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PAX increases MoM; IndiGo gains market share

- Domestic air passenger (PAX) traffic grew ~8% YoY in Oct'24 to 13.7m (up ~5% MoM). The traffic continues to remain above the pre-COVID levels. Passenger growth moderated for Vistara MoM, while it increased for IndiGo, Air India, SpiceJet, and Akasa.
- Average domestic Passenger Load Factor (PLF) increased 20bp MoM in Oct'24. PLF rose for Air India and SpiceJet MoM, while decreasing for the rest of the airlines. The On-Time Performance (OTP) increased 540bp MoM for airlines; the domestic average was 65.8% in Oct'24. The cancellation rate decreased 20bp to 1% in Oct'24.
- IndiGo's market share improved following the collapse of GoFirst, which ceased operations in May'23. It has maintained 60%+ share since then. IndiGo's market share has been increasing steadily during the past four months.

India's domestic air PAX and market share

- India's domestic air PAX increased ~8% YoY (increased ~5% MoM) to 13.7m in Oct'24. Domestic PAX stood at 8.6m for IndiGo (up 9% YoY), 4m for AI group (up 13% YoY), 0.6m for Akasa (up 17% YoY), and 0.3m for SpiceJet (down 47% YoY).
- Domestic market share stood at 63.3% for IndiGo (up 70bp YoY), 29.2% for the Air India (AI) group (up 130bp YoY), 4.5% for Akasa (up 40bp YoY), and 2.5% for SpiceJet (down 250bp YoY).

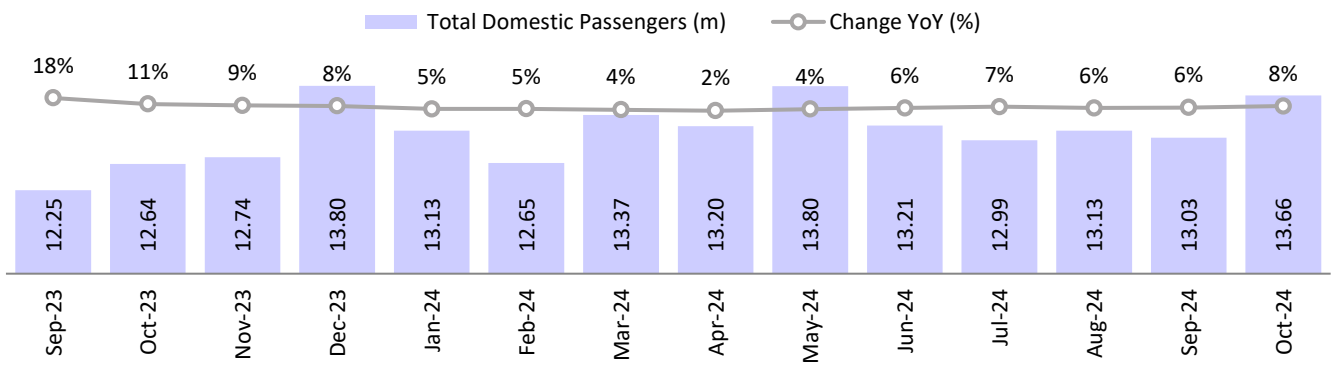
Domestic industry's PLF and OTP

- Domestic PLF stood at 73.6% in Oct'24 (73.4% in Sep'24 and 81.7% Oct'23). PLF stood at 82.3% for IndiGo (down 100bp YoY), 83.5% for the AI group (down 260bp YoY), 85.7% for Akasa (down 90bp YoY), and 81% for SpiceJet (down 910bp YoY).
- The average OTP for domestic airlines at the top four airports was at 65.8% (down 12pp YoY/up 540bp MoM). OTP stood at 71.9% for IndiGo (down 16.6pp YoY), 68.9% for Air India group (down 10pp YoY), 67.2% for Akasa (down 16.7pp YoY), and 63.8% for SpiceJet (up 570bp YoY).

