COVID19 Impact on European Air Traffic
EUROCONTROL Comprehensive Assessment

EUROCONTROL

Thursday, 26 November 2020

Traffic Situation & Airlines Recovery

- **9,765 flights on Wednesday 25 November (-3% with 282 fewer flights over 2 weeks) reaching 37% of 2019 levels.** The 7-day moving average is steadily decreasing reaching -64% compared to 2019.
- **November traffic is so far -61% over the first 25 days**, slightly below the traffic scenarios (14 September edition). It should be close to -62% for November.
- **Turkish Airlines was the airline with the highest number of flights** with 609 flights on Wed 25 Nov showing an increase of +3% compared to Wed 11 Nov (+18 flights), followed by Widerøe (322 flights, +0%, +1 flight), DHL Express (305, +9%, +26), Pegasus (265, -8%, -24), **KLM (259, -23%, -78)**, SAS (251, -23%, -73), **Air France (236, +11%, +23)**, Lufthansa (216, -17%, -45), Qatar Airways (171, +5%, +8), Iberia (125, +13%, +14), **Ryanair (120, -75%, -358)**, Bristow Norway (113, -16%, -22) and TNT international (108, +14%, +13). Yesterday, **Ryanair ranked 11th, British Airways 17th (93 flights, -18%) and easyJet 80th (19 flights, -17%)**.
- Over 2 weeks, **most large airlines decreased their capacity**: **Ryanair** (-358 flights, -75%), KLM (-78 flights, -23%), British Airways (-21 flights, -18%) and Lufthansa (-45 flights, -17%). **A few airlines increased their capacity like Air France** (+23 flights, +11%), Turkish Airlines (+18 flights, +3%) and Norwegian (+8 flights, +16%).
- Yesterday, Widerøe was at -20% vs. 2019 followed by Pegasus (-34%), Turkish (-48%), KLM (-62%), Air France (-79%), Lufthansa (-85%), Norwegian (-89%), BA (-89%), **Ryanair (-92%), Wizz Air (-95%) and easyJet (-98%)**.
- In terms of dep/arr traffic, **Germany** remained the State with the highest number of dep/arr flights with 1,705 flights on Wed 25 Nov (+5% over 2 weeks) followed by **France (1,420, +37%)(artificially high due to national bank holiday on 11 Nov)**, Turkey (1,172, -5%), the UK (1,125, -10%), Spain (958, -10%), Norway (872, -9%), **Italy (611, -30%)** and the Netherlands (567, -13%).
- **Business Aviation has decreased over the last week** reaching -24% vs. 2019. **All-cargo remains slightly above** 2019 levels (+5%) while **Charter flights are steadily recovering,** reaching -18%.

Traffic Flows & Country Pairs

- **The intra-Europe flow is the main flow** with 7,232 flights on 25 Nov (-3% over 2 weeks). Top traffic flows with Europe were with **"Middle-East"** (535 flights, +7%) followed by **"Asia/Pacific"** (435 flights, +6%).
- Intra-Europe flights are at -65% compared to 2019 while all other flows are at -58%.
- Some domestic flows increased over 2 weeks: **France (+135%) (Artificially high due to national bank holiday on 11 Nov)**, **Germany (+19%)**, Denmark (+4%) and the UK (+1%). All other domestic flows decreased like in **Italy (-38%)**, **Greece (-26%)**, **Sweden (-22%)**, Norway (-7%), Spain (-2%) and Turkey (-1%).
- Compared to 2019, domestic flows within Italy were -70% on Wed 25 Nov, followed by the UK (-67%), Sweden (-66%), Germany (-59%), Greece (-57%), Spain (-53%), France (-48%), Turkey (-34%), Denmark (-27%) and Norway (-27%).

Airports

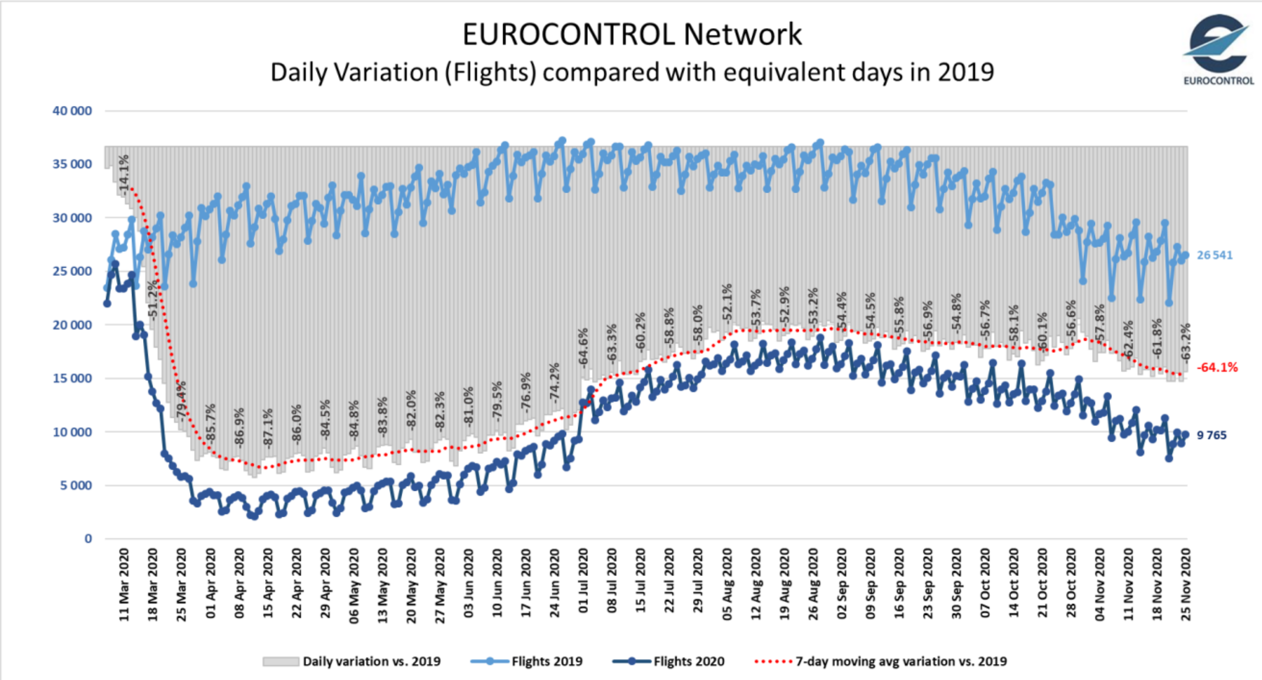
- **İGA Istanbul Airport was the busiest airport** with 505 Dep/Arr flights on 25 Nov (-2% over the last 2 weeks) followed by Amsterdam (427, -17%), Paris CdG (408, +2%), Frankfurt (380, -7%), Istanbul/Sabiha (363, -5%), Madrid (330, +3%), London/Heathrow (316, -2%) and Oslo (269, -9%).
- From the top 10 airports, **Cologne (+26%)**, Madrid (+3%), Paris CdG (+2%) and Leipzig (+1%) showed an increase over 2 weeks. **All other airports reported decreases like Amsterdam (-17%)**, Oslo (-9%), Frankfurt (-7%), Istanbul/Sabiha (-5%), London/Heathrow (-2%) and İGA Istanbul Airport (-2%).

