

## Travel Catering Research Centre Quarterly Report

### Asia

### April - June 2008 Forecast



#### Passenger Numbers by Route (millions)

	Jan-Mar '08	Jan-Mar '07	% change	Apr-Jun '07	Forecast
Domestic	15.47	15.73	-1.65%	19.21	18.89
Intercontinental	24.19	23.38	3.45%	22.42	23.19
Total	39.66	39.11	1.40%	41.63	42.21

The passenger numbers in domestic route decrease by 1.65%, whereas there is an increase of 3.4% in passenger number in intercontinental routes.

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

	Jan-Mar '08	Jan-Mar '07	% change	Apr-Jun '07	Forecast
First	2.51	2.51	0.26%	2.39	2.40
Business	4.34	4.25	2.08%	4.06	4.14
Coach	32.80	32.35	1.39%	35.17	35.66

Passenger numbers in all seat class show an increase. respectively at 0.26%. 2.08% and 1.39% for first. business and economy class.

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

	Jan-Mar '08	Jan-Mar '07	% change	Apr-Jun '07	Forecast
Domestic (Qantas)	4.25	3.93	8.13%	4.08	4.41
Intercontinental	36.28	35.07	3.45%	33.63	34.79
Total	40.53	39.00	3.92%	37.71	39.19

The increase in estimated complimentary meal numbers for domestic route is noted at 8.13%. whereas the complimentary meal numbers in intercontinental routes improve at a lower rate of 3.45%.

#### Passenger Numbers by Carrier (millions)

	Jan-Mar '08	Jan-Mar '07	% change	Apr-Jun '07	Forecast
Cathay Pacific/ Dragon Air	6.18	5.32	16.29%	5.64	6.56
Japan Airlines	13.17	13.92	-5.38%	13.12	12.42
Malaysia Air	3.54	3.36	5.48%	3.44	3.63
Qantas	6.38	6.09	4.78%	6.06	6.35
Singapore Airways	4.99	4.59	8.75%	4.62	5.02
Thai Air	5.40	4.97	8.49%	4.58	4.96

The increase of passenger numbers in this quarter is lead by Cathay Pacific and Dragon Air at 16.29%. followed by Singapore Airways and Thai Air respectively at 8.75% and 8.49%. Japan Airlines. on the other hand. experiences a decrease at - 5.38%.

## Headlines

### Singapore Airlines

- The airlines will offer an all-business class seating on its non-stop flights to Los Angeles and New York starting in mid-May 2008. The decision to remove Economy seats and offer only Business Class is aimed at catering to strong demand from its premium travellers. Under the new configuration, SIA will replace the existing two-class, 181-seat arrangement on its five Airbus A340-500 long-haul aircraft with 100 Business Class seats for the direct flights between Singapore and the two U.S. cities.
- The in-flight gourmet experience at Singapore Airlines has been enhanced with a refreshed presentation concept for the Shi Quan Shi Mei meal in First Class. For example, improved presentation and introduction of ethnic service-ware have added authenticity in First Class.

10 April 2008, Momberger. #830.CAT19

25 June 2008, Momberger. #835.CAT20

### Low-Cost Airlines:

- **AirAsia**

On 15 May 2008, Air Asia is anticipated to launch of services from Kuala Lumpur to Hong Kong. AirAsia is also launching services in the next two months to Ho Chi Minh City and Haikou. As with other new AirAsia routes, the Ho Chi Minh City operation will involve both the Kuala Lumpur and Bangkok-based arms of the airline converging on the city. It is probably only a matter of time before Thai AirAsia steps into the Hong Kong market as well.

- **Cebu Pacific**

Fast-growing Cebu Pacific stepped up its lobbying effort for enhanced rights to Hong Kong, stating the addition of the route would help it reach its goal of carrying 7 million low-fare passengers in 2008. Cebu Pacific's application in 2007 to operate from Clark (north of Manila) to Hong Kong among other destinations was turned down by the Hong Kong Civil Aviation Department due to the lack of entitlements under the existing bilateral air services agreement.

All this is of growing concern to the incumbent full-service airlines that are already facing headwinds from soaring fuel prices and a potential economic slowdown in the region that could lower premium demand according to the Centre for Asia Pacific Aviation.

25 April 2008, Momberger. #831.CAT12

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### **Explanations**

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

*The data in this table is derived from the area's major individual carrier's websites.*

*% 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.*

#### **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**

*The data in this table is calculated by taking the total passenger numbers by route 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.*

*% 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.*