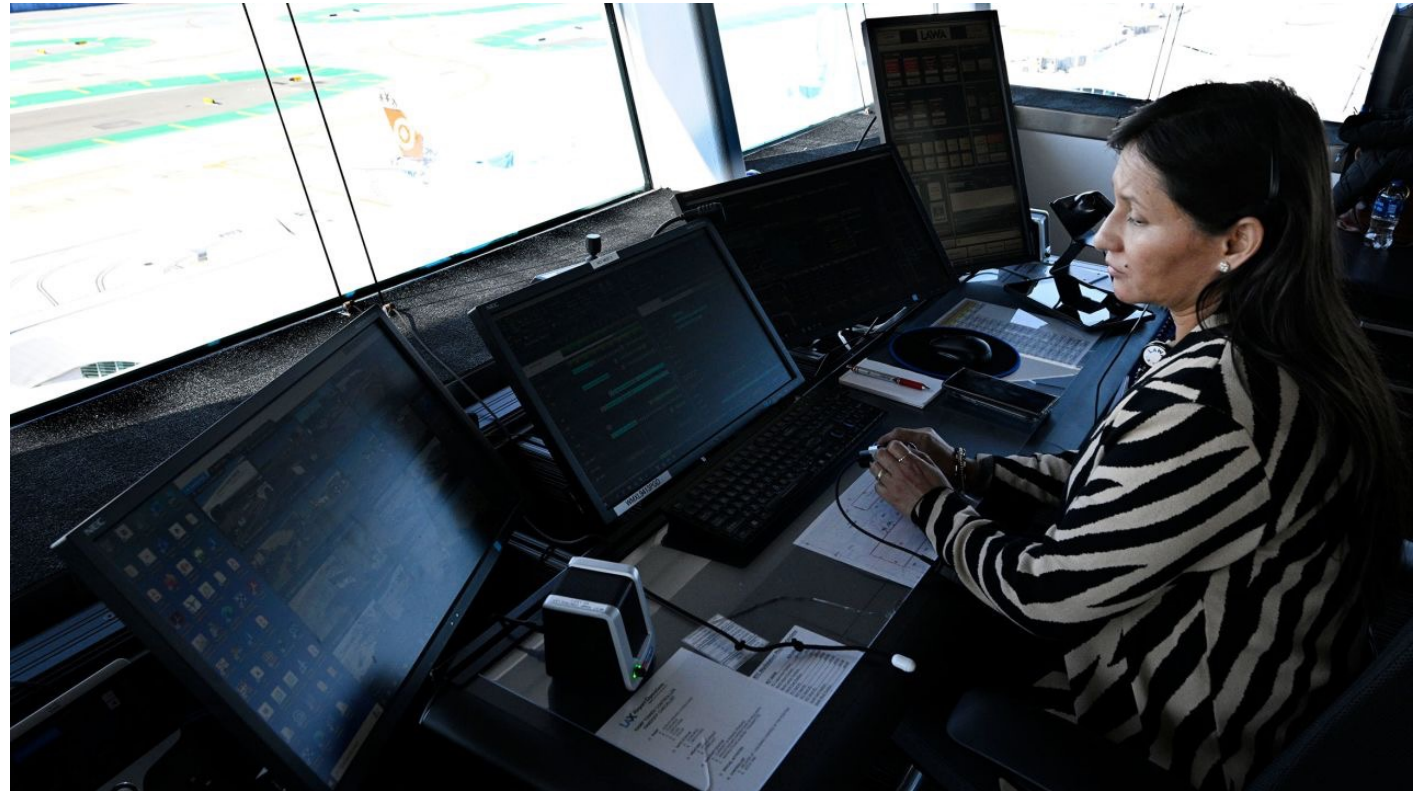
Average Seats per Domestic U.S. Flight



Source: Cirium published schedules (May 10, 2024) * Mainline = operated by the marketing airline itself rather than a regional airline codeshare partner

U.S. DOT: Air Traffic Control Is Understaffed by About 3,000 Positions

“Air traffic control in the United States is understaffed by about 3,000 positions, Transportation Secretary Pete Buttigieg told CNN on Friday... The...ATC workforce currently numbers about 11,500 controllers, but ‘the optimal number is closer to about 14,500,’ the secretary said. The numbers are similar to the agency’s assessment this spring that **about one in five controller positions nationwide are vacant. ‘We have thousands of controllers in training right now but also a number who are eligible to retire,’** Buttigieg said.”

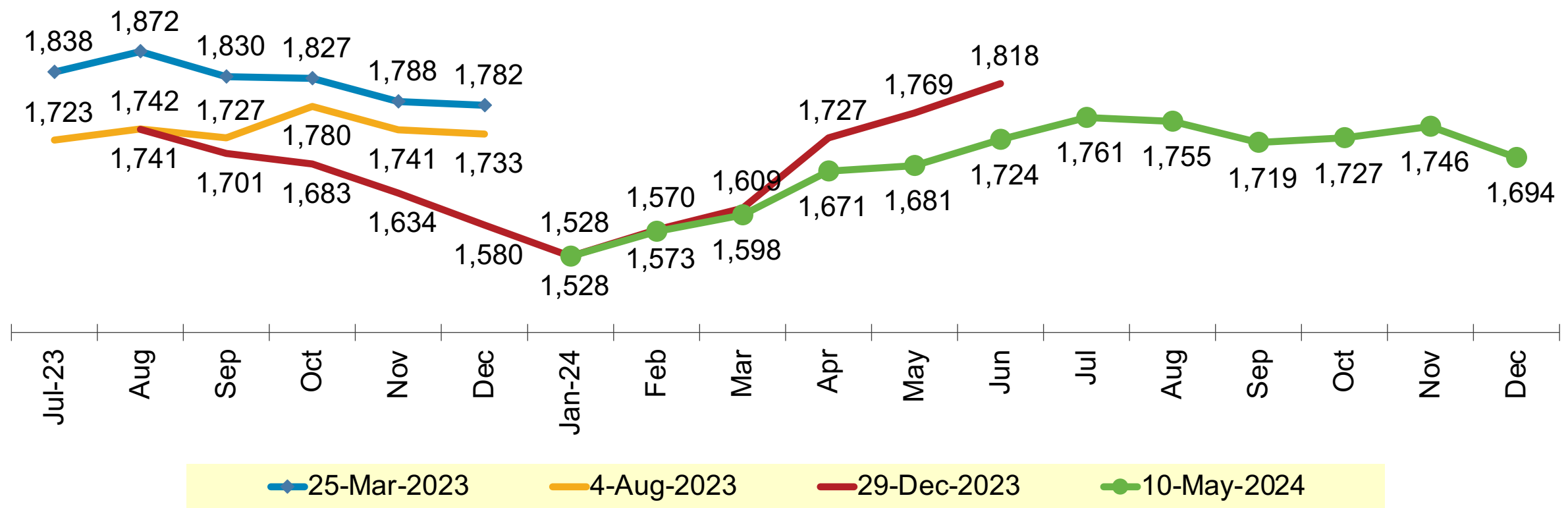


Source: “Buttigieg says FAA is about 3,000 air traffic controllers short,” Greg Wallace, CNN (May 5, 2023)

FAA Recognition of ATC Constraints Led Airlines to Pull Down NYC-Area Flying in 2H 2023

Relative to the March 25th Schedule, December Ended Up With 202 (11.3%) Fewer Flights per Day

Scheduled Daily Passenger Flights at EWR/HPN/JFK/LGA by Departure Month and Schedule Date

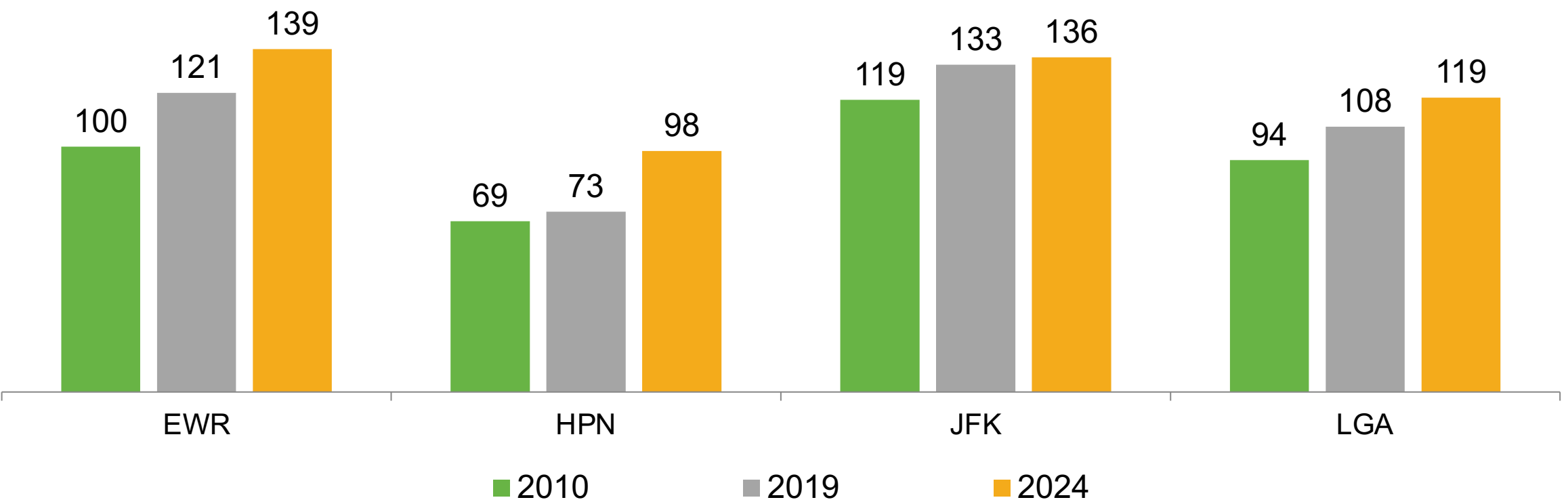


Source: Cirium published schedules for all U.S. and foreign-flag airlines departing EWR/HPN/JFK/LGA for all destinations

Airlines Have Up-Gauged Domestic Flying at All Four NYC Airports

Average Seats per Domestic Flight Up 28% From 2010 to 2024 (~40% at EWR)

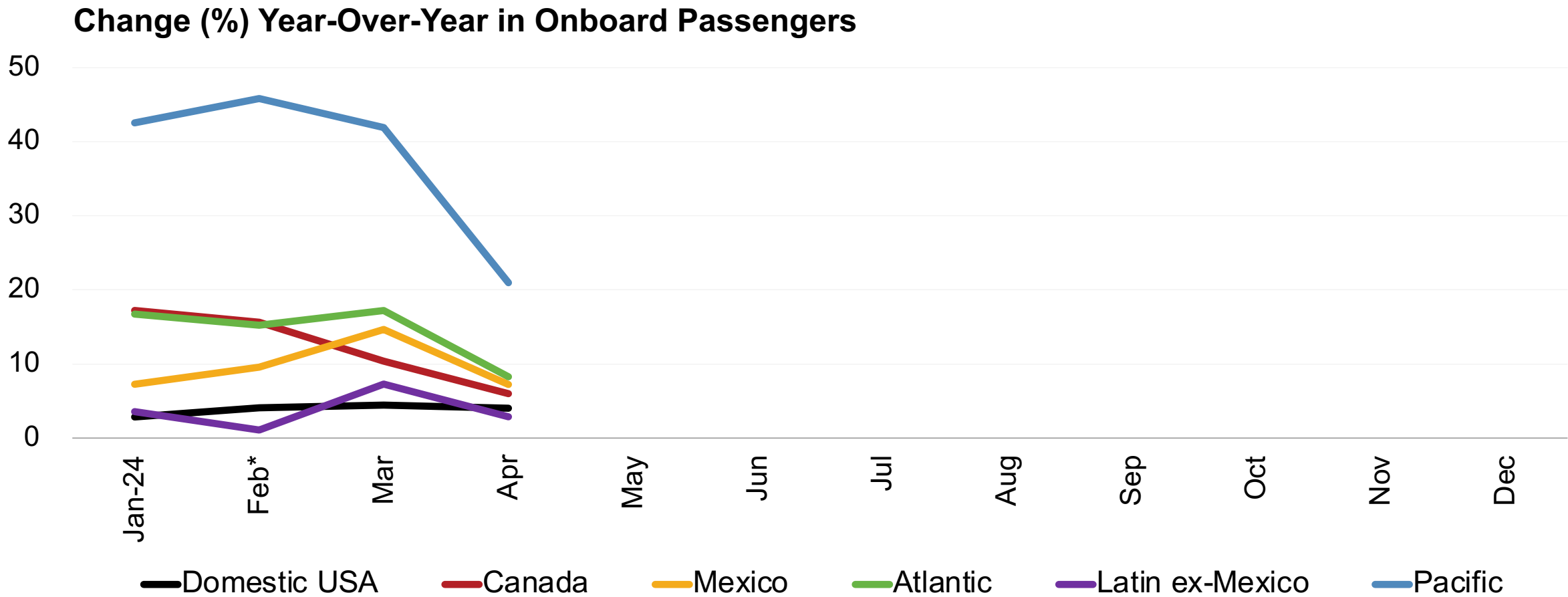
Scheduled Seats per Domestic U.S. Departure at NYC Airports