Other highlights

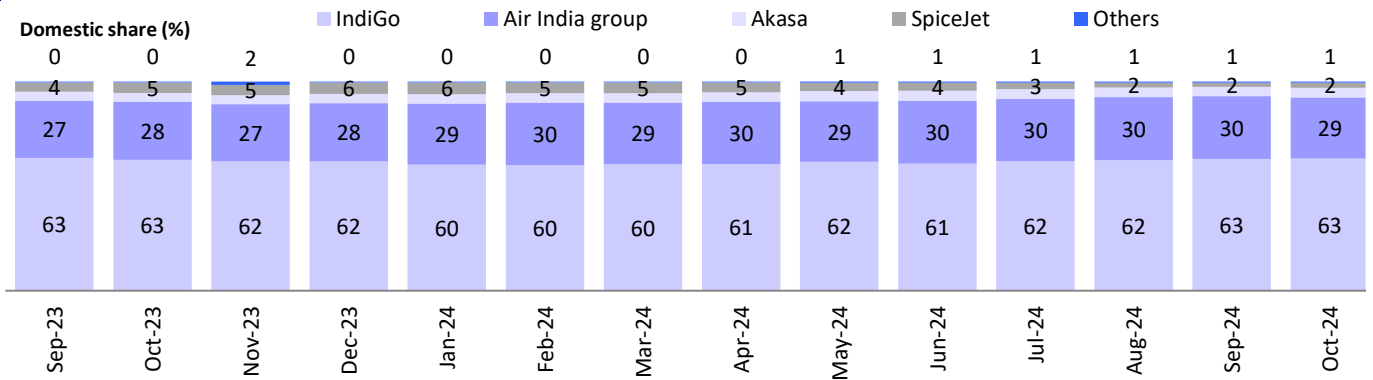
- The Air Turbine Fuel (ATF) price for Nov'24'TD is at INR90,539/klit (down 19% YoY/up 3% MoM). For 3QFY25, the AFT price stood at INR89,068/klit (down 7% QoQ and down 20% YoY), while for 2QFY25, it stood at INR95,868/klit (down 3% QoQ). Currently, Brent crude stands at ~USD76/bbl (average of USD74.5/bbl in Nov'24 and USD75.2/bbl in 3QFY25).

Exhibit 1: Domestic PAX grew 8% YoY and 5% MoM



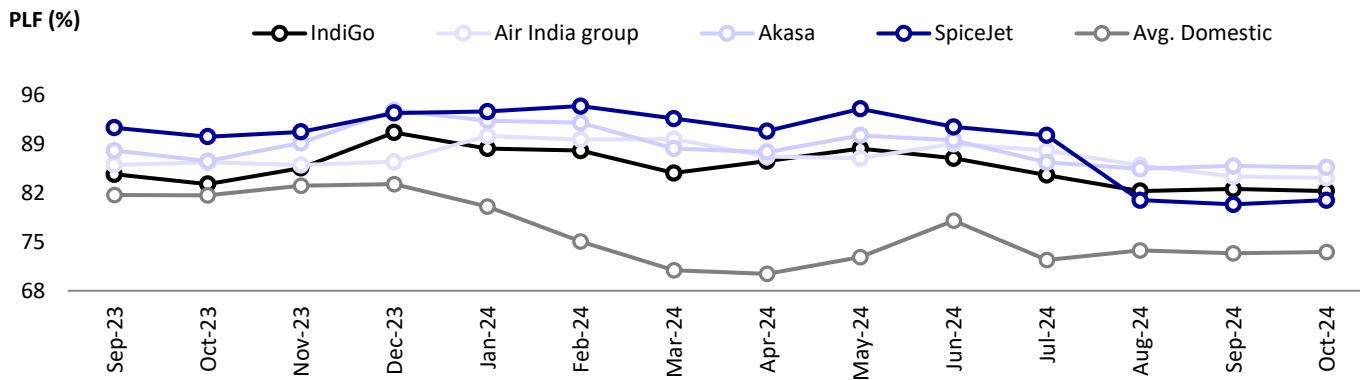
Source: DGCA, MOFSL

Exhibit 2: IndiGo's domestic market share was 63.3% in Oct'24, while it was 29.2% for the AI group



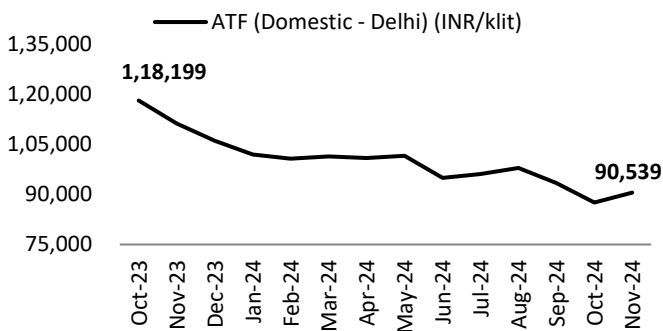
Source: DGCA, MOFSL

Exhibit 3: Average domestic PLF was 73.6%; it was the highest for Vistara at 86.1% in Oct'24



