Dear readers,

Today we launch the Passenger Traffic Report for Latin America and the Caribbean in a special edition that brings together data from December and the cumulative 2023.

The results are impressive. In 2023 the region broke a record as 451.6 million passengers traveled in the region for the entire year, a historic number that represents a 13.3% growth vs. 2022 and 3.9% vs. 2019.

These numbers reflect the essential role that aviation plays as the great gateway for our countries and also as the safest and most efficient means of transport for the population. Out of over 110 million tourists visiting the region, 70% arrive by air and generate consumption 7 times higher than tourists arriving by other means of transport. As for domestic transport, it highlights a 9.1% growth vs. 2022 with 248 million passengers carried within our countries to connecting with relatives, doing business, tourism and so many other things.

This report reflects very encouraging results, which make us admire the valuable work done by millions of people throughout the aviation ecosystem and beyond, people who do everything necessary for an aircraft to take off and land, bringing possibilities and development to every place.

However, we can also note that important markets are not growing at the pace they could because of a lack of legal certainty. Just as energetically, I say to you: We are able to fly even higher, because if we have such results in the midst of such complex and sometimes adverse environments, imagine how this performance could be enhanced with an efficient environment.

How? Through measures that promote efficiencies by updating our legislation, checking taxes, fees and contributions that many times are not even related to the operation or the sector, by generating incentives and guaranteeing the legal security that drives investment, and with a better strategic vision, taking aviation as a partner for the socio-economic development of the countries.

We work every day so that the governments of our region fully understand that aviation is much more than tourism, it is an essential public service, it is an industry that serves as a powerful catalyst for our economies, it is a sector that benefits millions of people by creating jobs and opportunities. Aviation must be seen as a vital area on the State's agenda.

We urgently need to go ahead. It is time to act and put in place a proper and cohesive structure. Together we are able to fly higher. We have 2024 in front of us, let's work together.

Thank you for reading,
José Ricardo Botelho
ALTA's CEO

Historic record: passenger traffic in Latin America and the Caribbean (LAC) exceeded 451 million in 2023

Traffic grew by 6.3% in December

In December 2023, 40.6 million passengers flew in Latin America and the Caribbean (LAC). This significant 6.3% increase, compared to the same month in 2022, positions December as the second highest passenger volume month in 2023, second only to July. This rise represents around 2.4 million additional passengers, out of which 1.5 million (62%) came from the extra-regional market. Compared to December 2019, growth was 3.3%.

Domestic traffic grew by 0.7% compared to the same period last year. International passenger traffic showed a 13% increase. Within this segment, extra-LAC traffic continued its upward trend at 11.1% higher. Intra-regional traffic had the largest increase, up 20.4% over the previous year, driven mainly by a 75% increase in frequencies between Brazil and Peru.

In December, the total load factor reached 83%, up 1 percentage point compared to December 2022 and 1.2 points compared to December 2019. The load factor for domestic flights was 83.6%, while intra-regional and extra-regional flights reached 79.8% and 83.2%, respectively.

From January to December, the region experienced significant growth in the total volume of carried passengers, reaching 451.6 million and setting a record in the history of regional aviation. This increase, representing an additional 52.9 million passengers, reflects a 13.3% rise compared to 2022 and a strong 3.9% above 2019 levels.

Passenger market in December

ALTA

	December		Growth		Cumulative (January-December)		Growth	
	2022	2023	2023/2022	2023/2019	2022	2023	2023/2022	2023/2019
Passenger	**38,181,556**	**40,582,966**	**6.3%**	**3.3%**	**398,699,170**	**451,596,459**	**13.3%**	**3.9%**
Domestic	21,069,884	21,216,943	0.7%	-1.9%	227,286,496	248,055,763	9.1%	3.4%
Intra-LAC	3,755,513	4,521,736	20.4%	2.5%	37,574,541	49,752,928	32.4%	-3.1%
Extra-LAC	13,356,159	14,844,286	11.1%	12.1%	133,838,133	153,787,767	14.9%	7.2%
RPK (millions)	**80,212**	**87,299**	**8.8%**	**4.1%**	**814,837**	**937,852**	**15.1%**	**1.6%**
Domestic	19,996	20,235	1.2%	3.1%	215,015	232,241	8.0%	7.9%
Intra-LAC	7,423	8,657	16.6%	3.0%	74,798	96,029	28.4%	-3.6%
Extra-LAC	52,792	58,407	10.6%	4.6%	525,024	609,581	16.1%	0.3%
***ASK (millions)**	**97,029**	**105,271**	**8.5%**	**2.6%**	**993,619**	**1,118,421**	**12.6%**	**0.4%**
Domestic	24,329	24,201	-0.5%	3.3%	265,212	281,778	6.2%	8.0%
Intra-LAC	9,481	10,845	14.4%	4.2%	94,585	118,698	25.5%	-2.2%
Extra-LAC	63,218	70,224	11.1%	2.2%	633,822	717,945	13.3%	-1.8%
***Load Factor**	**82.0%**	**83.0%**	**1.0 pts**	**1.2 pts**	**81.3%**	**83.0%**	**1.7 pts**	**0.1 pts**
Domestic	82.2%	83.6%	1.4 pts	-0.2 pts	81.1%	82.4%	1.3 pts	-0.1 pts
Intra-LAC	78.3%	79.8%	1.5 pts	-0.9 pts	79.1%	80.9%	1.8 pts	-1.2 pts
Extra-LAC	83.5%	83.2%	-0.3 pts	1.9 pts	82.8%	84.9%	2.1 pts	1.8 pts

Source: ALTA analysis, developed using data from Amadeus *ALTA estimates based on reporting by member airlines

Domestic market

Brazilian domestic passengers increased 4% compared to December 2022 and 1% compared to November 2023. Especially noteworthy was the Rio de Janeiro (GIG) - Sao Paulo (GRU) route, which increased 97% in frequencies compared to December 2022.