Source: Cirium published schedules (May 10, 2024)

In the First Four Months of 2024, A4A Member Airlines Saw Passenger Growth in All Regions

Atlantic and Pacific Routes Are Experiencing the Largest Year-Over-Year Gains

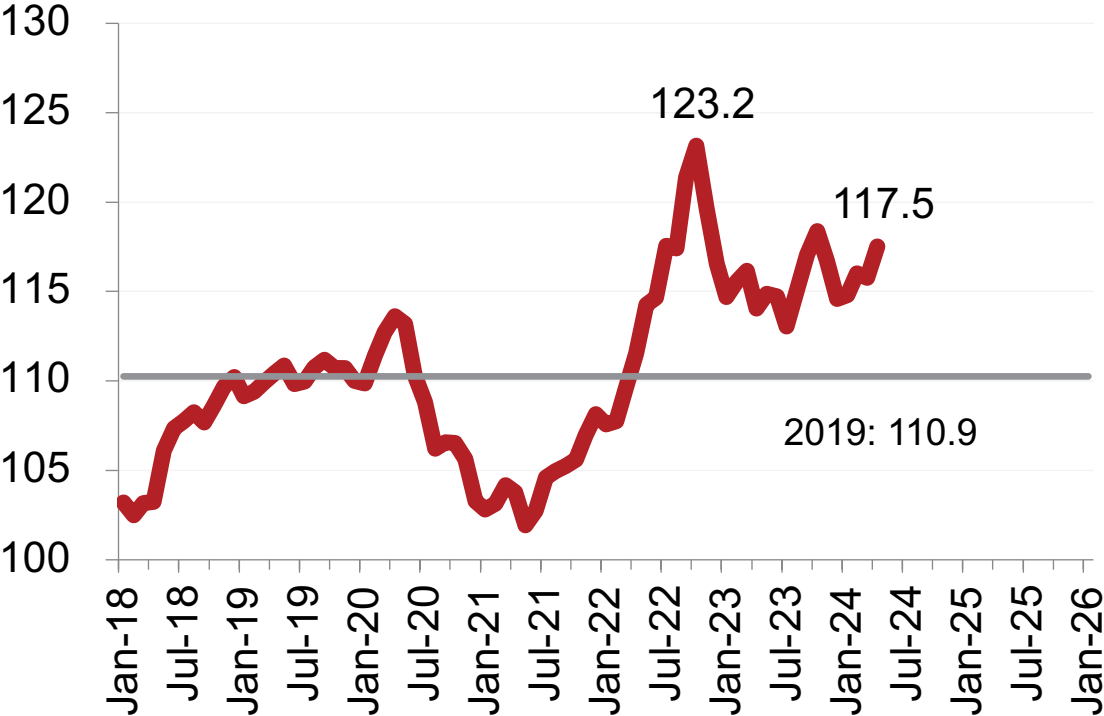


Source: A4A member passenger airlines (Alaska/American/Delta/Hawaiian/JetBlue/Southwest/United) and branded code share partners * Adjusted for Leap Day

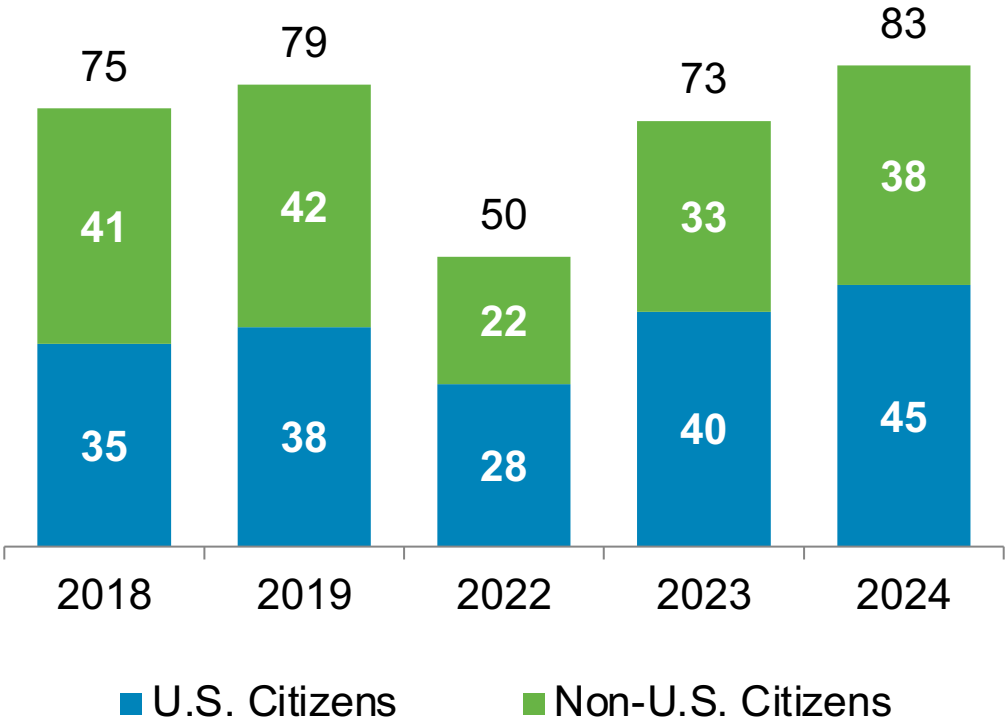
In the First Four Months of 2024, U.S.-International Air Travel Rose 13% Year Over Year

U.S. Citizen Volumes Rose 11%; Non-U.S. Citizen Volumes Rose 15%

Nominal Advanced Foreign Economies U.S. Dollar Index
Jan 2006=100, NSA



U.S.-International Air Passengers* (Millions)
January through April

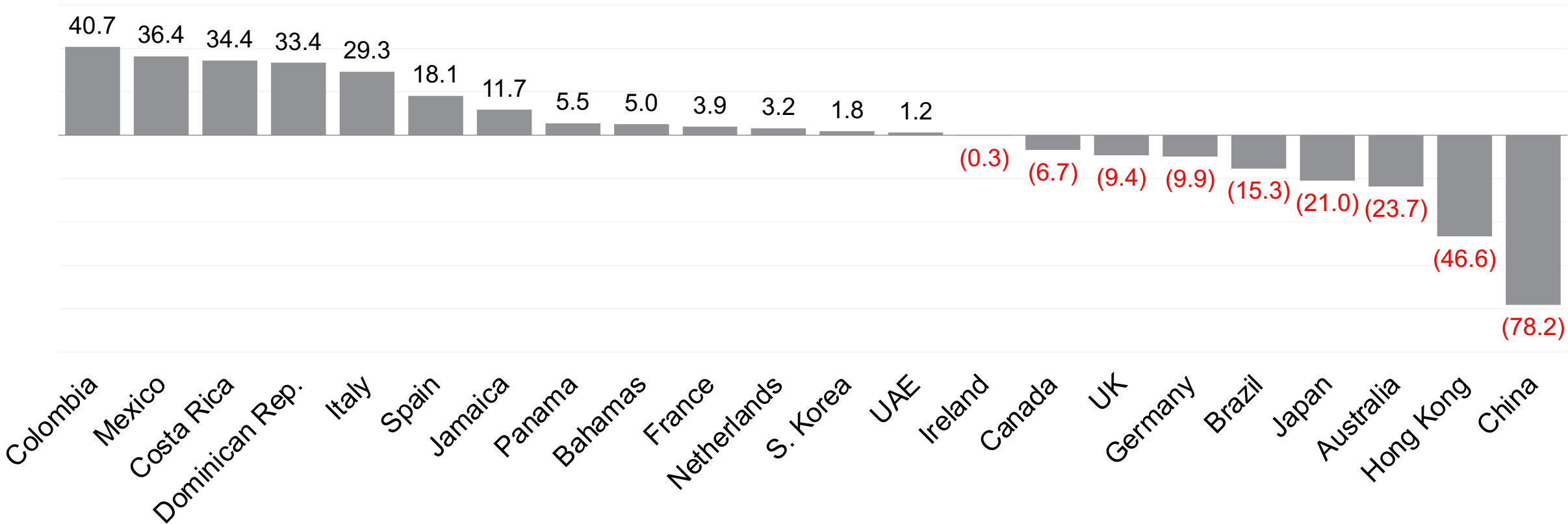


Source: Federal Reserve Bank of St. Louis and U.S. Department of Commerce using DHS I-92 / APIS data * Outbound and inbound gateway-to-gateway passengers on U.S. and non-U.S. airlines; 2024 includes Feb. 29

In the First Three Months of 2024, Many U.S.-International Markets Saw More Pax Than in 2019