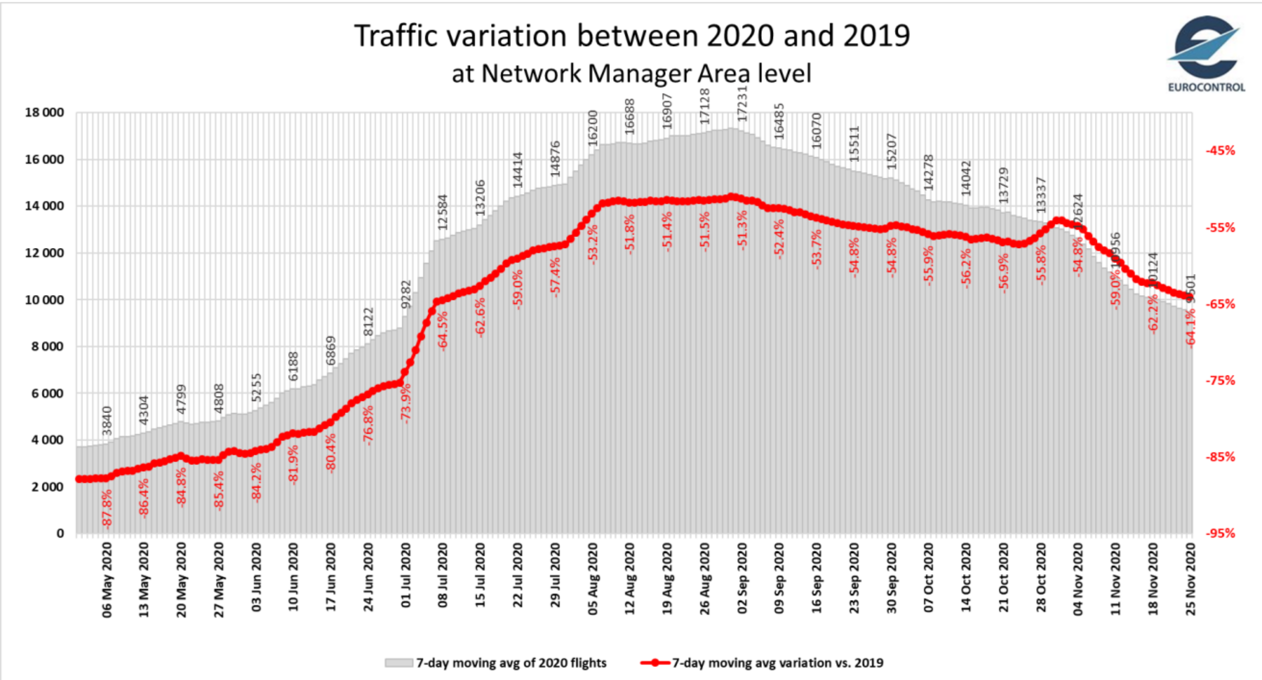
Economic

- **GDP evolution:** Eurozone GDP experienced a historically large 12.7% rise in Q3 (higher than the 8.3% previously planned). However, Oxford Economics expects Q4 to be lower (-2.6% instead of +2.4%), so is 2021 (+4.3% instead of +5.5%).
- **Airline financial losses:** IATA reports global net profit losses of **-$118.5 bn for 2020** vs. +$26.4 bn in 2019.
- **Airport financial losses:** ACI World estimates the airport industry will suffer a 60% reduction in revenues in 2020 (i.e**. -$100 bn**), representing a **58.4%** pax decrease (vs. 2019) to **-5.6 billion pax** for 2020. According to ACI-Europe, "*Europe's airports are currently burning cash to the tune of €350 million each week. While this is down from €600 million in the second quarter due to extensive cost-cutting*".

1. Traffic Situation and Airlines Recovery

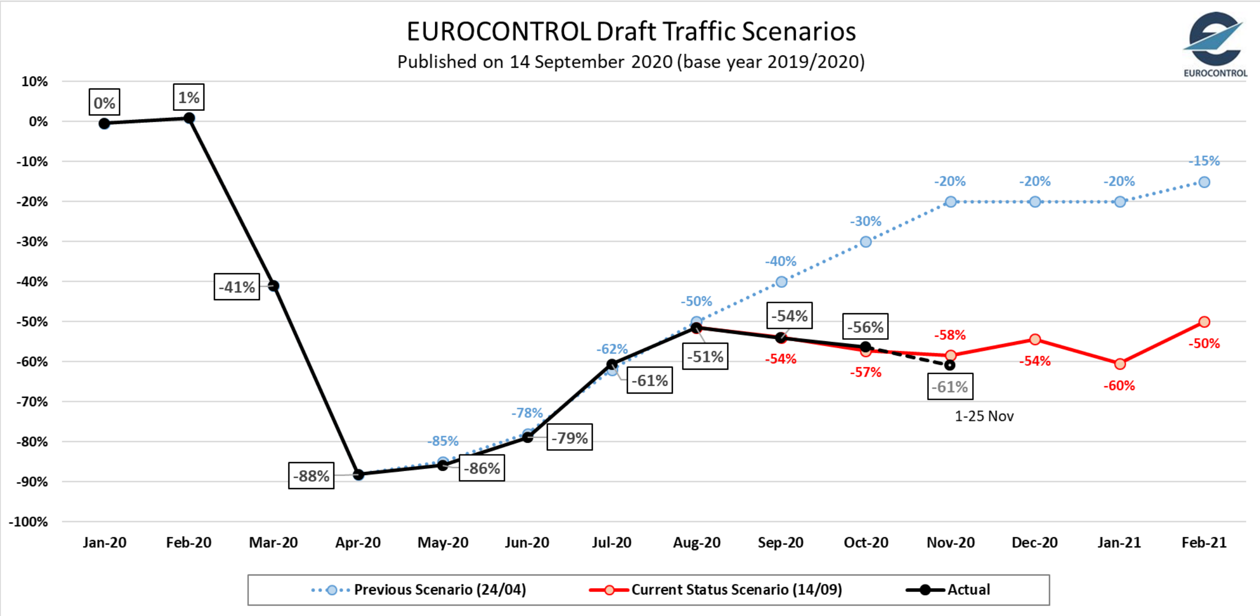
- 9,765 flights on Wednesday 25 November (-3% with -282 flights compared to Wednesday 11 November). This is 37% of 2019 traffic levels. Based on a 7-day moving average, the decrease is -64% compared to 2019 which is steadily decreasing.





Overall situation against EUROCONTROL traffic scenarios:

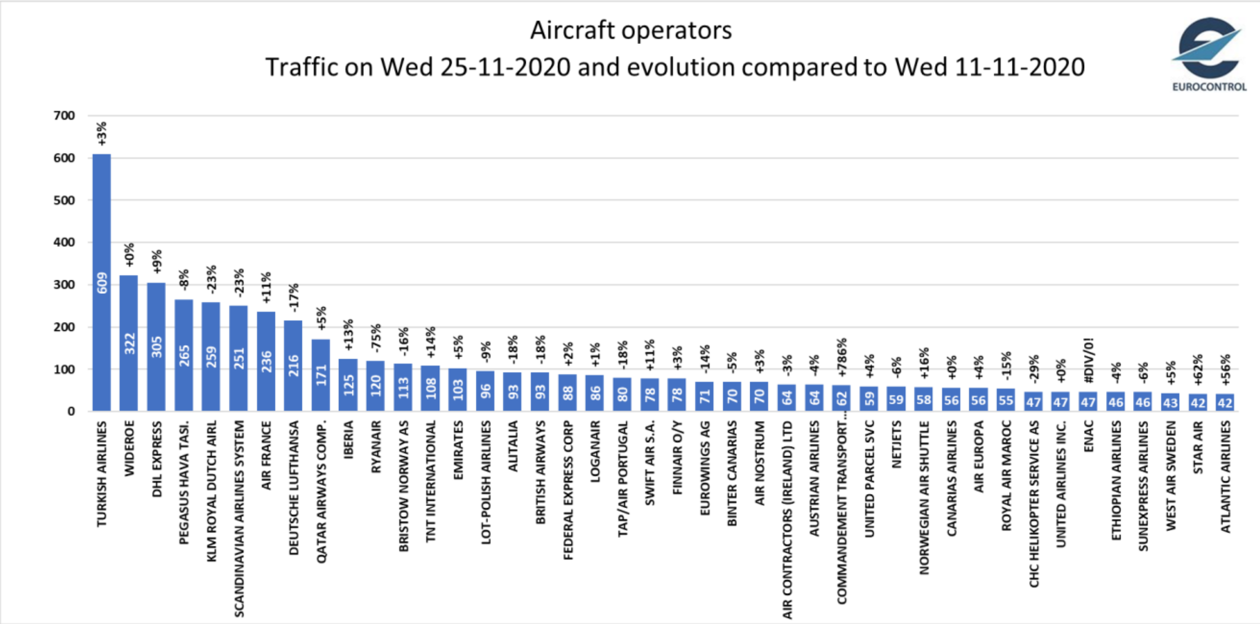
- **November traffic is so far -61% over the first 25 days**, slightly below the scenarios and still slightly decreasing. The final figure for November is expected to be slightly lower and close to -62%.



