COVID-19 IMPACT

COVID-19 continues its disruption of the global aviation industry. The restrictions placed by governments on air travel in an effort to help stop the spread of the virus are ongoing.

In the fourth week of Skytra's COVID-19 coverage report we share the same COVID-19 related metrics which we have complemented by the Skytra Price Indices, which measure the average price* of air travel per kilometer in the different markets around the world. We share two different views: first, we compare the price of air travel per kilometer in 2020 so far with the preceding three years, second, we look at how the ticket prices have changed each year from January 1st onwards.



Following weeks of falling prices it looks like average prices are stabilising or even rebounding in certain markets. Of course the radical cuts in capacity will be a contributing factor to this change as is the fact that average flight distances have decreased since the beginning of the crisis (the shorter a flight the higher the price per kilometer tends to be). Over the coming weeks travel restrictions may start to be lifted and operations could thus resume. It could well be that we will see more volatility on pricing as a new equilibrium of supply and demand is found.

As the previous week, our three specific COVID-19 metrics are as follows:

- Value of tickets issued over the past week** compared to the same week in 2019 and how this has evolved over the past three months as COVID-19 spread in different regions of the world.
- Cumulative change in ticket revenue which helps to understand the effect of the shutdown as it continues.
- week we can see how much travel is being booked for the rest of 2020.

• Customer and airline sentiment for the upcoming months, so each

Skytra, a 100% Airbus company, has evaluated all these metrics using the Skytra Price Indices and methodology. These are derived from our ticketing database that includes IATA DDS (Direct Data Solutions) the most comprehensive source of airline ticketing information.

- *Skytra Price Indices data is compiled of economy class data only.
- ** Chart data represents week 15 22 April 2020 compared to the same week last year.



trend identified in our previous reports has continued with refunds keeping pace with ticket sales in most markets around the world. This means that revenues have dropped by 100% or more than 2019 for these past 7 days. This week we are seeing slight improvements for the North American market compared to last week. If we excluded refunds from this analysis we would also see marginal improvements in sales for the other markets too. This will be an indicator to come back to next week...



loss of revenues continues across the industry although of course the rate of loss is slowing in line with the weekly sales figures.

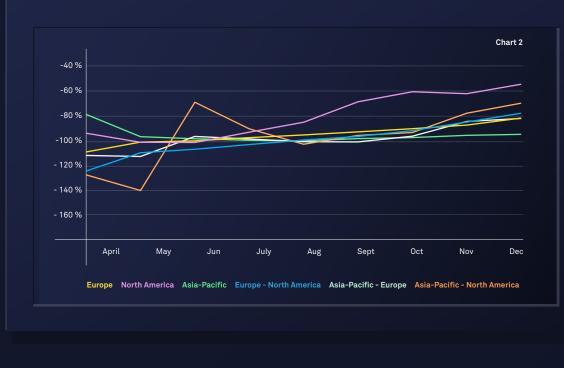
North America

Asia-Pacific

As to be expected the cumulative

Europe

NA APAC



Booking behavior for future flights: Wait and see

between April and June 2020 particularly in the Asia Pacific centric markets. It could be that large movements in pricing combined with uncertainty are contributing to sales and refunds continuing apace for this period. For later on in the year we continue to see the strongest sales

numbers for the North American market although now it appears

We continue to see volatility on

the value of sales for travel

sales are picking up from net zero elsewhere too. Nonetheless the North American traveler remains the most likely to book travel for this year with another increase in sales figures for autumn 2020.







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