U.S.-Colombia/Mexico/Colombia/Costa Rica/Dominican Republic Are Up More Than 30%

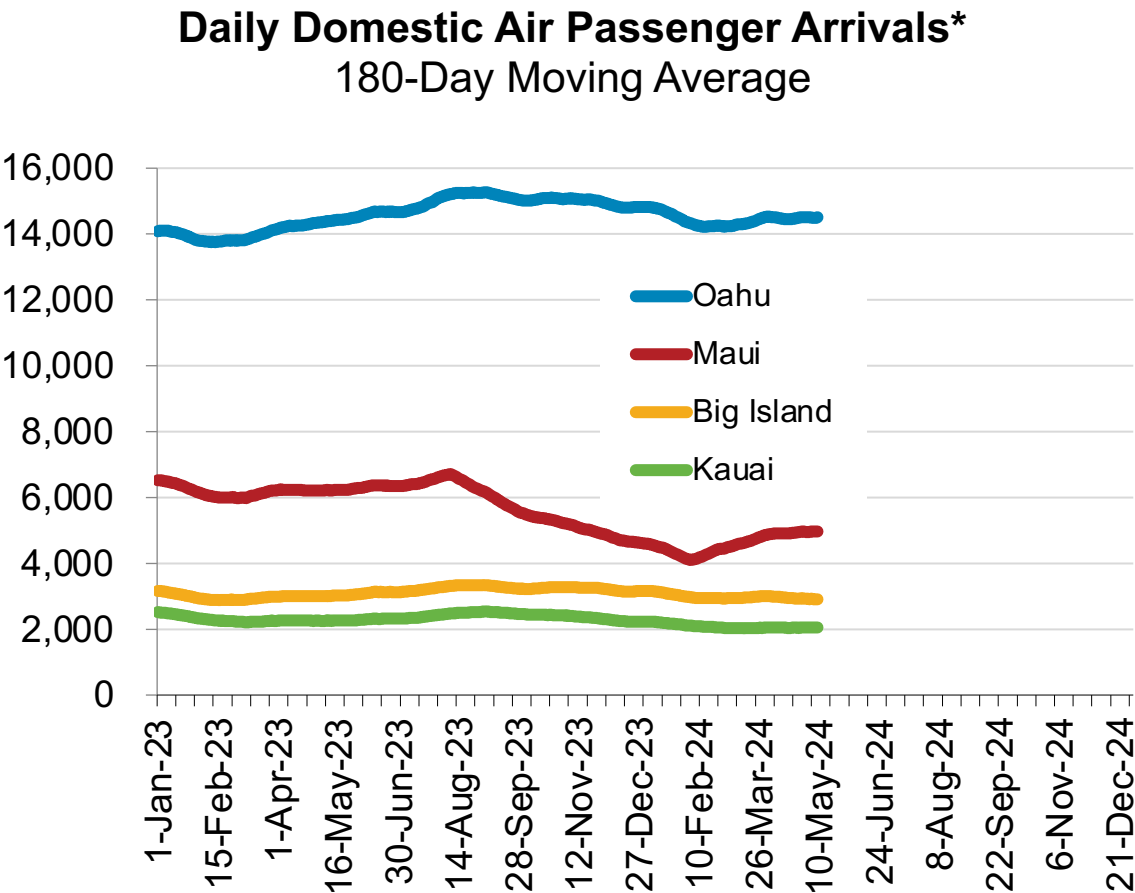
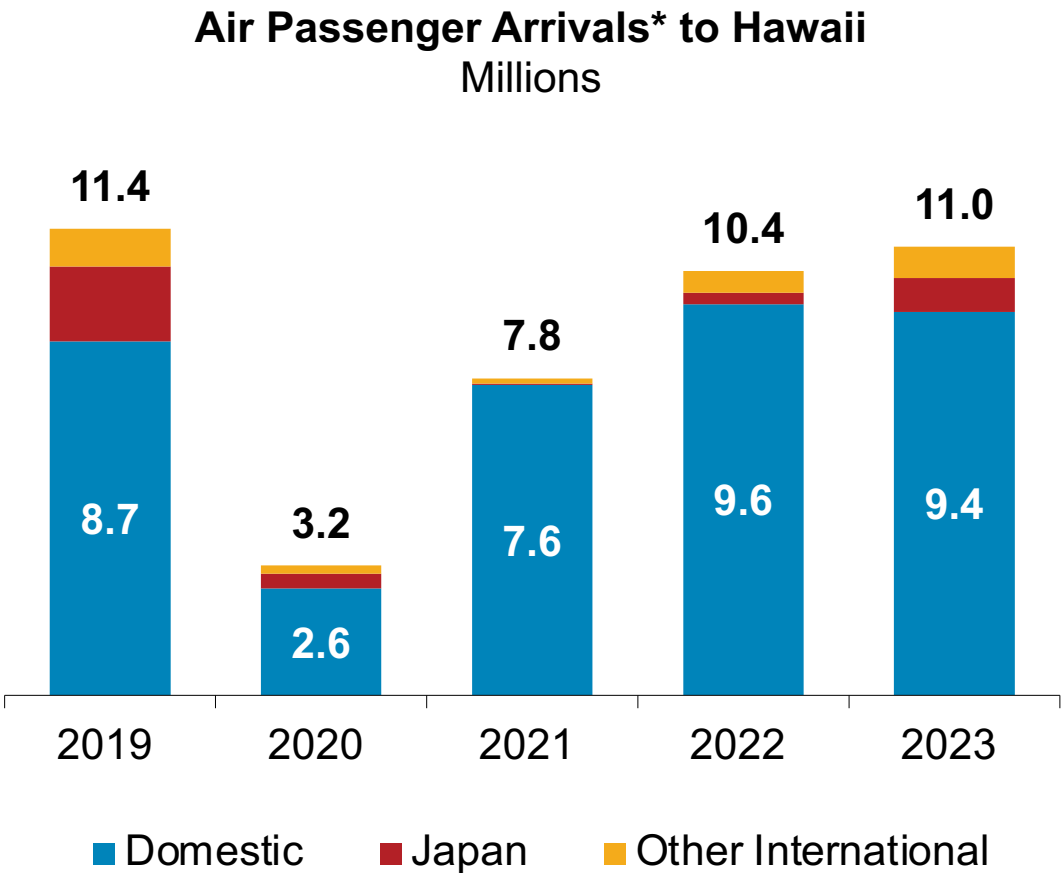
Change (%) in Passengers* in Top U.S. Country Pairs — Jan-Mar 2024 vs. Jan-Mar 2019



Source: DHS I-92 / APIS data compiled by U.S. Department of Commerce National Travel and Tourism Office * Gateway-to-gateway passengers on U.S. and foreign scheduled and charter airlines and general aviation

International Air Arrivals (Especially From Japan) to Hawaii Remained Depressed in 2023

But Domestic Air Arrivals Showed Continued Strength, With Maui Having Partially Recovered



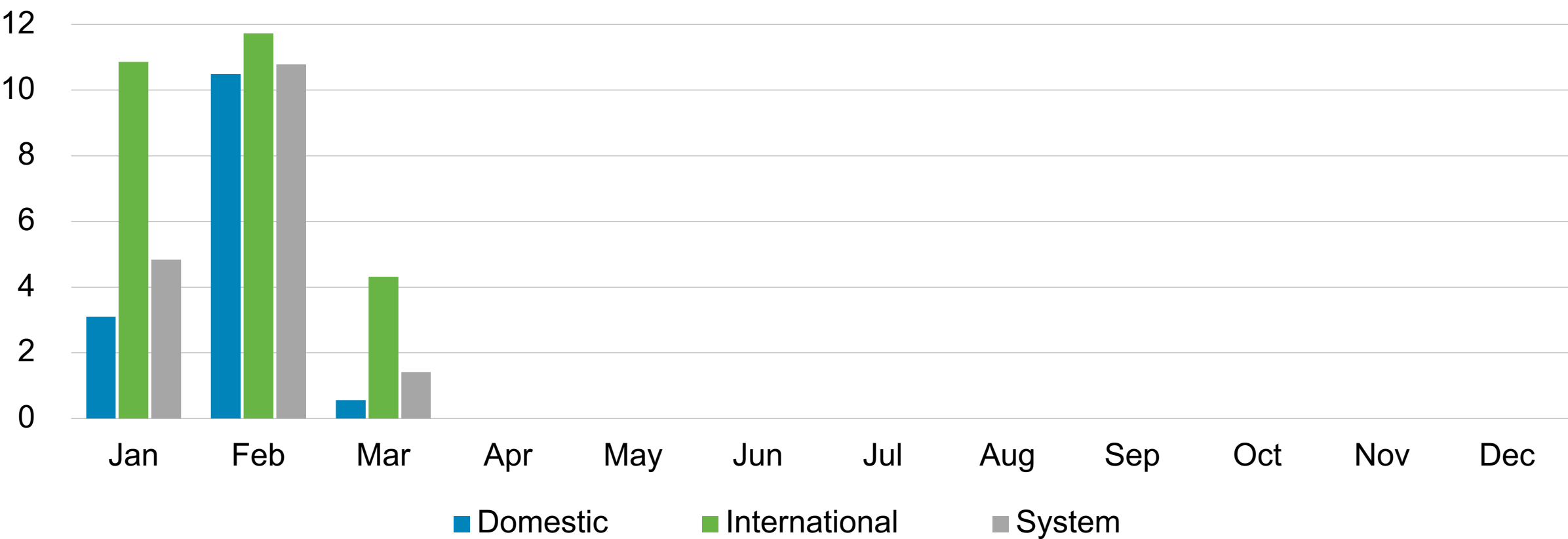
Source: Hawaii Department of Business, Economic Development & Tourism

* Includes returning residents, intended residents and visitors but exclude interisland and Canada passengers

International Ticket Sales Experienced Strong Growth in the First Three Months of 2024

Sales for Domestic Air Trips Slowed in March

Change (%) in U.S. Ticket Sales* — 2024 vs. 2023



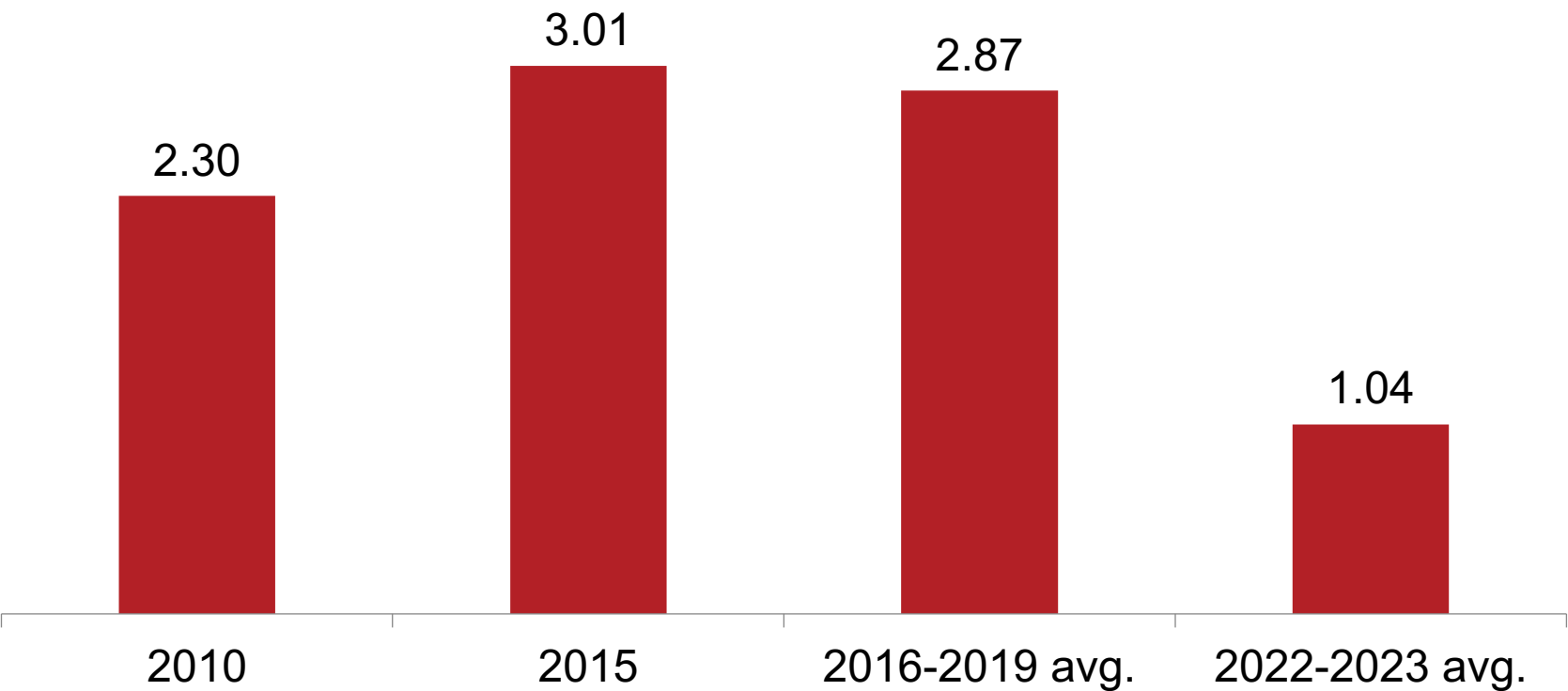
Source: A4A analysis of data from Airlines Reporting Corporation (ARC)

* Net tickets (gross sales minus refunds) for travel to/from U.S. airports

Revenues From Reservation Change Fees Have Fallen Sharply as Carriers Relaxed Restrictions