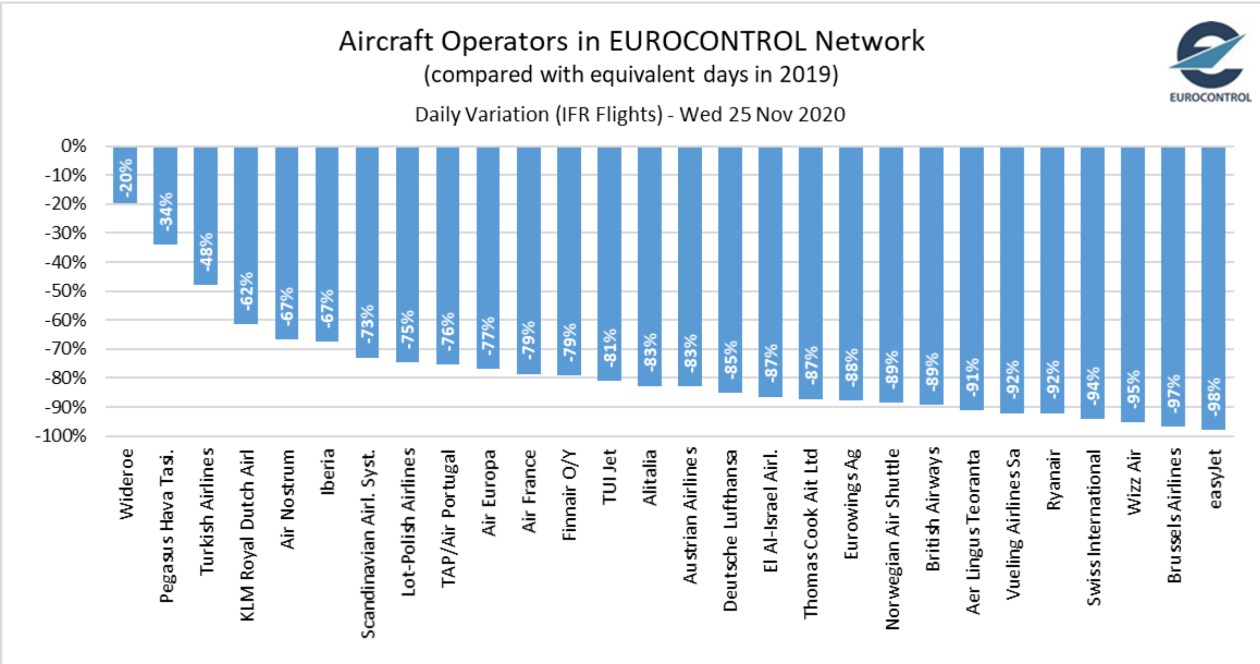
European Airlines:

- Turkish Airlines was the airline with the highest number of flights with 609 flights on Wednesday 25 November showing an increase of +3% compared to Wednesday 11 November (+18 flights), followed by Widerøe (322 flights, +0%, +1 flight), DHL Express (305 flights, +9%, +26 flights), Pegasus (265 flights, -8%, -24 flights), KLM (259 flights, -23%, -78 flights), SAS (251 flights, -23%, -73 flights), Air France (236 flights, +11%, +23 flights), Lufthansa (216 flights, -17%, -45 flights), Qatar Airways (171 flights, +5%, +8 flights), Iberia (125 flights, +13%, +14 flights), **Ryanair (120 flights, -75%, -358 flights)**, Bristow Norway (113 flights, -16%, -22 flights) and TNT international (108 flights, +14%, +13 flights). **Yesterday, Ryanair was ranked 11th, British Airways 17th (with 93 flights, down 18%) and easyJet 80th (with 19 flights, down 17%).**

- Compared to two weeks ago, most large airlines decreased their capacity: Ryanair (-358 flights, -75%), KLM (-78 flights, -23%), British Airways (-21 flights, -18%), Lufthansa (-45 flights, -17%) and Alitalia (-20 flights, -18%). A few airlines increased their capacity like Air France (+23 flights, +11%), Turkish Airlines (+18 flights, +3%) and Norwegian (+8 flights, +16%).



- Compared to 2019, Widerøe operated at -20% on Wednesday 25 November followed by Pegasus (-34%), Turkish Airlines (-48%), KLM (-62%), Air France (-79%), Lufthansa (-85%), Norwegian (-89%), British Airways (-89%), Ryanair (-92%), Wizz Air (-95%) and easyJet (-98%).



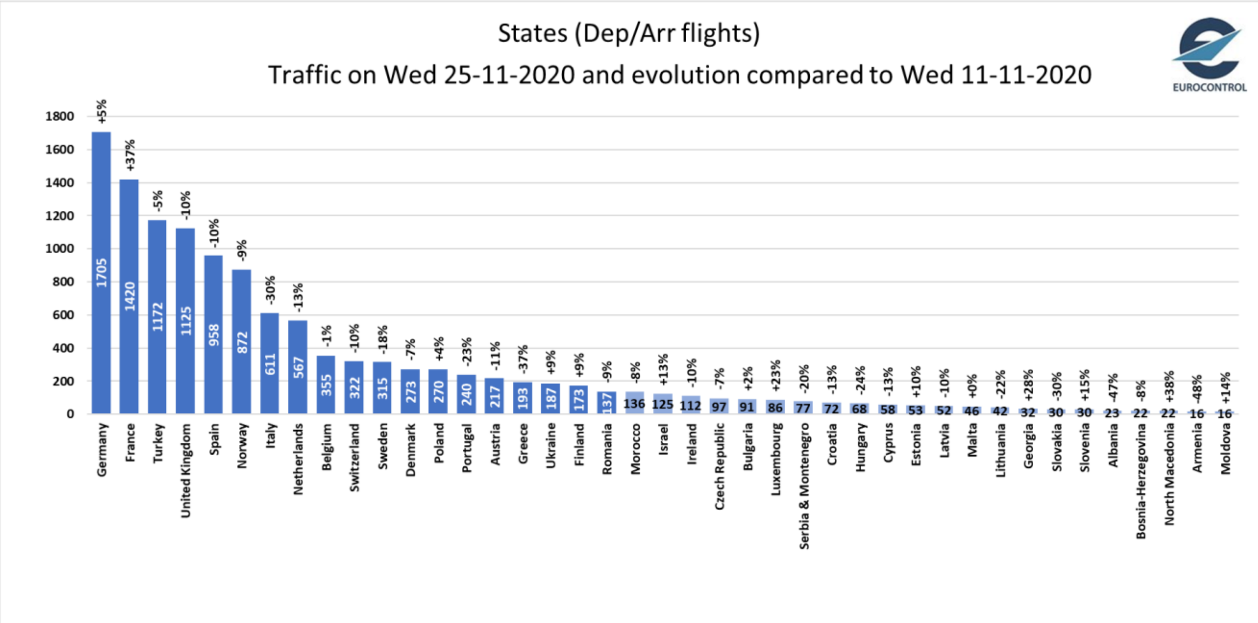
News from key European airlines:

- **Alitalia** mandating COVID-19 tests on select services between Rome and Milan.
- **Austrian Airlines** burning through €40 million cash per month but “can definitely get through” the winter.
- **Blue Air** will start operations between Bucharest Otopeni and Milan Linate, effective 20 December 2020 until the end of the winter schedule. The company will transfer to Milan Linate airport all flights previously operated at Milan Malpensa.

- **Brussels Airlines** introduced rapid COVID-19 tests for some destinations. Crew and passengers on the flight SN 3157 – Milan Malpensa took a rapid test, paid by the airline. Only people with negative results were allowed to fly. Lufthansa Group appointed a new CEO Peter Gerber for Brussels Airlines, who currently leads Lufthansa Cargo. He will start his new role with the Belgium airline from March 2021
- **Comair** planning to recommence all British Airways (operated by Comair) domestic services in South Africa.
- **easyJet**: The airline announced annual loss of €1.4 billion at the end of their financial year (30 Sep), recording the worst financial result in their 25-year history of service. For the first quarter of 2021, easyJet expects to fly just 20% of its planned capacity.
- **Edelweiss** to resume services to Havana and San Jose in Costa Rica.
- **El Al** to resume services to Newark, Berlin and Brussels in December; extends unpaid leave of 5,074 employees until end of year.
- **Jet2.com** will cut winter schedule by 50%. The company plans to continue a cautious approach to its summer 2021 schedule, despite positive news about a potential COVID-19 vaccine.
- **Lufthansa Group** issued €1.1 billion unsecured € bond.
- **SAS** is retiring its last A340.
- **Vueling** launching six additional domestic routes.

