

## Asia

### January - March 2007 Forecast



#### Passenger Numbers by Route (millions)

	Oct-Dec '06	Oct-Dec '05	% change	Jan-Mar '06	Forecast
Domestic	19.04	19.57	-2.72%	18.77	18.26
Intercontinental	23.14	25.26	-8.42%	21.92	20.07
Total	42.18	44.84	-5.93%	40.69	38.27

The overall passenger numbers have continued to show a declining pattern since the third quarter of 2006, bringing domestic and international passenger numbers by respectively -2.72% and -8.42% in this quarter.

#### Passenger Numbers by Seat Class (millions)

	Oct-Dec '06	Oct-Dec '05	% change	Jan-Mar '06	Forecast
First	2.55	2.59	-1.63%	2.48	2.44
Business	4.31	4.26	1.22%	4.11	4.16
Coach	35.32	34.49	2.39%	34.09	34.90

The first class leads with 2.39% of change, followed by business class at 0.75%. The coach class experiences a down turn at -1.63%.

#### Estimated Complimentary Meal Numbers by Route (millions)

	Oct-Dec '06	Oct-Dec '05	% change	Jan-Mar '06	Forecast
Domestic (Qantas)	4.25	4.07	4.24%	3.76	3.92
Intercontinental	34.70	37.99	-8.65%	32.88	30.03
Total	38.95	42.07	-7.40%	36.64	33.93

The domestic (Qantas) estimated complimentary meal numbers continue to grow at 4.24%. On the other hand, the complimentary meal numbers for intercontinental routes decrease sharply at -8.65%.

#### Passenger Numbers by Carrier (millions)

	Oct-Dec '06	Oct-Dec '05	% change	Jan-Mar '06	Forecast
Cathay Pacific	4.28	3.97	7.86%	4.02	4.33
Dragonair	1.37	1.34	2.45%	1.23	1.26
Japan Airlines	14.59	14.53	0.40%	13.99	14.05
Qantas	6.50	6.23	4.46%	5.90	6.17
Singapore Airways	4.79	4.37	9.83%	4.27	4.69
Thai Air	4.99	4.74	5.38%	4.68	4.93
*Malaysia Air	3.51	4.61	-23.88%	4.06	3.09
*Air Asia	2.14	1.57	36.28%	2.53	3.45

Air Asia continues to lead in the passenger numbers at the growth rate of 36.28%. In the contrary, the passenger numbers of Malaysian Air continue to decrease at -23.88%. This can be explained by the fact that Air Asia, as the largest low-cost carrier in Asia is based in Kuala Lumpur.

## **Travel Catering Research Centre Quarterly Report Current Headlines**

### **Korean Air Plans 32 Destinations In China; Increased Service From U.S.**

Korean Air, flying from more cities in North America to more cities in Asia than any other airline, now has increased service to Beijing and Shanghai, as well as 18 other Chinese cities. The plan is to add 12 cities in the next four years, raising the total number of Chinese destinations from the current 20 to 32 by 2010. Korean Air currently flies to these cities in China: Beijing, Changsha, Dalian, Guangzhou, Hong Kong, Jinan, Kunming, Qingdao, Sanya, Shanghai, Shenyang, Shenzhen, Tianjin, Urumqi, Weihai, Wuhan, Xiamen, Xian, Yanji, and Yantai. In addition to adding routes, the company also increases frequencies. By the end of 2007, Korean Air will be operating three daily shuttles to Beijing, Shanghai and Hong Kong. Korean Air recently announced plans to make China its second home market after an agreement was reached in June between China and South Korea to gradually open the skies between the two countries.

North America News, [www.btbtravel.com](http://www.btbtravel.com), 29 January 2007

### **Malaysia Airlines Offers Daily Service From Los Angeles To Kuala Lumpur**

Malaysia Airlines is now offering daily service on its Los Angeles-Taipei-Kuala Lumpur route to meet the ever-growing interest by Americans to visit Malaysia. In the past three years, the number of US visitors to Malaysia has increased more than 18 percent. Flights are operated by B747-400 aircraft, which recently have been renovated with the latest technology in sleeper seats and in-flight entertainment. In the premium classes, the award-winning Malaysia Airlines offers luxurious flat bed sleeper seats, gourmet meals and extensive on-demand in-flight entertainment. Malaysia Airlines is one of only four airlines in the world to be awarded the coveted Skytrax Five-Star World Airline Ranking and best economy class in the world for service, comfort and cuisine.