Widespread Elimination of Change Fees Has Boosted Traveler Flexibility

U.S. Airline Revenues (in Billions USD) From Reservation Change Fees



Source: Bureau of Transportation Statistics Form 41

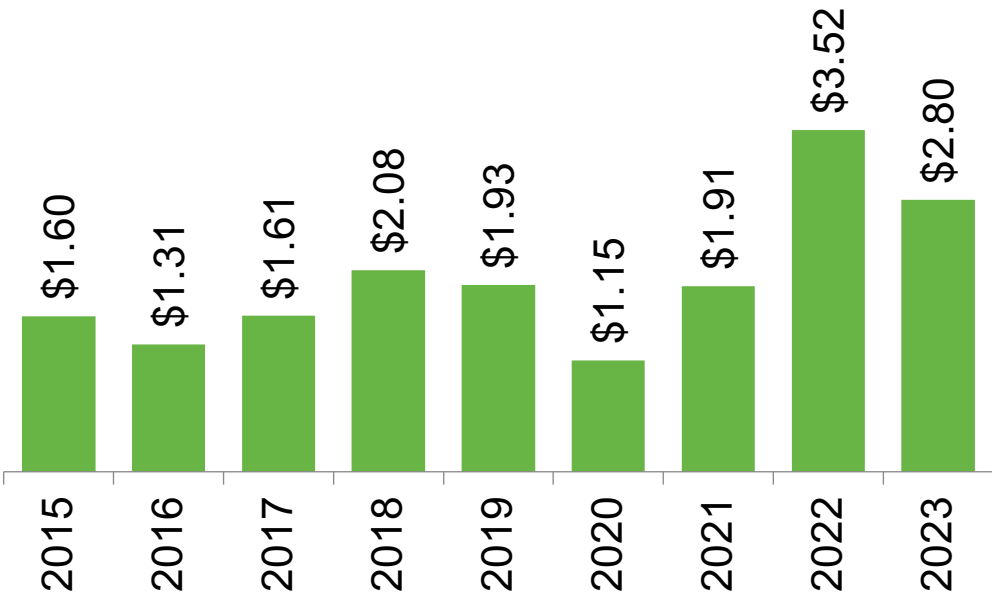
Note: 2023 is preliminary.

The Price of Jet Fuel in 2023 Subsidized From 2022 But Remained 45% Above 2019

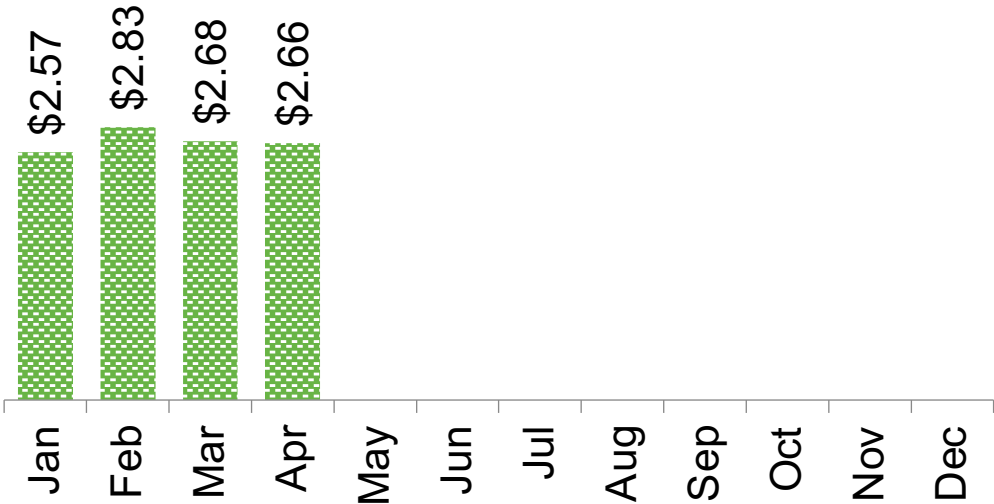
Nationwide Spot Price Averaged \$2.80 per Gallon

Argus US Jet Fuel Index™
USD per Gallon*

Annual Average, 2015-2023



Monthly Average, 2024

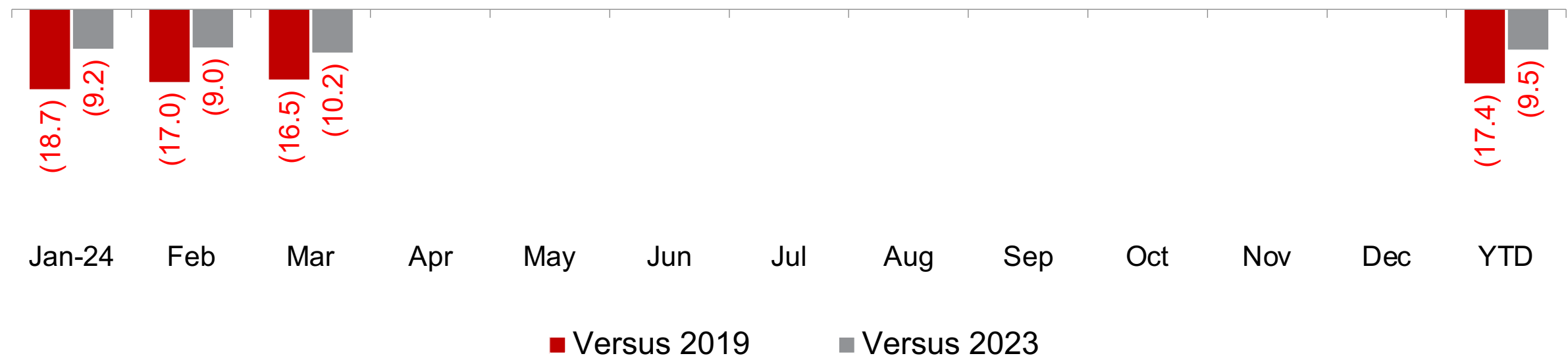


Sources: Argus Media (<https://www.airlines.org/dataset/argus-us-jet-fuel-index/>) * Simple average for Chicago, Houston, Los Angeles and New York; excludes transportation costs, taxes, storage and into-plane fees

In the First Three Months of 2024, Real Airline Fares Fell 9.5% Year Over Year

Inflation-Adjusted Fares Were ~17% Below 2019 Levels

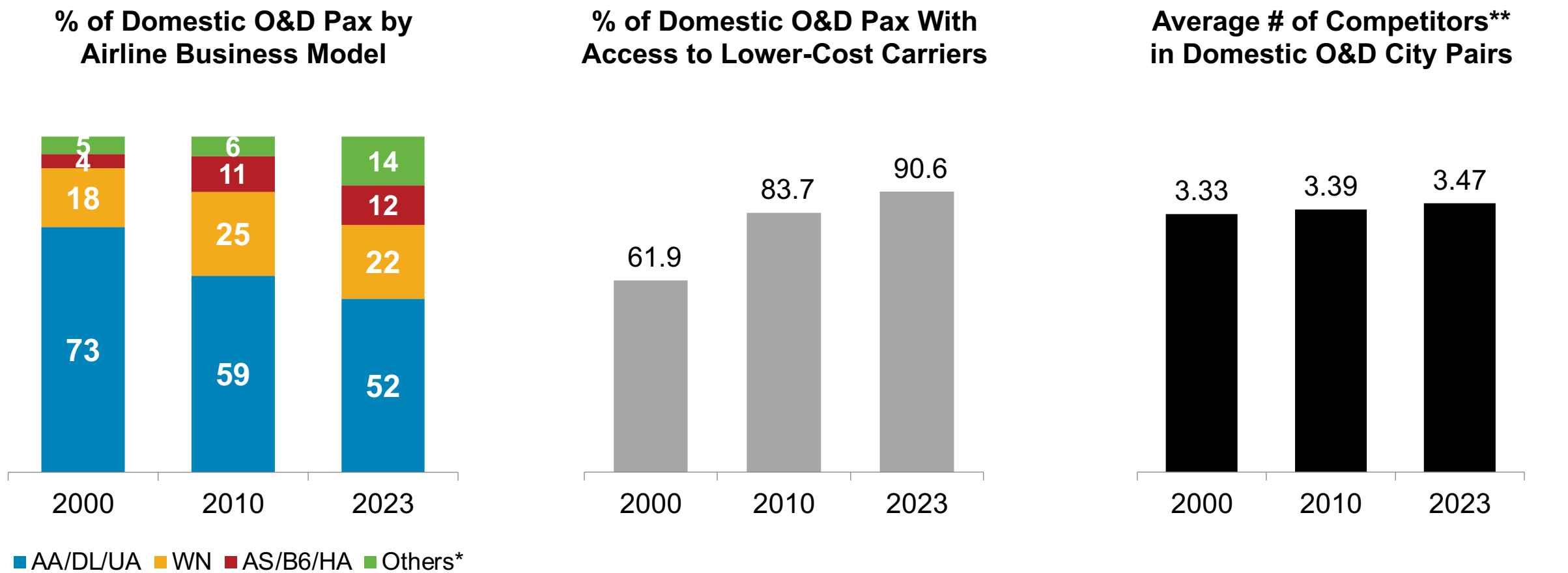
Change (%) in Inflation-Adjusted Consumer Price Index for Airline Fares: 2024 vs. 2019 and 2023



Source: Bureau of Labor Statistics (CPI series CUSR0000SETG01 and CUUR0000SA0); for information on the BLS methodology for “airline fares,” see <https://www.bls.gov/cpi/factsheets/airline-fares.htm>

From 2000-2023, the Number of Competitors per Domestic Air Trip Rose From 3.33 to 3.47

Global Network Carrier Share of Domestic Passengers Fell From 73% in 2000 to 52% in 2023



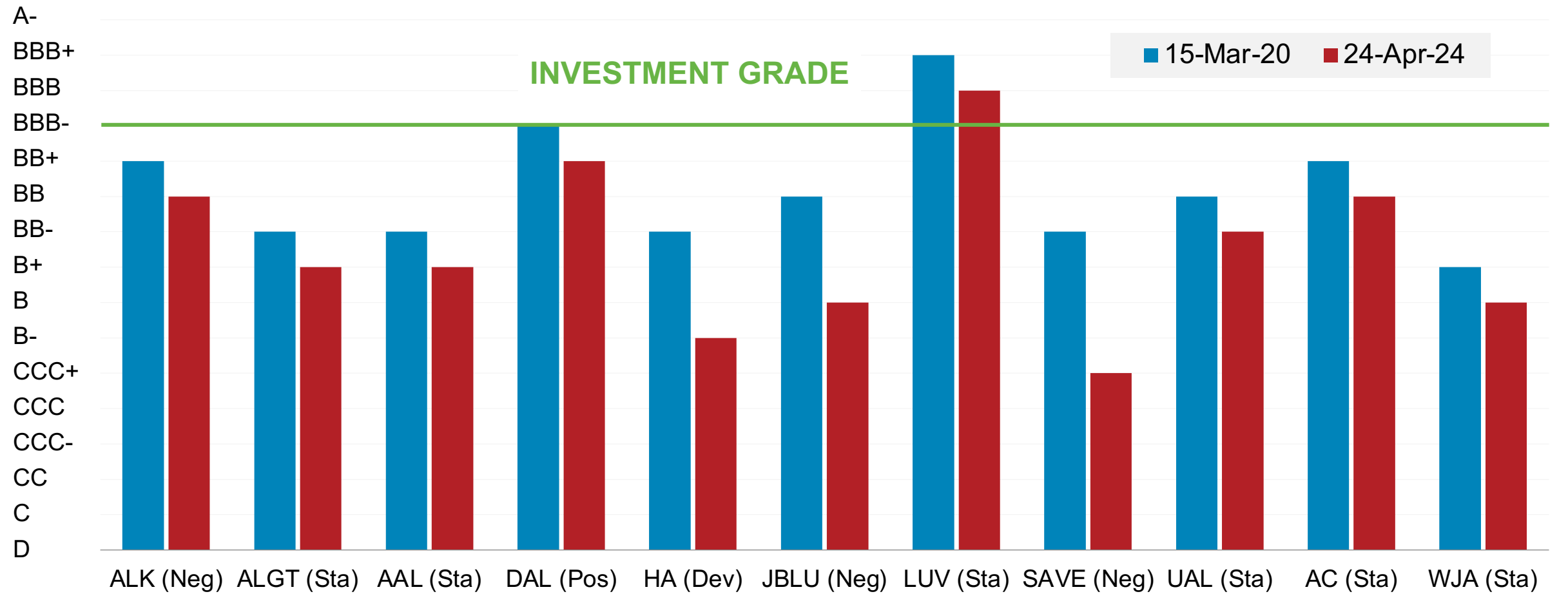
Source: A4A and Compass Lexecon analysis of DOT O&D Survey data (DB1B)

* Allegiant/Avelo/Breeze/Frontier/Spirit/Sun Country and others

** Per DOT and GAO, carrying at least 5% of O&D passengers in the city pair; average is passenger-weighted across city pairs.