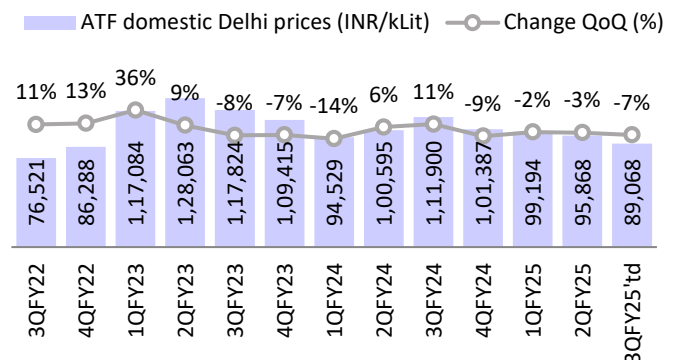
Source: DGCA, MOFSL

Exhibit 4: Increase in ATF prices MoM in Nov'24 to date...



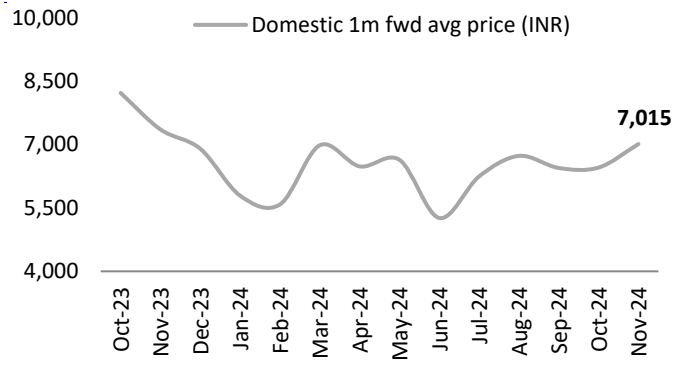
Source: HPCL, IOCL, MOFSL

Exhibit 5: ...with the same declining 7% QoQ in 3QFY25 to date



Source: HPCL, IOCL, MOFSL

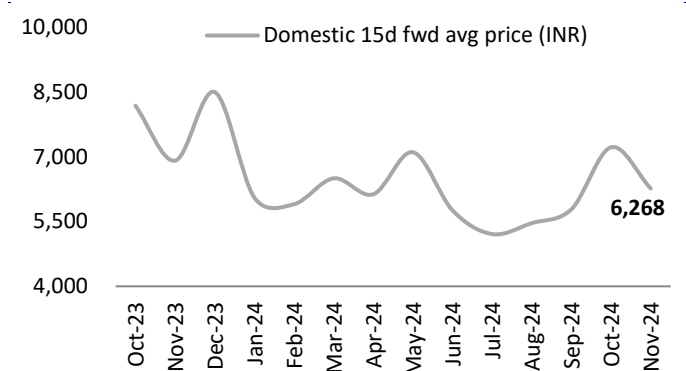
Exhibit 6: Domestic fares on a one-month forward basis



*Nov'24 to date

Source: MakeMyTrip, MOFSL

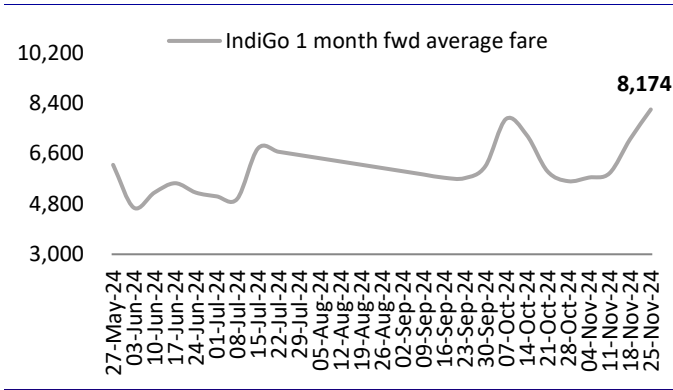
Exhibit 7: Domestic fares on a 15-day forward basis