North America News, [www.btbtravel.com](http://www.btbtravel.com), 17 January 2007

### **AirAsia Ordered Additional A320s and Planned to Launch Long-Haul Operation.**

AirAsia, the region's largest low-cost carrier, has placed a firm order for an additional 50 A320s, with a further 50 A320s on option. The contract was signed on 8 January 2007 brings the AirAsia Group's (Malaysia AirAsia, Thai AirAsia and Indonesia AirAsia) total orders to 150 aircraft, plus 50 options and, in doing so, makes it one of the largest Airbus customers for the aircraft type. AirAsia on 5 January 2007 presented its plans to launch a long-haul operation. AirAsia X intends to start operations from Kuala Lumpur to three destinations, one in Europe and two in China, in July 2007, with services to other destinations in India, Australia and elsewhere to follow. The carrier will start operations with three aircraft, will have five in operation by the end of its first year of service, and will reach its full size of 20 units by the end of its fourth year.

#801.CAT12-13, Momberger Newsletter, 25 January 2007

## **Travel Catering Research Centre Quarterly Report**

### **Thai Airways International Transfer domestic services to Nok Air**

Thai Airways International (THAI) will transfer most domestic services to its no-frills subsidiary Nok Air and focus on international flights in response to the Government's policy to reopen Don Muang as Bangkok's second international airport (#802.3 & 4) and in order to minimize costs of the return of its domestic service to the airport. THAI will retain only domestic flights that connect with international ones for operation at the new Suvarnabhumi Airport and will emphasize international services.

#804.CAT16, Momberger Newsletter, 10 March 2007

### **Air Transport Revolution in Asia**

At the Low Cost Airline Congress in Singapore in late January 2007, Center for Asia Pacific Aviation (CAPA) Chairman Peter Harbinson advised that an air transport revolution was taking place. Asia's major incumbent airlines risk becoming irrelevant, or even face extinction, if they fail to grasp the changes in the market due to low-cost carriers (LCCs); Any new entrant **MUST** be low-cost and any existing airline not heeding this message will become an ex-airline. He also advised that there were now a variety of carrier models in Asia, and predicted that there would be twice as many Asian international airlines in five years.

#803.CAT15, Momberger Newsletter, 25 February 2007

### Explanations

#### **Passenger Numbers by Route**

The data in this table is derived from the area's major individual carrier's websites. These carriers include Cathay Pacific\*, Dragonair\*, Japan Airlines, Malaysia Air, Qantas, Singapore Airways\*, Thai Air\*, and Air Asia.

*% change - This compares the last full quarter of this year with the same quarter in the previous year.*

*Forecast - The forecast is based on the trend derived from the equivalent quarter of the previous year and the percentage change in the last full quarter.*

*\*International figures only*

#### **Passenger Numbers by Seat Class**

The data in this table is derived from data found on Euromonitor's web pages. The seat class data is defined by country and is then applied to the major carrier for that country. Two countries are not reported on and the average seat class ratio is applied to these.

#### **Estimated Complimentary Meal Numbers and Type by Route**

For international route, the data in this table is calculated by taking the total passenger numbers and applying a multiplier to provide an estimate of the total meals provided to passengers. The multipliers used are based upon consensus meal values agreed upon by a panel of experts and are subject to change on a monthly basis. For the domestic route, as Qantas is the only airlines that serves meals on domestic flights, hence domestic meal numbers are related to Qantas only.

*% change – Please see above.*

*Forecast – Please see above.*

#### **Passenger Numbers by Carrier**

The data in this table is derived from the individual carrier's websites. The Association of Asia Pacific Airlines (AAPA) data is derived from Monthly International Statistics as found on their website.

*% change – Please see above.*

*Forecast – Please see above.*