Per Standard & Poor's, Balance Sheet Quality Remains Depressed Post-Pandemic

Ratings Reflect Assessment of Financial Condition and Risk

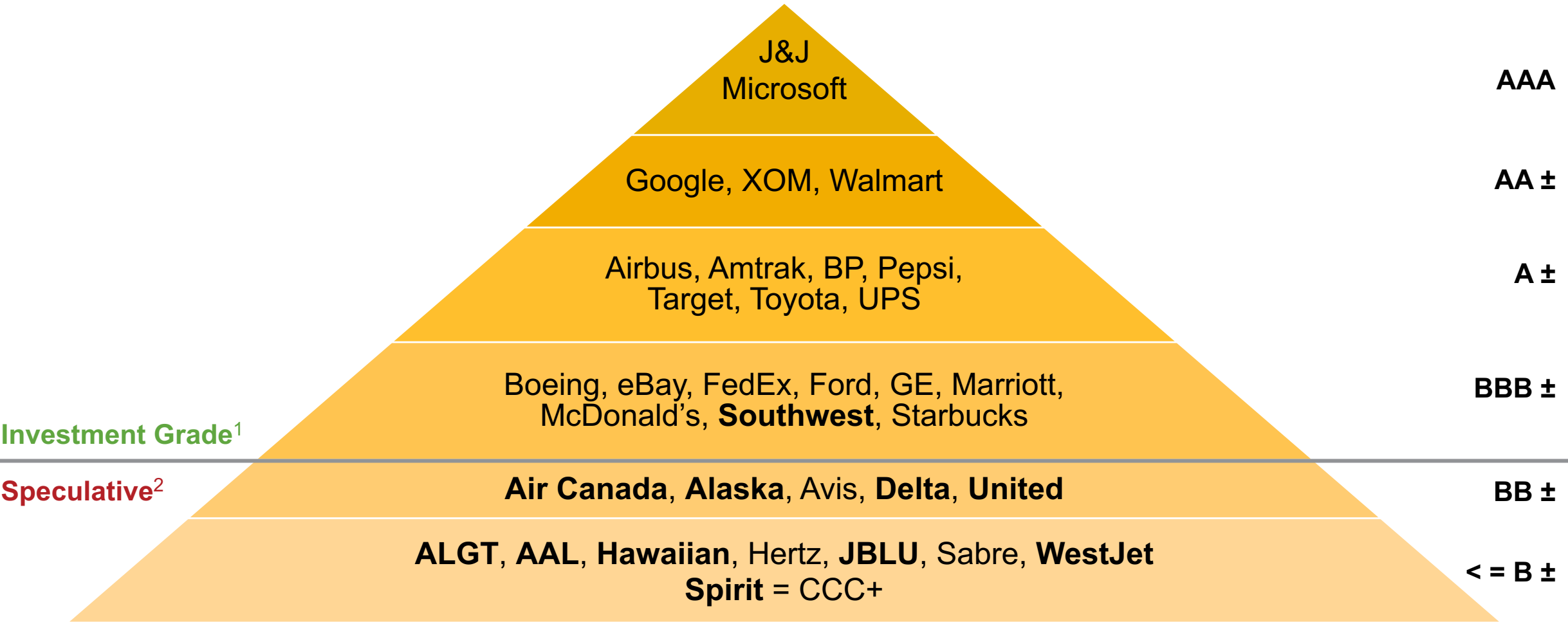


Source: Standard & Poor's issuer ratings and outlook (in parentheses) for publicly traded U.S. and Canadian carriers in the S&P coverage universe

Note: Pos = positive outlook; Neg = negative outlook; Sta = stable

Airline Balance Sheets Continue to Lag Those of Many Fortune 500s and Amtrak

S&P Credit Ratings Reflect Assessment of Financial Condition and Risk for Selected Companies

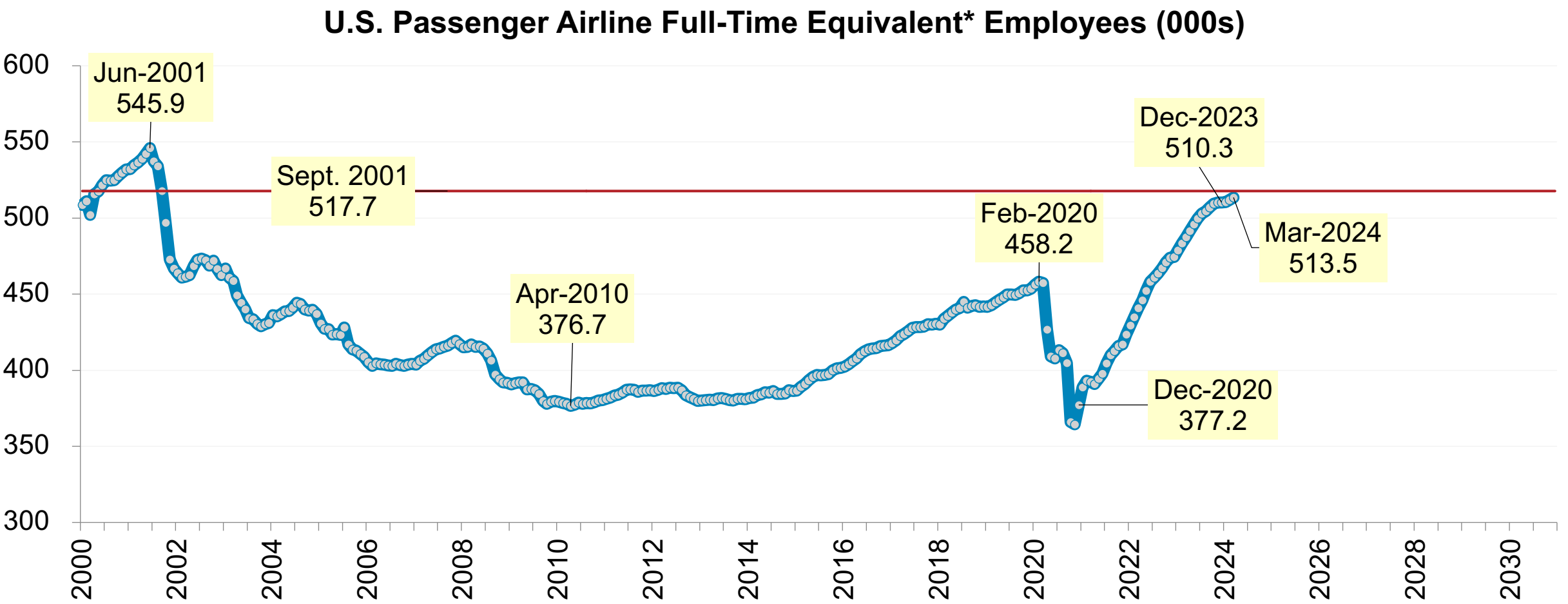


Source: Standard & Poor's (**bold** = air-only companies) as of May 7, 2024

¹ Issuers with relatively high levels of creditworthiness and credit quality
² Issuers with ability to repay but facing significant uncertainties, such as adverse business or financial circumstances that could affect credit risk

U.S. Passenger Airlines Added ~136K FTEs From the End of 2020 to March 2024

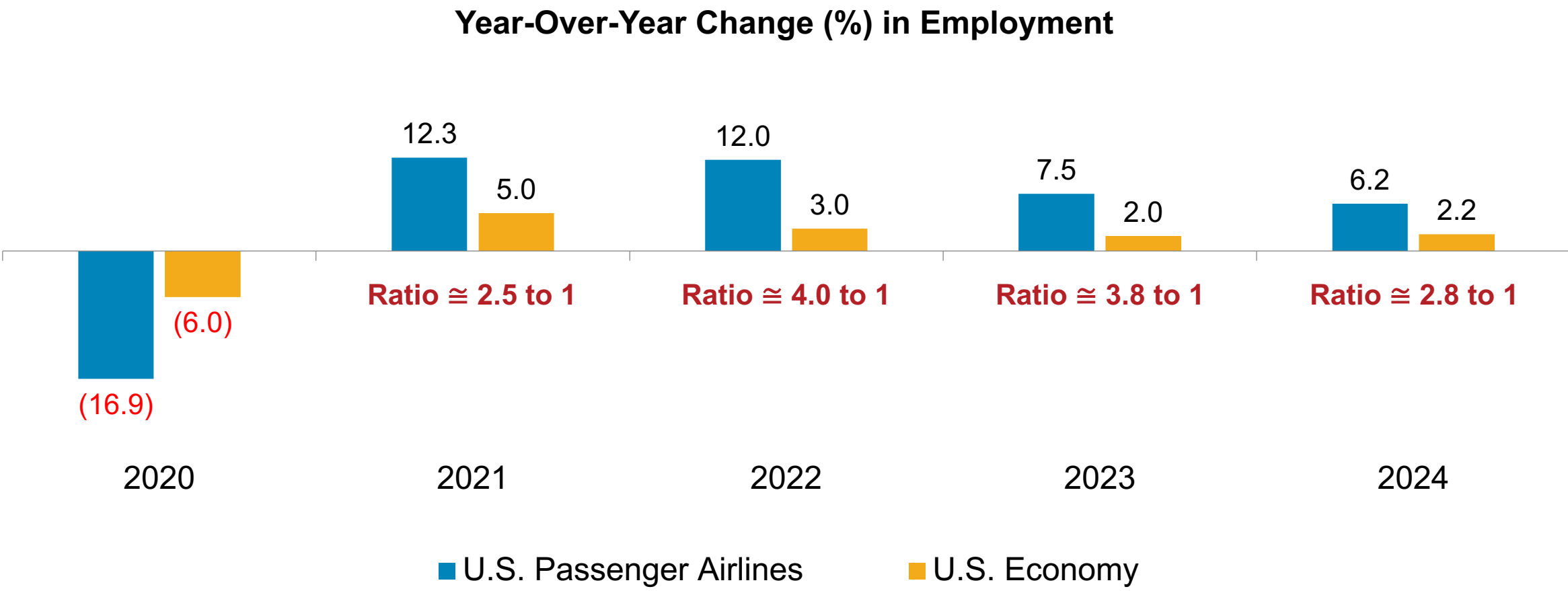
Largest Workforce Since September 2001



Source: Bureau of Transportation Statistics for scheduled U.S. passenger airlines (i.e., all that report scheduled passenger revenue) * Full-time equivalents (FTE) = full-time workers plus 0.5 * part-time workers

From 2021-Present, U.S. Airline Job Growth Has Been Outpacing Nationwide Job Growth

In 2023, U.S. Passenger Airline Jobs Rose 7.5%, Whereas Total Nonfarm Employment Rose 2%

