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Fitch: Airports, Lessors Lead Global Aviation Recovery, Airlines Lag

Fitch Ratings-Chicago/New York-18 February 2022: The global pandemic was the worst event-driven crisis in modern aviation history, having a material negative effect on the financial and credit metrics of airlines, aircraft lessors and airports, and the performance of aircraft and engine asset-backed securities (ABS). While pandemic-related risks remain, a marked rebound in traffic is driving a recovery, albeit with the pace and extent varying by sector, says Fitch Ratings.

Airports and aircraft lessors have led the aviation sector's recovery, while airlines remain the most challenged subsector with full recovery potentially taking years. At the trough in 2Q20, revenue passenger kilometres (RPKs) fell by nearly 90% year-over-year. Traffic has since recovered, but the latest data for December 2021 show RPKs still down 45% versus December 2019.

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