States

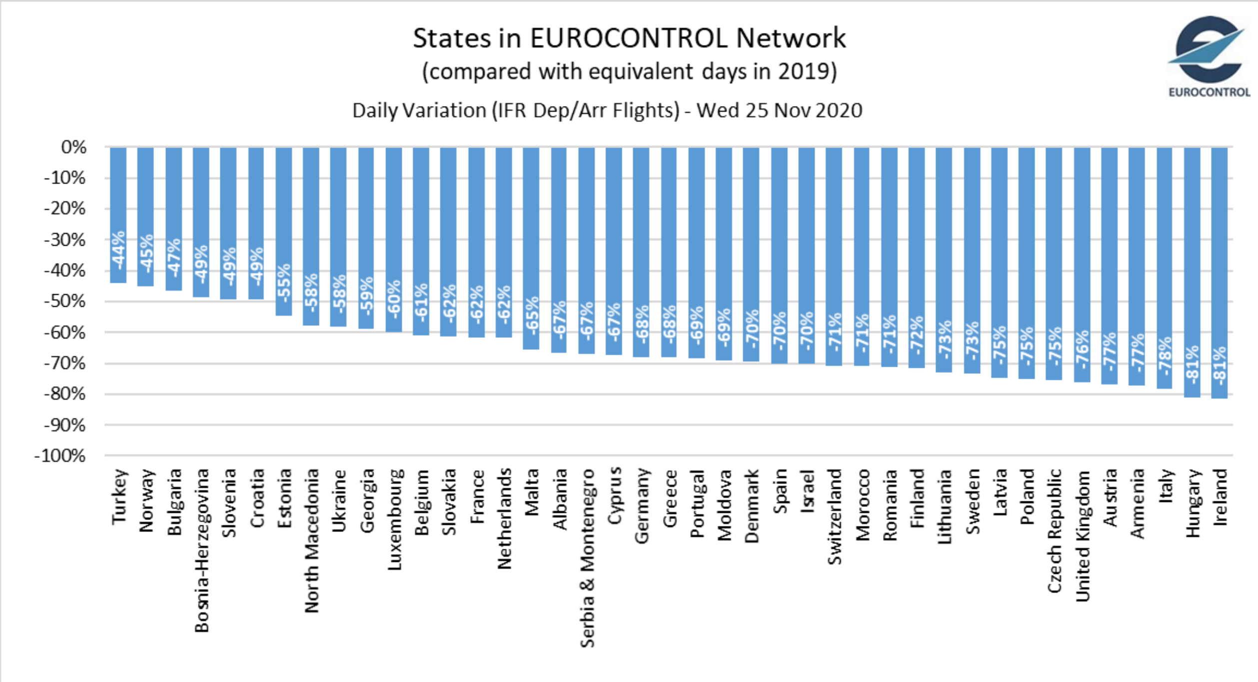
- Based on traffic levels, the Top 8 busiest States[1] remained stable: Germany remained the State with the highest number of dep/arr flights with 1,705 flights on Wednesday 25 November (+5% over 2 weeks) followed by France (1,420, +37%), Turkey (1172, -5%), the UK (1,125, -10%), Spain (958,
-10%), Norway (872, -9%), Italy (611, -30%) and the Netherlands (567, -13%). The value for France is artificially high due to the comparison with 11 November which was a national bank holiday.



States (Dep/Arr flights)
Traffic on Wed 25-11-2020 and evolution compared to Wed 11-11-2020

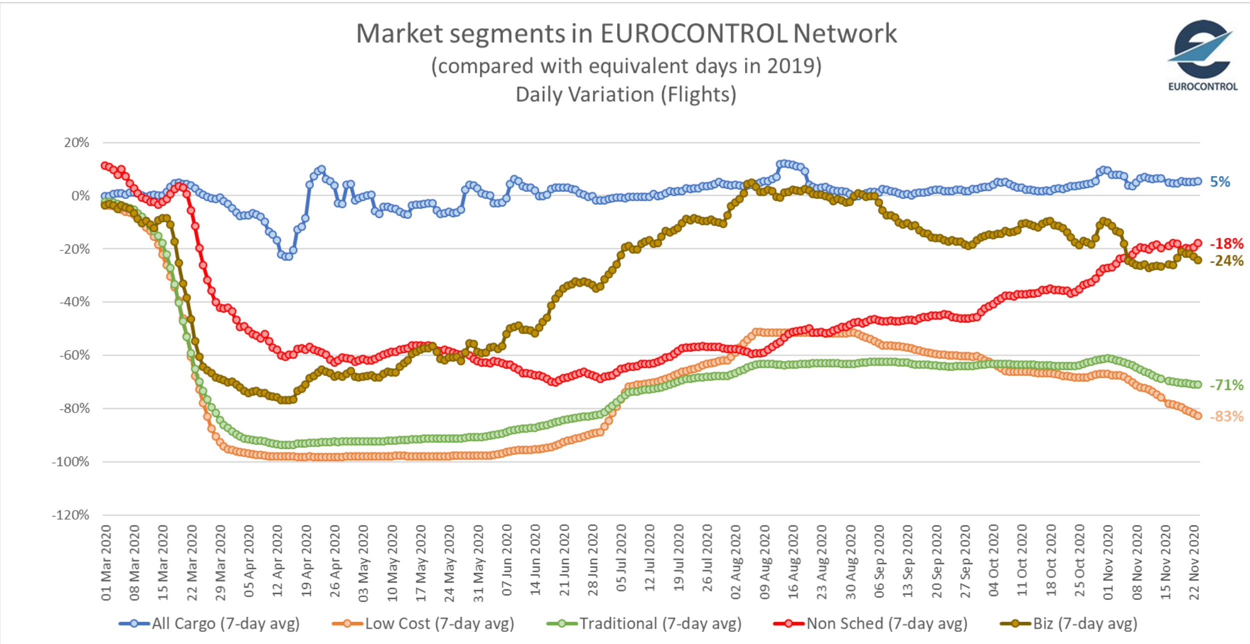
[1] excluding overflights.

- Compared to 2019, Departure/Arrival traffic in Italy was -78% on Wednesday 25 November, the UK (-76%), Spain (-70%), Germany (-68%), France (-62%), Norway (-45%) and Turkey (-44%).



Market Segments:

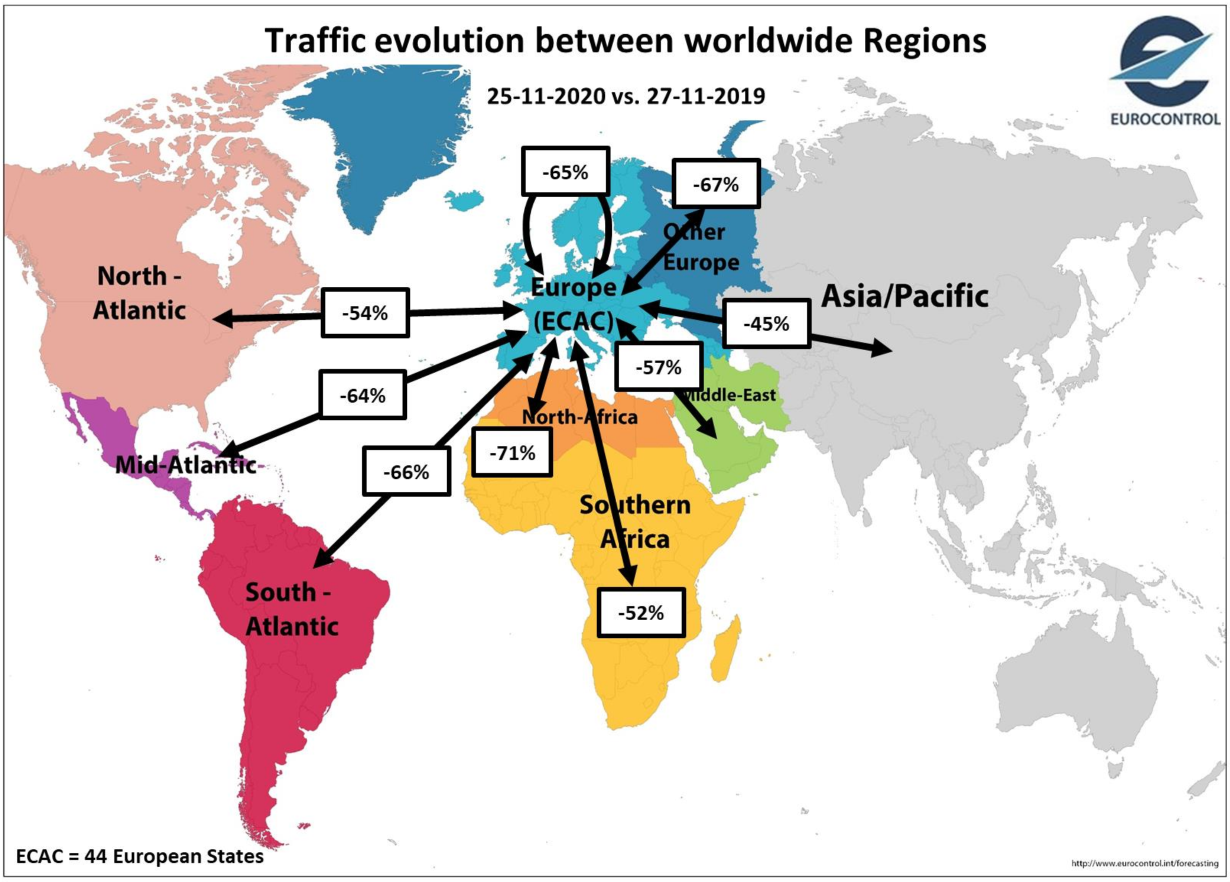
- After a fast recovery since mid-April reaching 2019 level in August and decrease afterwards, Business Aviation has decreased over the last week reaching -18% vs. 2019. All-cargo remains overall in line with 2019 levels (+5%). Low-cost flights decreased again since early September reaching -83% vs 2019. Charter flights are steadily recovering reaching -18%.