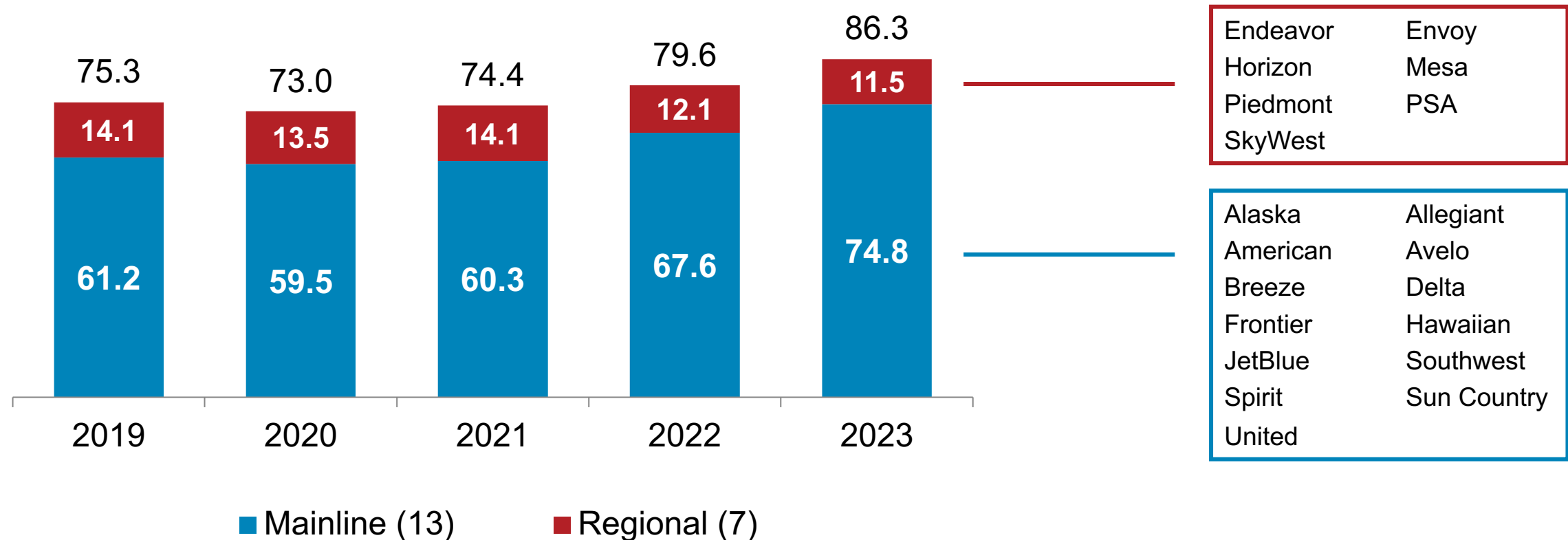


Sources: Bureau of Labor Statistics employment series CEU0000000001 (total nonfarm, not seasonally adjusted) and Bureau of Transportation Statistics (U.S. scheduled passenger airline FTEs)

U.S. Passenger Airlines Added ~6,700 Pilots in 2023 — Up 8.4% From 2022

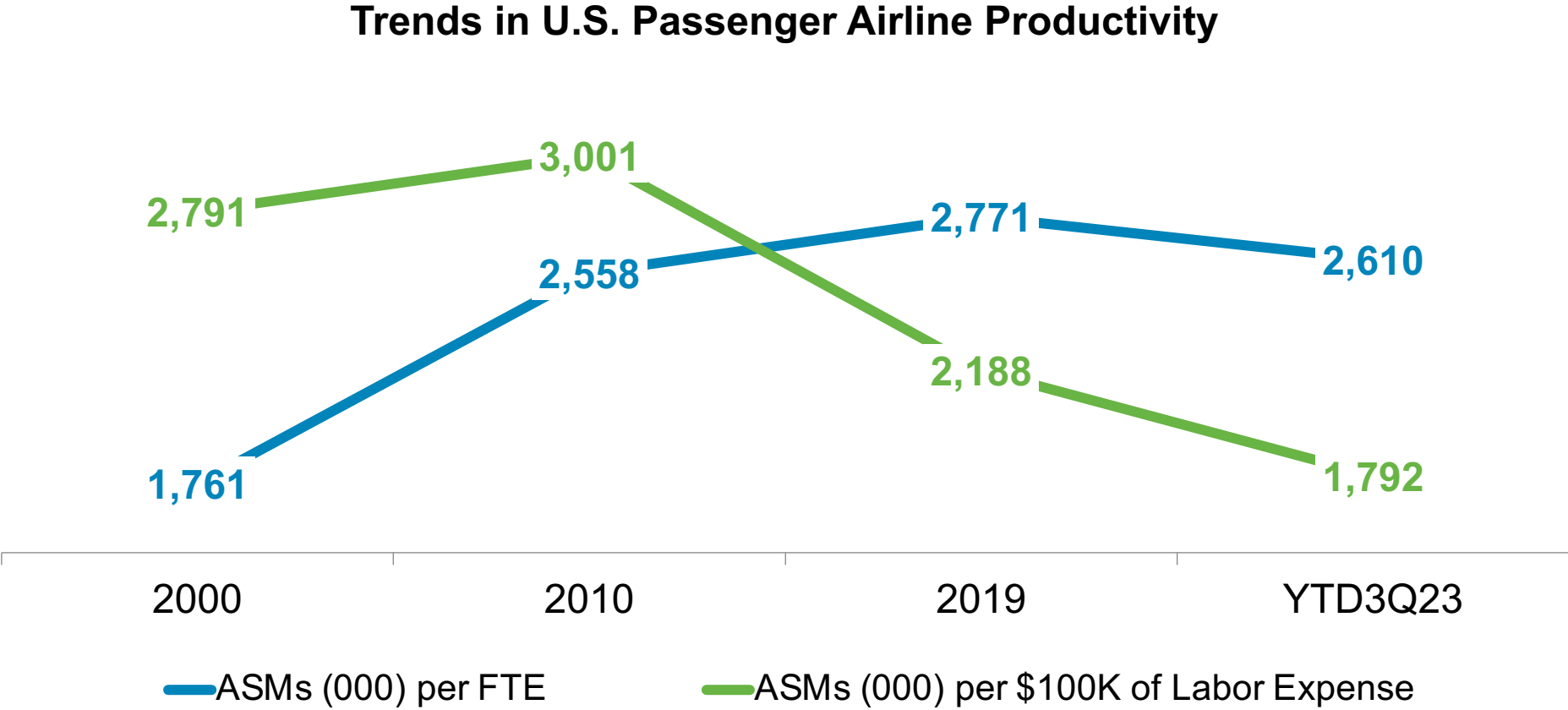
Mainline Pilot Levels Ended the Year 22% Above 2019, But Regional Pilot Levels Were 18% Lower

Year-End Active Pilots (000) at 20 U.S. Passenger Airlines



Source: Company SEC filings or direct reports

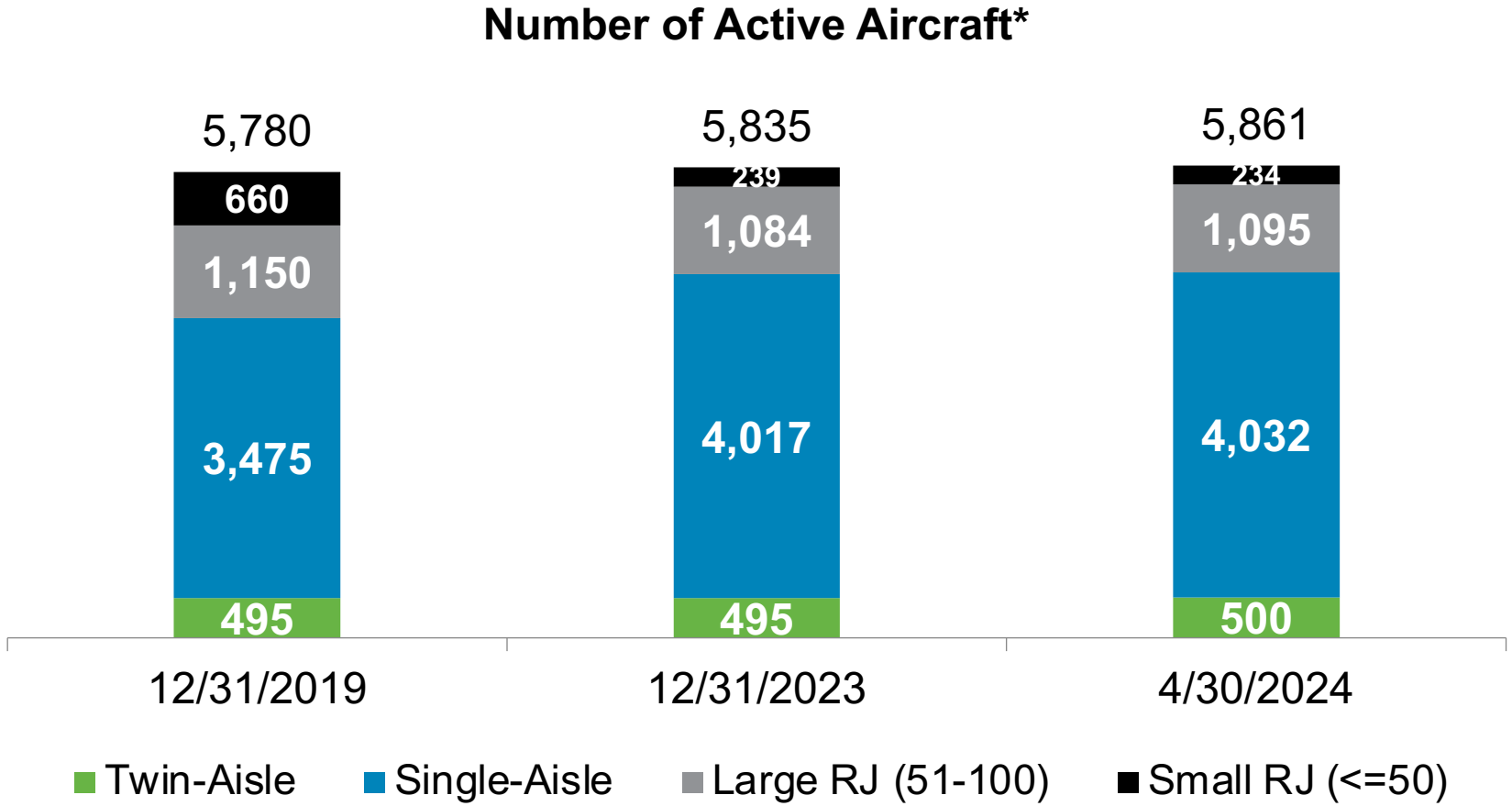
U.S. Airline FTE Productivity Down ~6% From 2019, Labor Dollar Productivity Down ~18%
More Workers (and Labor Expense) Needed to Generate Pre-Pandemic Levels of Capacity



Source: A4A Passenger Airline Cost Index * ASM = available seat mile (basic unit of passenger airline capacity)

U.S. Passenger Airlines Are Operating 562 More Mainline Aircraft Than at the End of 2019

