

## **Middle East freight traffic down 2.6% in November**

December 30, 2008

Dubai Middle East freight traffic fell by 2.6 per cent in November while passenger traffic saw 5.6 per cent growth in November, International Air Traffic Association (IATA) said on Tuesday.

Middle Eastern carriers are facing a decline of 1.6 per cent in freight traffic, following a growth of one per cent in October.

However, this monthly decline is slight when compared with global figures.

A 13.5 per cent fall was recorded in global freight in November.

"The 13.5 per cent drop in international cargo is shocking. As air cargo handles 35 per cent of the value of goods traded internationally, it clearly shows the rapid fall in global trade and the broadening impact of the economic slowdown," said Giovanni Bisignani, IATA's director-general and chief executive.

### **Demand contraction**

He said this is the largest drop since 2001 and the aftermath of September 11 bombings.

African carriers were the only ones who still enjoyed growth in freight traffic, at 2.2 per cent, although lower than the previous month's growth of 3 per cent. In October, Middle Eastern carriers saw passenger growth of 3.6 per cent, marking November with a further 1.6 per cent growth, because of falling global traffic.

There was a 4.6 per cent decline in international passenger traffic, which came with a 1.3 per cent demand contraction in October and the 2.9 per cent fall in September.

"The industry is now shrinking by all measures. The 1 per cent capacity cut in international passenger markets in November could not keep pace with the 4.6 per cent fall in passenger demand. We can expect deep losses in the fourth quarter," said Bisignani.

### **Gloom**

Bisignani added that with no end to be seen for the worsening global economy, this year's gloom would carry over into the new year.

"Relief in the oil price has been outstripped by the falls in demand and capacity cuts are not keeping pace. The industry is back in intensive care. Improving efficiency everywhere will be theme for 2009," he said.

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