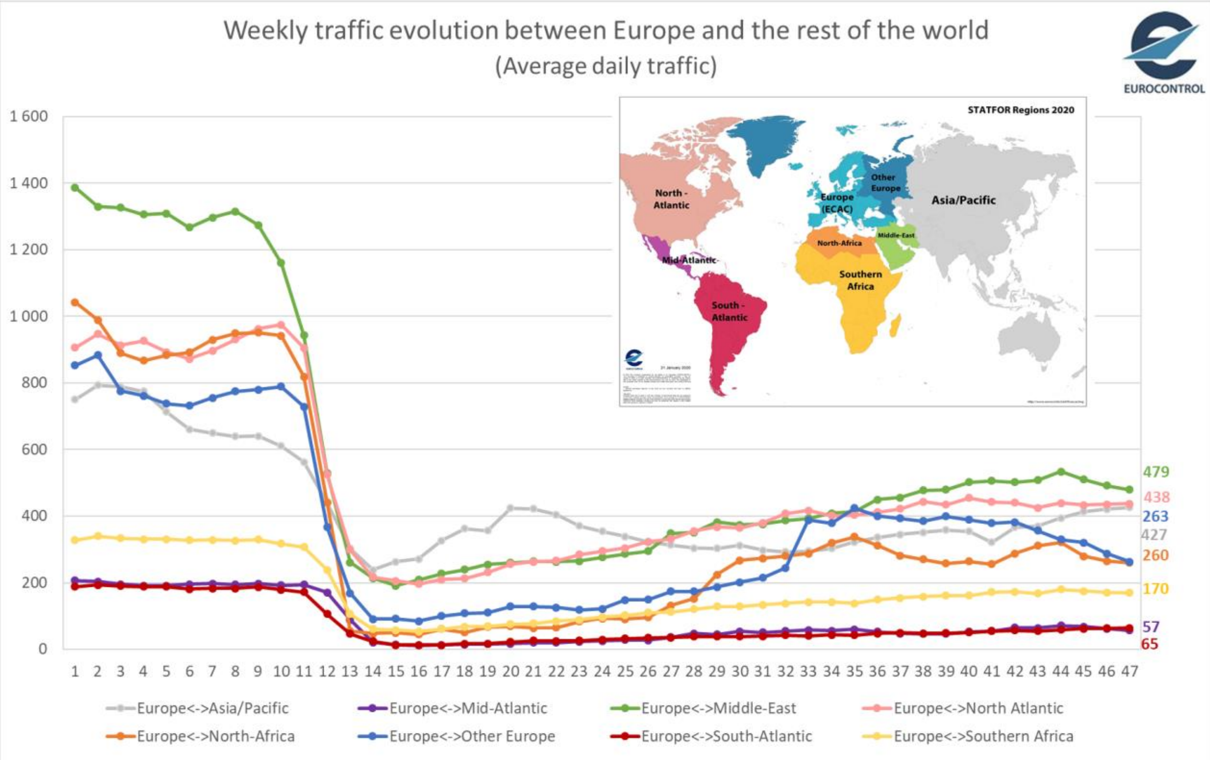


2. Traffic Flows & Country Pairs

- The main traffic flow is the intra-Europe flow with 7,232 flights on Wednesday 25 November, which is decreasing (-3%) over 2 weeks.
- The top traffic flows with Europe were with "Middle-East" (535 flights, +7%) followed by "Asia/Pacific" (435 flights, +6%), "North-Atlantic" (404 flights, -9%), "Other Europe" (267 flights, -15%) and "North-Africa" (230 flights, -2%).
- Intra-Europe flights are at -65% compared to 2019 while all other flows are at -58%.

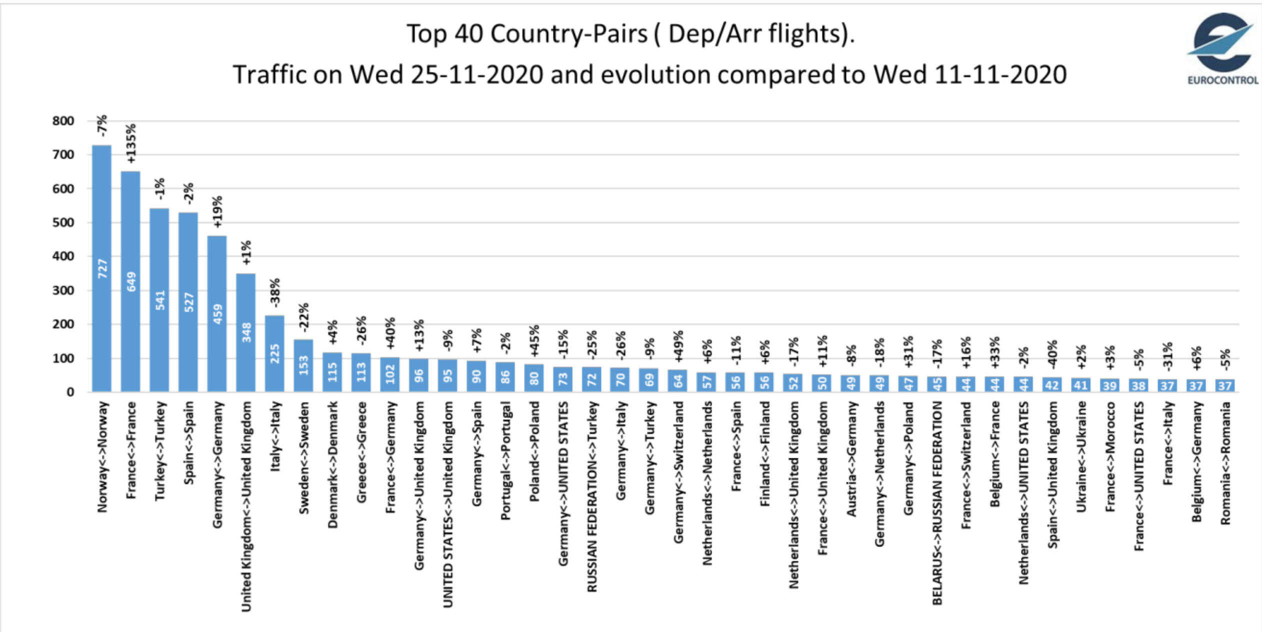
REGION	11-11-2020	25-11-2020	%	vs. 2019
Intra-Europe	**7 459**	**7 232**	***-3%***	***-65%***
Europe<->Asia/Pacific	409	435	*+6%*	*-45%*
Europe<->Mid-Atlantic	65	53	*-18%*	*-64%*
Europe<->Middle-East	500	535	*+7%*	*-57%*
Europe<->North Atlantic	442	404	*-9%*	*-54%*
Europe<->North-Africa	235	230	*-2%*	*-71%*
Europe<->Other Europe	315	267	*-15%*	*-67%*
Europe<->South-Atlantic	56	60	*+7%*	*-66%*
Europe<->Southern Africa	167	162	*-3%*	*-52%*
Non Intra-Europe	**2 189**	**2 146**	***-2%***	***-58%***