But the Fleet of Small Regional Aircraft Is Down 65%



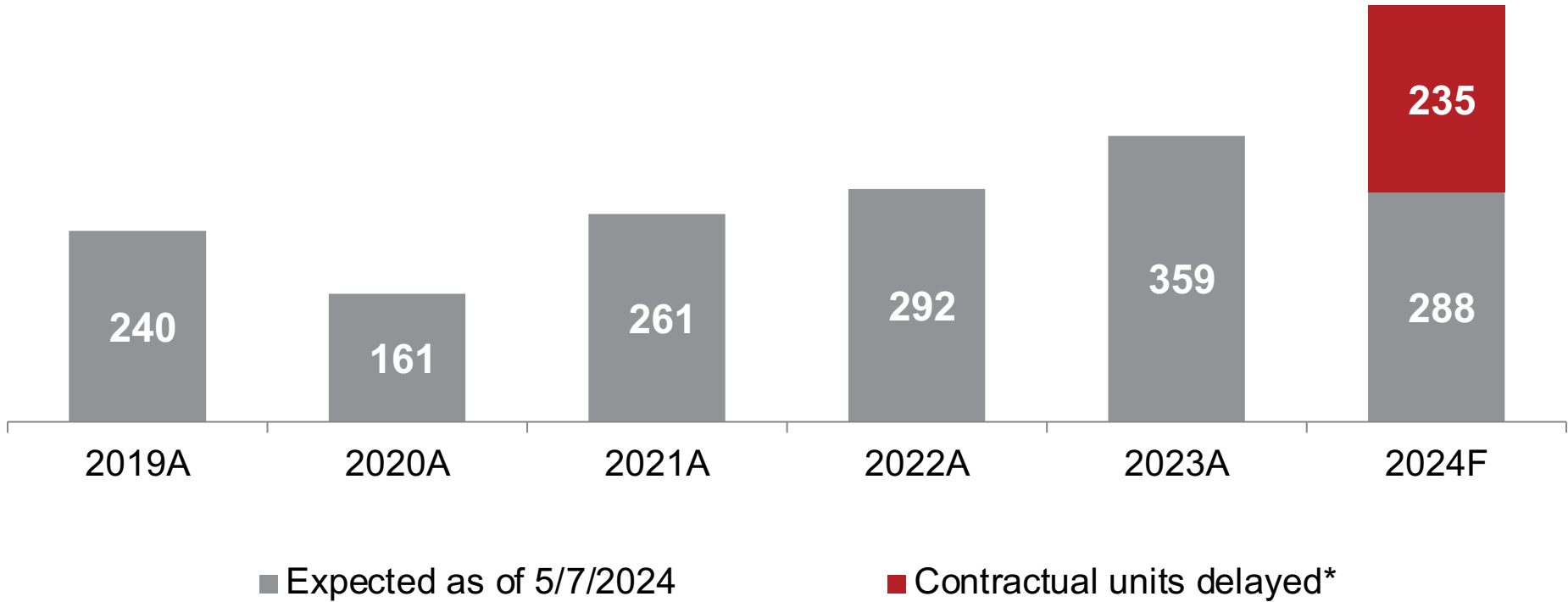
Source: Anuvu

* Operated by or on behalf of Alaska/Allegiant/American/Avelo/Breeze/Delta/Frontier/Hawaiian/JetBlue/Southwest/Spirit/Sun Country/United in any of the previous seven days

Aircraft Delivery Expectations in 2024 Reduced Materially by Production/Certification Delays

U.S. Passenger Airlines Now Expect Just 295 Deliveries—40% Fewer Than Contractually Stipulated

Expected New-Aircraft Deliveries for 11 U.S. Passenger Airlines

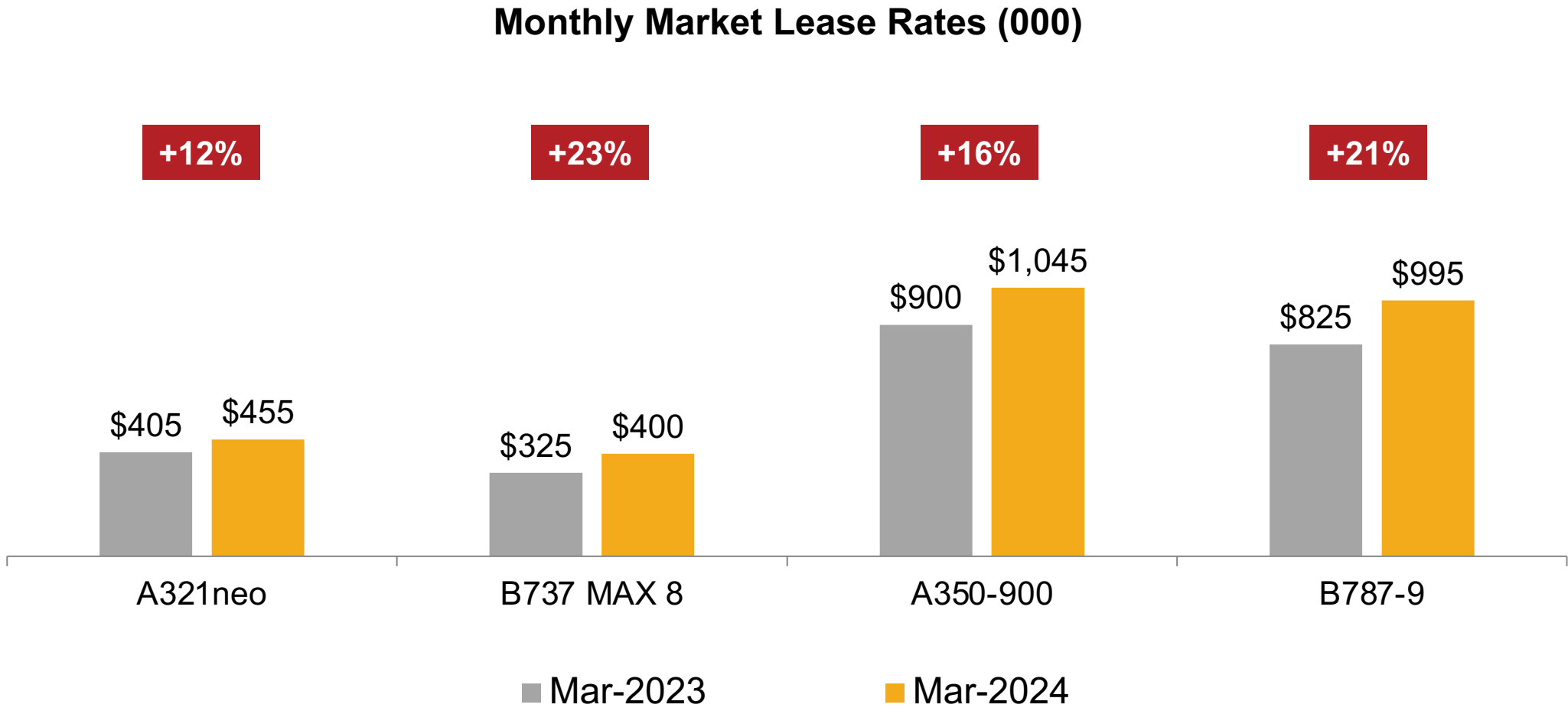


Source: Alaska, Allegiant, American, Breeze, Delta, Frontier, Hawaiian, JetBlue, Southwest, Spirit and United

* Based on contractual fleet plans as of 10/31/2023

In Just One Year, Airplanes Have Gotten Significantly More Expensive

Monthly Lease Rates on New Builds Reflect Supply Chain Tightness for Single- and Twin-Aisle Units

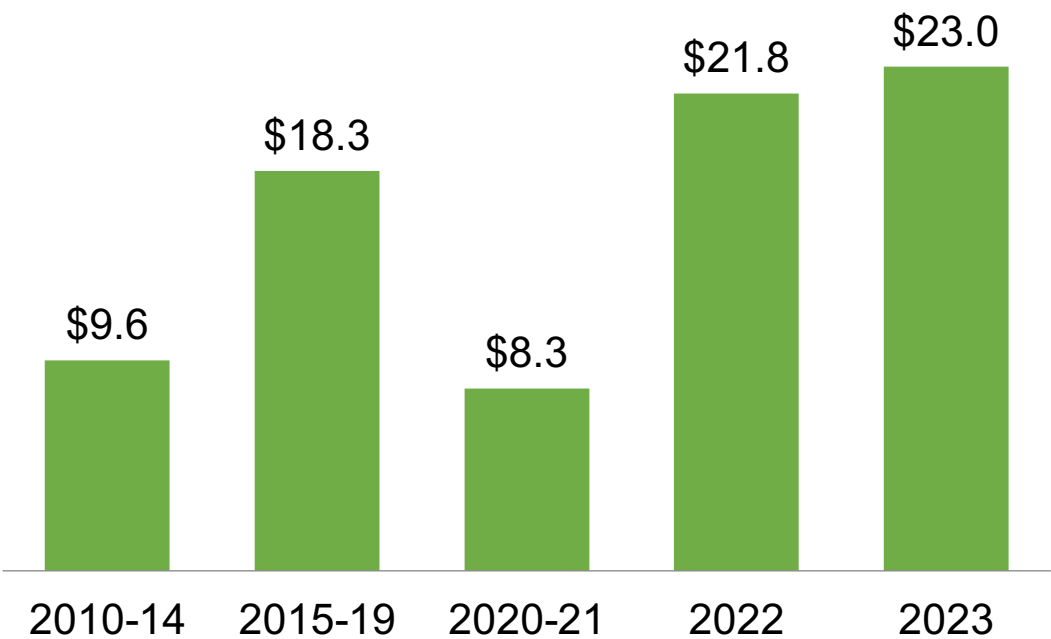


Source: Cirium and Deutsche Bank (April 29, 2024)

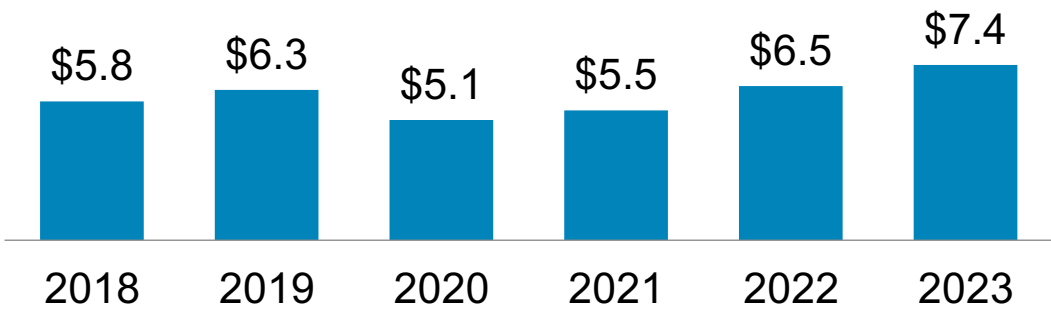
U.S. Airlines Are Investing Heavily in Aircraft, Ground Equipment, Facilities and Technology

Financial Recovery Has Enabled Significant Reinvestment, Including All-Time High in 2023

Annual Capital Expenditures* (Billions)
U.S. Passenger Airlines



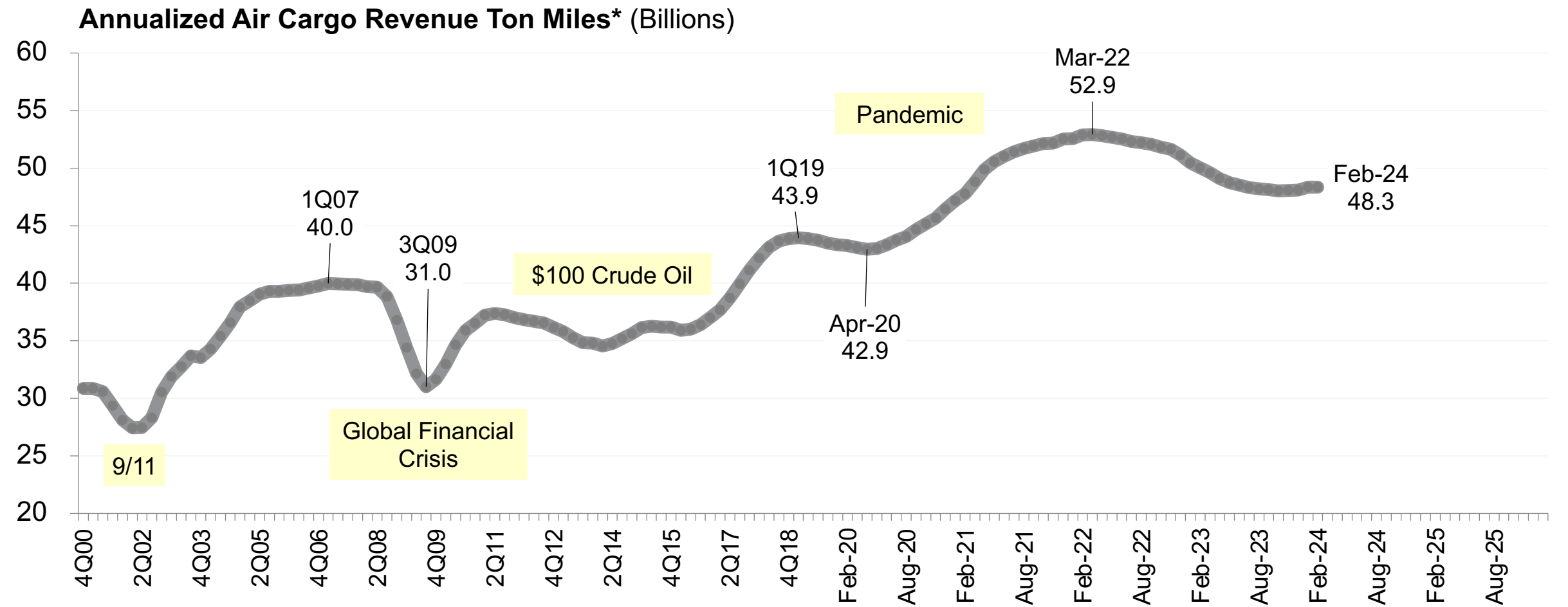
Annual IT Expenditures (Billions)
U.S. Passenger Airlines