*Nov'24 to date

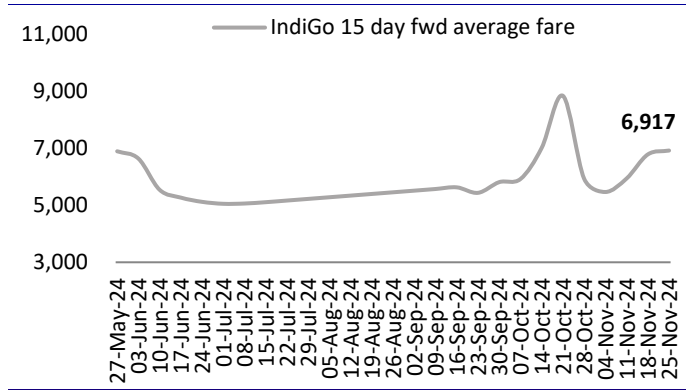
Source: MakeMyTrip, MOFSL

Exhibit 8: IndiGo's fares on a one-month forward basis



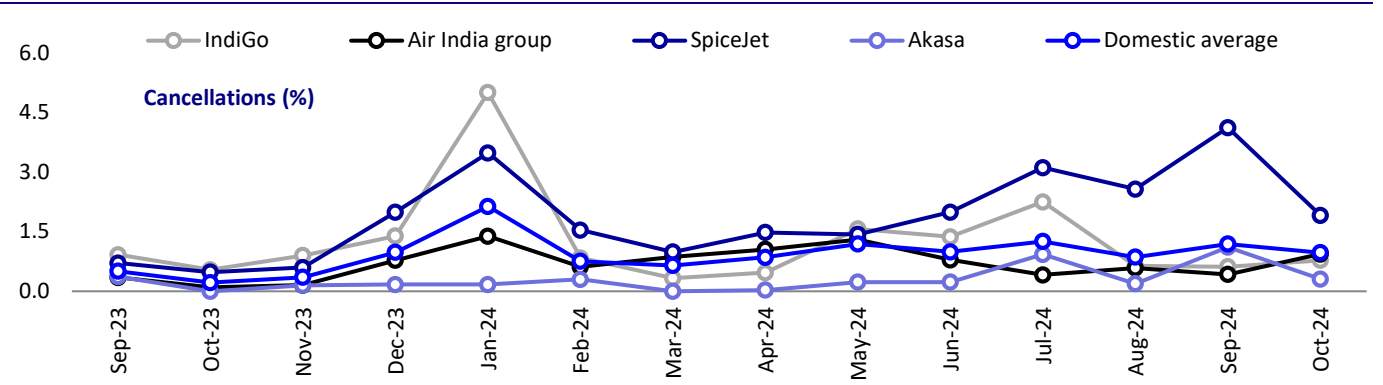
Source: MakeMyTrip, MOFSL

Exhibit 9: IndiGo's fares on a 15-day forward basis



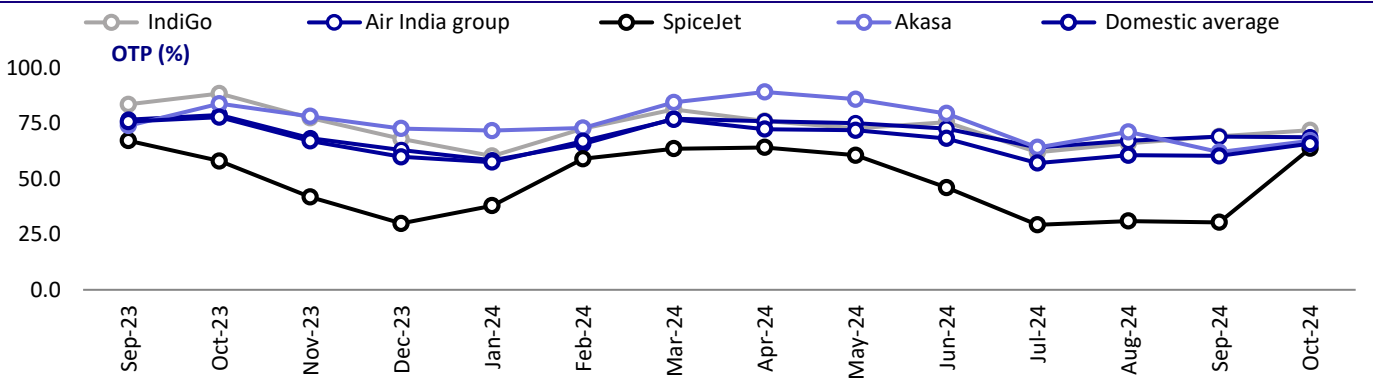
Source: MakeMyTrip, MOFSL

Exhibit 10: % cancellations increased YoY for all airlines in Oct'24



Source: DGCA, MOFSL

Exhibit 11: OTP declined YoY for all players except SpiceJet in Oct'24



Source: DGCA, MOFSL

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NOTES

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