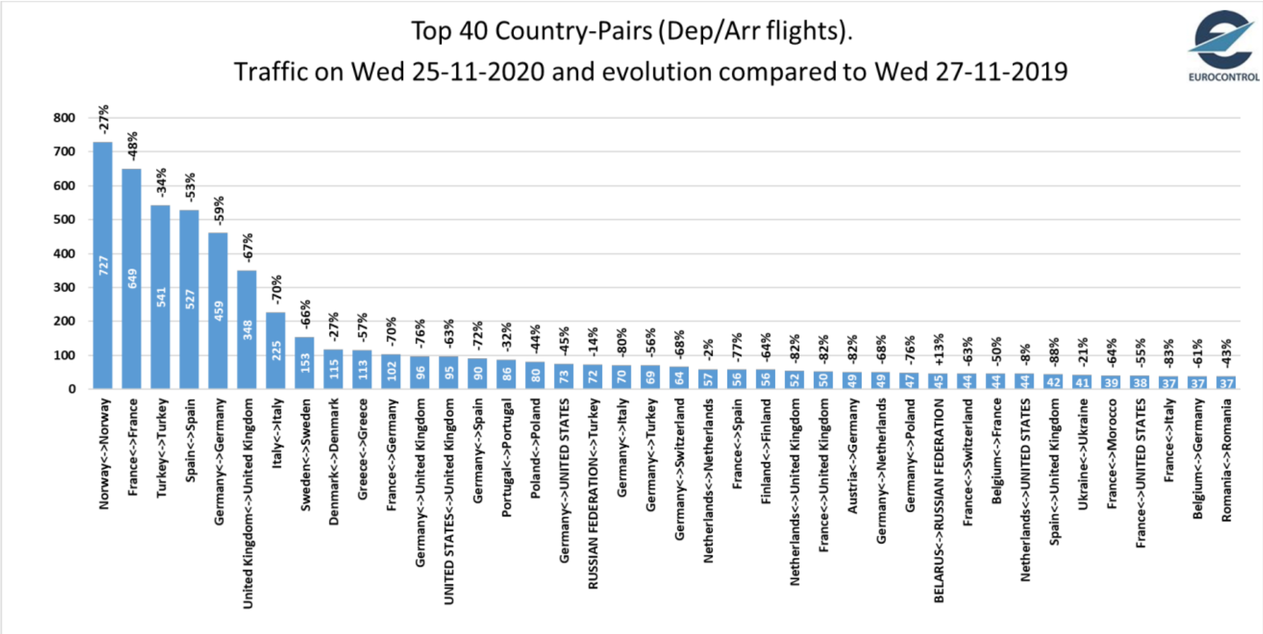


- Domestic flows are the most active flows (i.e. 10 of the top 10 flows are domestic). From the top domestic flows, France (+135%), Germany (+19%), Denmark (+4%) and the UK (+1%) showed an increase over 2 weeks. All other domestic flows decreased like in Italy (-38%), Greece (-26%), Sweden (-22%), Norway (-7%), Spain (-2%) and Turkey (-1%). The value for domestic flows in France is artificially high due to the comparison with 11 November which was a national bank holiday.

- The busiest non domestic flows were France-Germany (102 flights, +40%), UK-Germany (96 flights, +13%), US-UK (95 flights, -9%) and Germany-Spain (90 flights, +7%).

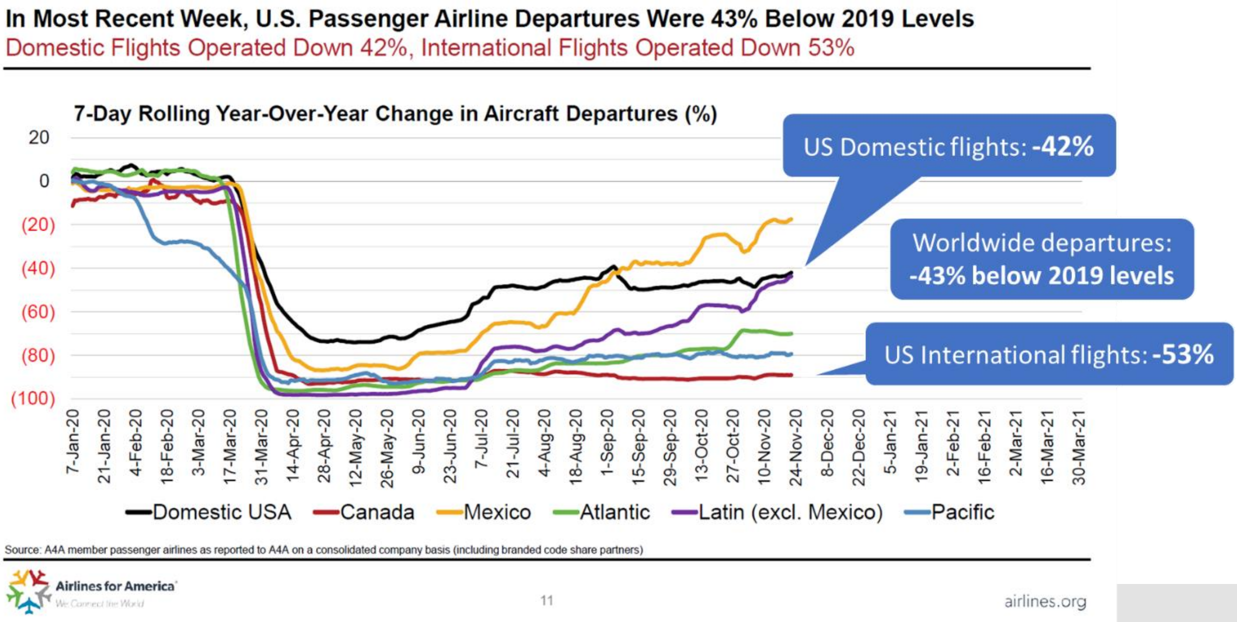


- Compared to 2019, domestic flows within Italy were -70% on Wednesday 25 November 2020, followed by the UK (-67%), Sweden (-66%), Germany (-59%), Greece (-57%), Spain (-53%), France (-48%), Turkey (-34%), Denmark (-27%) and Norway (-27%).