* Includes payments made for aircraft and other flight equipment, ground and other property and equipment (e.g., baggage carts, lavatory trucks, deicing vehicles), airport and other facility construction and information technology
Sources: CapEx from SEC filings of Alaska/Allegiant/American/Delta/Frontier/Hawaiian/JetBlue/Southwest/Spirit/Sun Country/United and predecessors; IT OpEx + CapEx - depreciation from those companies + Avelo/Breeze

After Subsiding From the March 2022 Peak, Air-Cargo Demand Has Stabilized

Air Cargo Had Taken 10 Years to Recover From the Global Financial Crisis and Subsequent Oil Spike



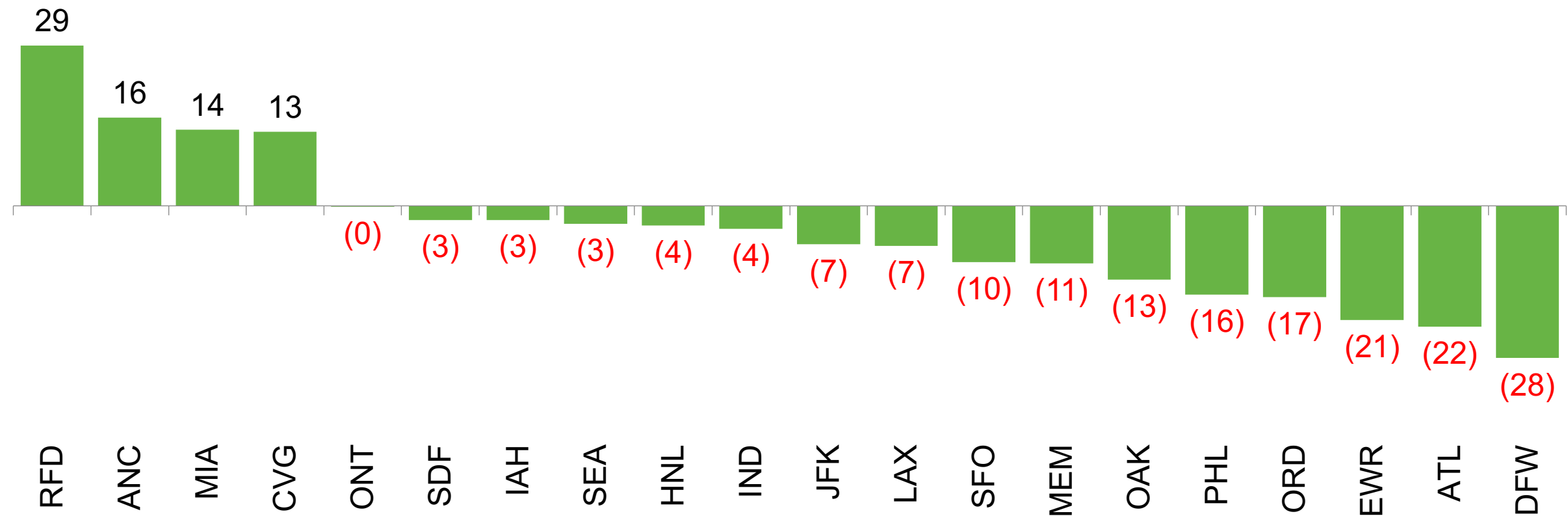
Source: Bureau of Transportation Statistics (Form 41 Schedule T1)

* Cargo revenue ton miles (RTMs) flown on U.S. passenger and cargo-only airlines in scheduled and nonscheduled services

Among Large Air Cargo Hubs, Rockford Has Experienced the Biggest Post-Pandemic Gain

Less Cargo Being Transported from Dallas/Fort Worth, Atlanta and Newark

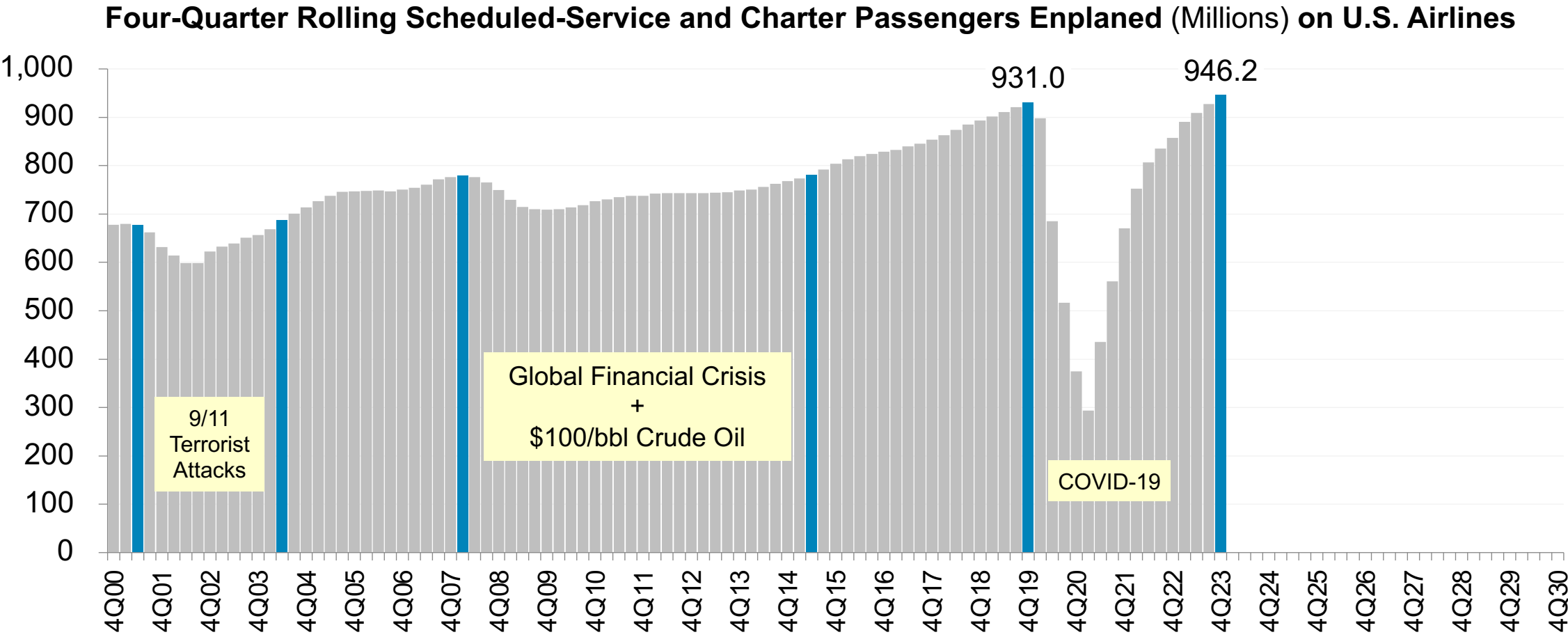
% Change in Outbound Cargo Tons at 20 Largest U.S. Cargo Airports, 2019-2023



Source: DOT T-100 segment data, scheduled and nonscheduled services, U.S. and non-U.S. airlines

U.S. Airline Passenger Volumes (Scheduled + Charter) Reached an All-Time High in 2019

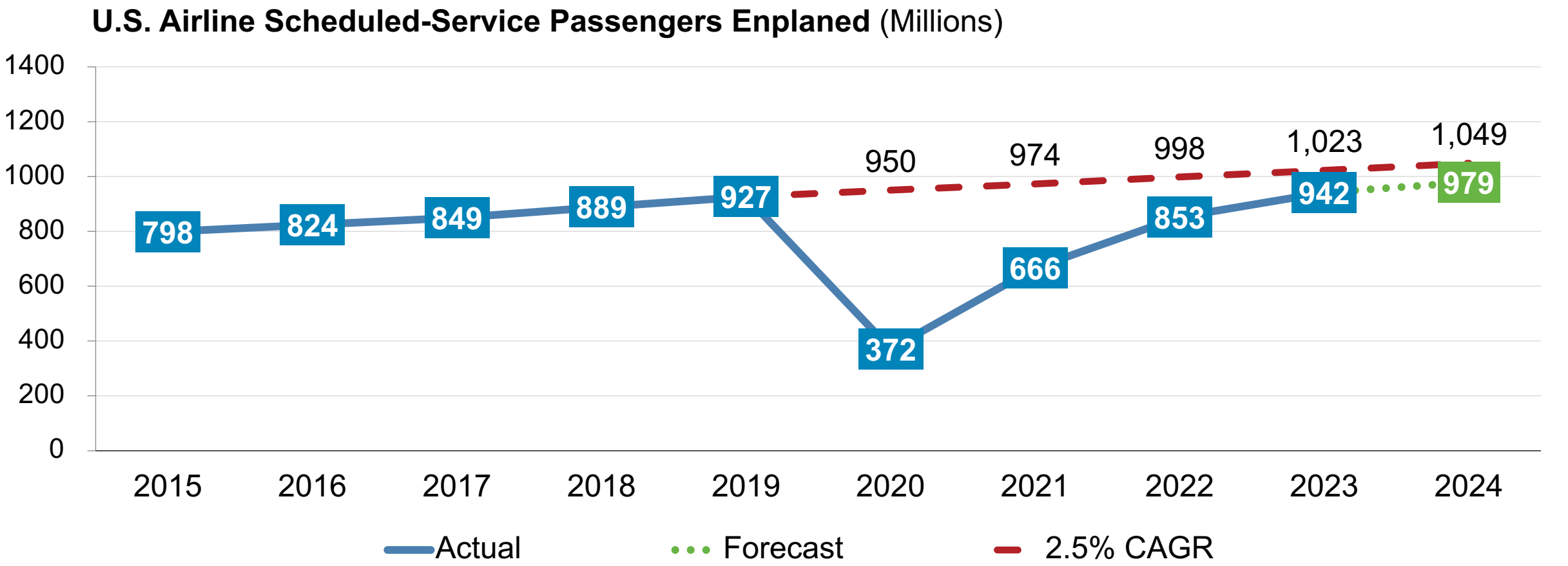
Volumes Took More Than Seven Years to Recover From the Financial Crisis/Oil Spike



Source: Bureau of Transportation Statistics (Form 41 Schedule T1)

U.S. Airline Scheduled-Service Passenger Volumes Projected to Reach All-Time High in 2024

Forecast Assumes Continued U.S. Job Growth and Disinflation



Source: A4A and U.S. Bureau of Transportation Statistics (Form 41 Schedule T-1) Note: F= forecast; 2024 projection assumes 4% year-over-year growth



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