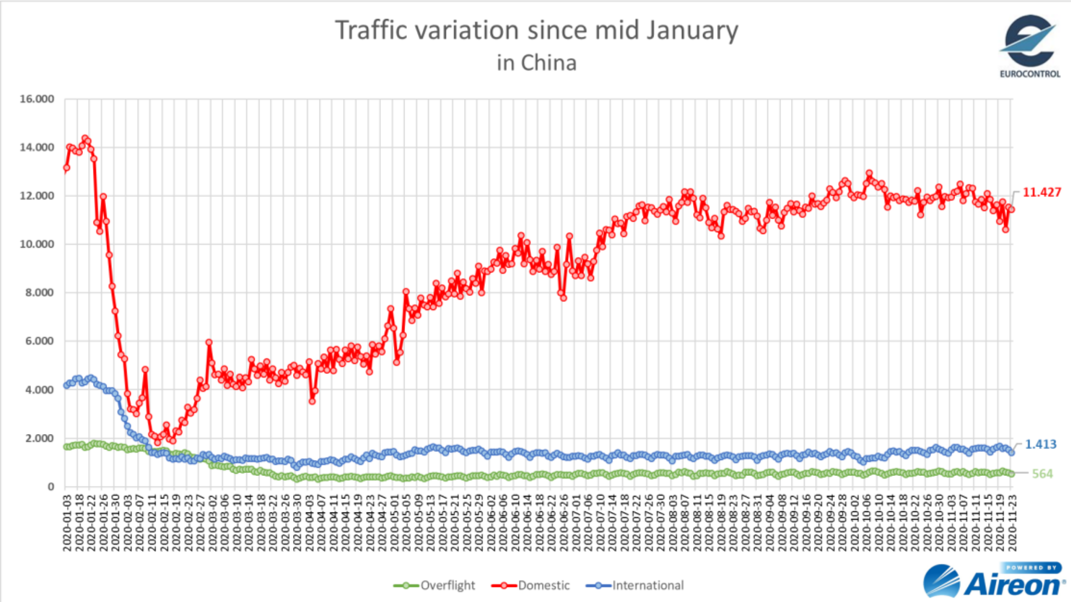


3. Situation outside Europe

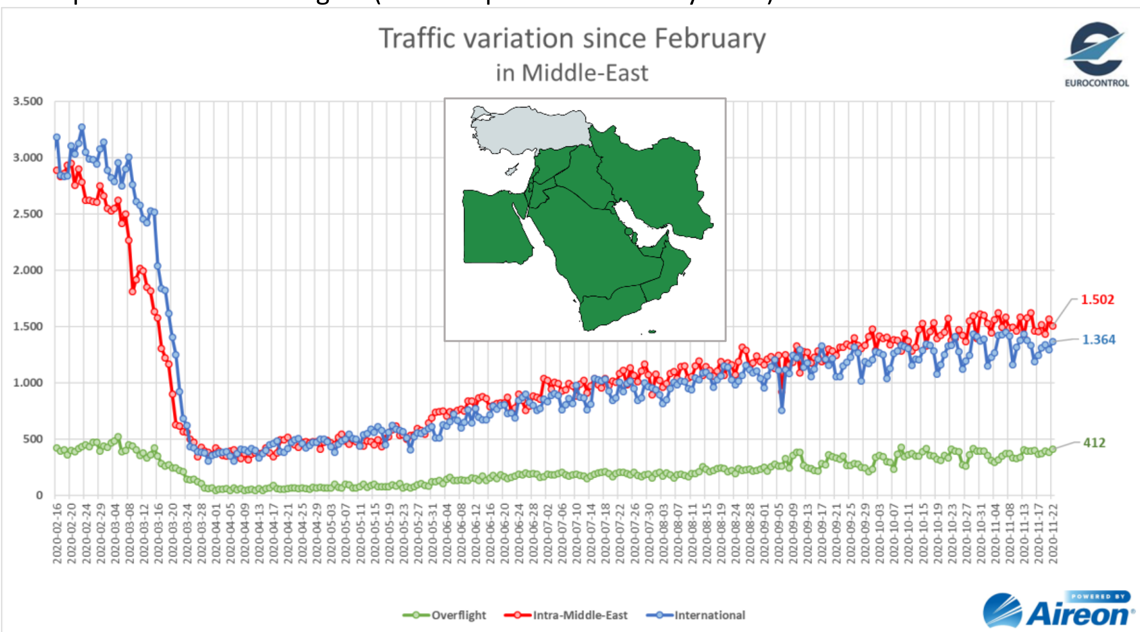
- **United-States (A4A members):**
  - US domestic traffic is stable at -442 of 2019 on 24 November. Flows with Latin America and Mexico increased over the last week.
  - In week ending Nov 24, U.S. airlines passenger volumes were 62% below 2019 levels with Domestic down 61% and International down 69%.
  - The domestic U.S. Load Factor averaged 53% in most recent week, versus 79% a year earlier.



- **China:**
  - Chinese domestic flights are now stable with 11,427 flights (-4% compared to 1st January 2020). International flights have been stable since March with 1,413 flights (-65% compared to 1st January 2020). The same is true for overflights with 564 flights (-67% compared to 1st January 2020).



- **Middle East:**
  - Since the beginning of April, Intra-Middle-East traffic has been increasing slowly reaching 1,502 flights on 22 November (-46% compared to February 2020). International traffic has been recovering at the same levels as domestic from early April with 1,364 flights (-55% compared to February 2020). Overflights have started to increase since the second week of September with 412 flights (-4% compared to February 2020).

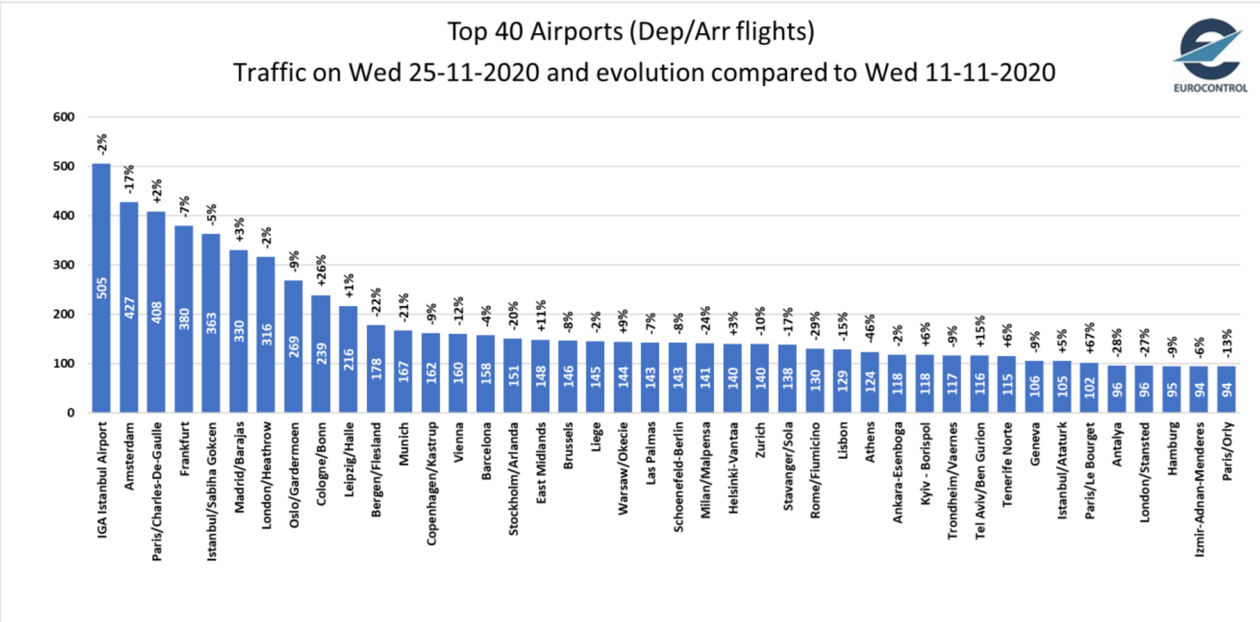


News for worldwide airlines and ANSPs:

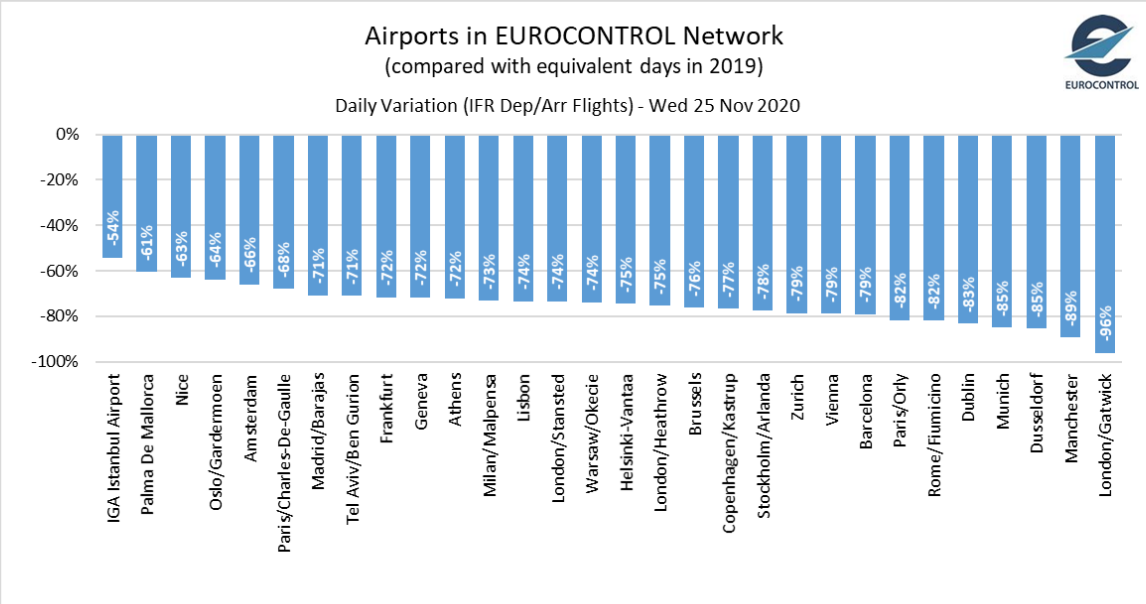
- **Aeroflot** resumes service to Tehran and Larnaca, increasing frequency to Dubai and Male.
- **Air India** to operate a service from Delhi to Rome from the end of November; currently operating 24 flights a week between India and the US.
- **American Airlines** plans to resume 737 MAX flights from late December.
- **Emirates** increasing frequencies to four UK airports and Moscow.
- **Qantas** CEO states that he expects vaccination to become a necessity for international travel.
- **UPS** has increased its production capability of dry ice and is providing ultra-low temperature freezers.
- UAE and Israel signed a MOU to 'explore deeper cooperation'. **Etihad Airways** and **El Al** would seek to agree on a codeshare partnership for flights between Abu Dhabi and Tel Aviv and services to other destinations.
- **Singapore** and **Hong Kong Air Travel Bubble** will be postponed by two more weeks. Relevant ministries will review the current situation and will provide further updates

4. Airport Information

- İGA Istanbul Airport was the busiest airport with 505 Dep/Arr flights on 25 November (-2% over the last 2 weeks) followed by Amsterdam (427, -17%), Paris CdG (408, +2%), Frankfurt (380, -7%), Istanbul/Sabiha (363, -5%), Madrid (330, +3%), London/Heathrow (316, -2%) and Oslo (269, -9%).
- From the top 10 airports, Cologne (+26%), Madrid (+3%), Paris CdG (+2%) and Leipzig (+1%) showed an increase over 2 weeks. All other airports reported a decrease with Amsterdam (-17%), Oslo (-9%), Frankfurt (-7%), Istanbul/Sabiha (-5%), London/Heathrow (-2%) and İGA Istanbul (-2%).



- Compared to 2019, İGA Istanbul Airport operated at -54% on 25 November, Oslo (-64%), Amsterdam (-66%), Paris CdG (-66%), Madrid (-71%), Frankfurt (-72%), London/Heathrow (-75%) and Rome (-82%).

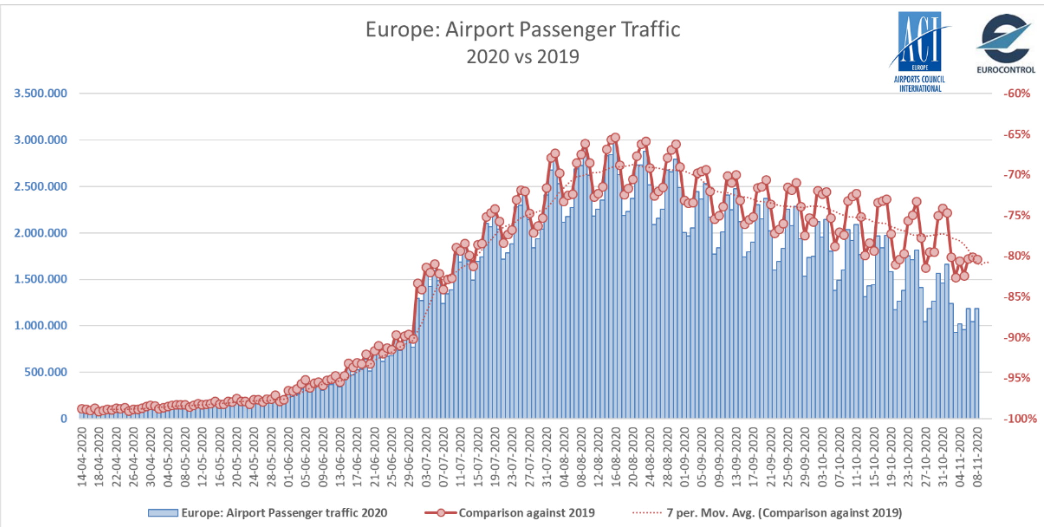


News from European and worldwide airports:

- **Berlin Brandenburg** is considering closing temporarily terminal 5 (the old Schoenefeld airport) due to low traffic.
- **Munich** is centralising all operations in T2, suspending passenger operations in Terminal 1.
- **Oslo** closing its north pier and eastern departure hall and operating on a single runway.
- **Paris Orly** is centralising all passenger operations at Orly 3.

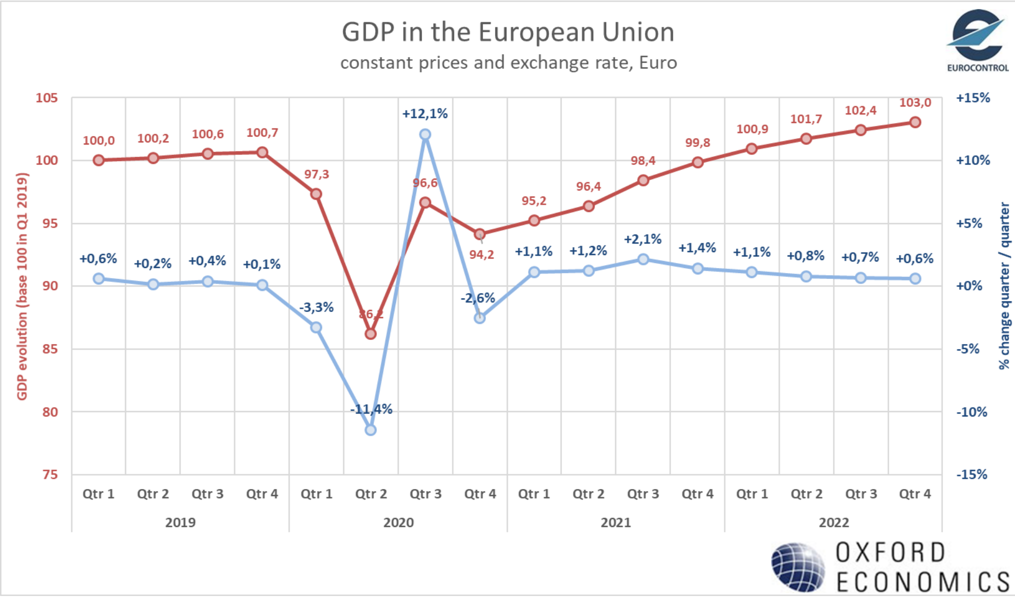
Passengers:

- According to **ACI**, passenger traffic has remained stable in the summer at -69% over August compared to August 2019. On Sunday 8 November, ACI reported 1.2 million passengers compared to 6 million on Sunday 10 November 2019 (i.e. -80%). Overall, since January 2020, European airports experienced a loss of 1.5 billion passengers compared to 2019 (-79%).



5. Economic, other factors

- **GDP evolution (Oxford Economics):** Eurozone GDP experienced a historically large 12.7% rise in Q3 as activity benefited from favourable base effects after the collapse in Q2. This is higher than the 8.3% which was previously anticipated. However, due to the second wave and renewed lockdowns, GDP growth in Q4 has been revised downwards (-2.6% compared to +2.4%). The same is true for 2021 (+4.3% instead of +5.5%).

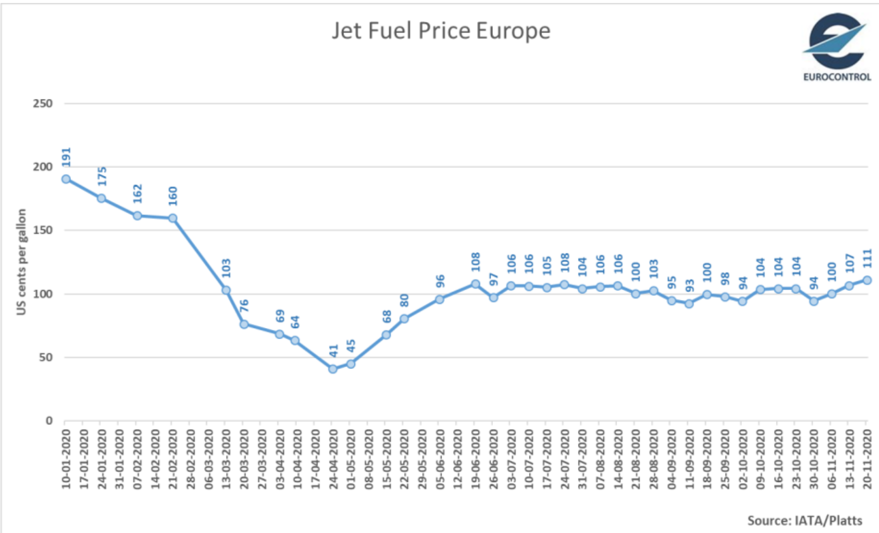


- **Airline financial losses:** in its November publication, IATA is expecting global net profit losses of **-$118.5 bn for 2020** compared to +$26.4 bn in 2019.

- **Airport financial losses:** ACI World estimates the airport industry will suffer a 60% reduction in revenues in 2020 as a result of the COVID-19, amounting to a decline of more than **$100 bn** (it represents -58.4% pax compared to 2019, i.e. -5.6 bn pax in total for the year).

  ACI-Europe states that *"Europe's airports are currently burning cash to the tune of €350 million each week. While this is down from €600 million in Q2 due to extensive cost-cutting."*

- **Fuel Price:** Since the end of June, jet fuel price remained globally stable. It was at 111 cts/gal on Friday 20 November.



To further assist you in your analysis, EUROCONTROL provides the following additional information on a daily basis (<u>daily updates at approximately 7:00 CET for the first item and 12:00 CET for the second</u>) and every Friday for the last item:

1. **EUROCONTROL Daily Traffic Variation dashboard:**
   www.eurocontrol.int/Economics/DailyTrafficVariation (or via the COVID-19 button on the top of our homepage www.eurocontrol.int)
   - This dashboard provides traffic for Day+1 for all European States; for the largest airports; for each Area Control Centre (ACC); and for the largest airline operators.

2. **COVID Related-NOTAMS with Network Impact (i.e. summary of airspace restrictions):**
   https://www.public.nm.eurocontrol.int/PUBPORTAL/gateway/spec/index.html
   - The Network Operations Portal (NOP) under "Latest News" is updated daily with a summary table of the most significant COVID-19 NOTAMs applicable at 12.00 UTC.

3. **NOP Recovery Plan:**
   https://www.public.nm.eurocontrol.int/PUBPORTAL/gateway/spec/index.html
   - This report, updated every Friday, is a special version of the Network operation Plan supporting aviation response to the COVID-19 Crisis. It is developed in cooperation with the operational stakeholders ensuring a rolling outlook.