Mexican passengers decreased 1% compared to 2022. This downward trend has continued since September 2023. All top three domestic routes saw declines, with Cancun-Mexico City (MEX) being the most affected with an 18% drop.

Colombia saw 4% growth over 2022, reflecting the second consecutive month of recovery after a downward trend since March. December saw the highest domestic passenger traffic of the year. The Bogotá-Medellín route was positioned as the regional leader with 3,026 frequencies, an 11% increase over 2022, even exceeding Congonhas-Santos Dumont. The Bogotá-Pereira route also stood out with a 33% increase over December 2022.

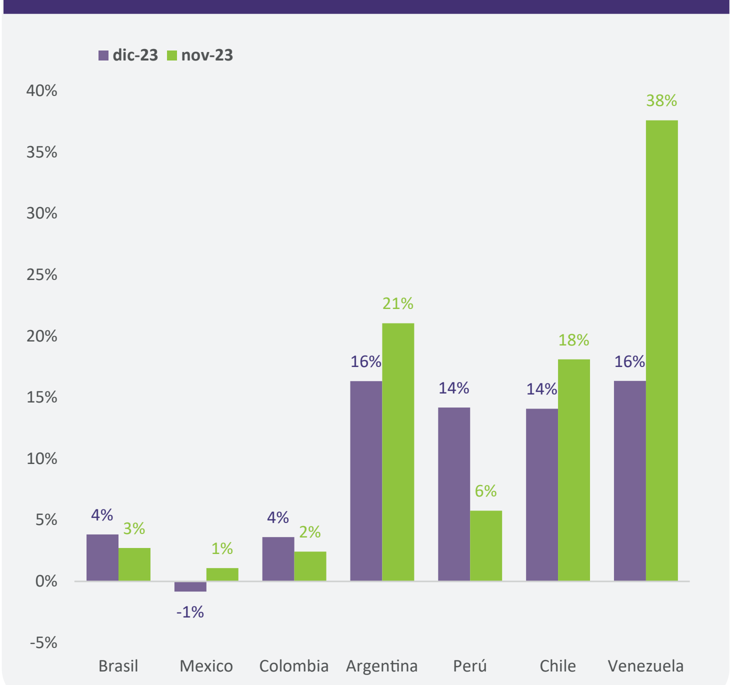
The Argentine domestic market grew by 16% compared to 2022. Frequencies on the Buenos Aires (AEP)-Mendoza route increased 14%, while Córdoba-Ezeiza experienced a 110% increase.

In Chile, traffic exceeded the 2022 figures by 14%, with an 81% increase on the Concepción-Calama route compared to the previous year. Ecuador stood out with a 36% increase in cumulative domestic passenger traffic, 30% of this increase being mainly attributed to the Guayaquil-Quito route, which grew by 20%.

Between January and December 2023, the region carried 248 million passengers on domestic flights, 9.1% more than the same period in 2022.

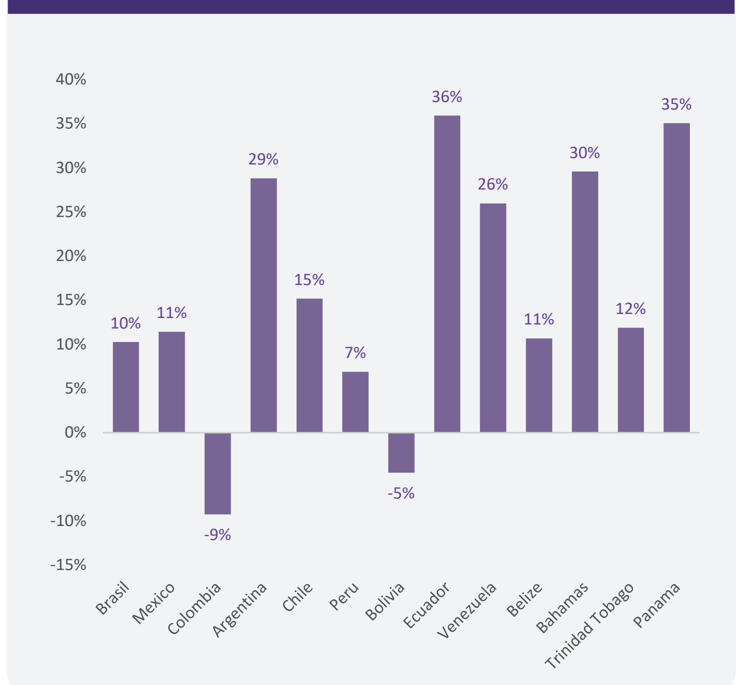
Domestic pax (compared to the same month in 2022)
Ranked from highest to lowest according to passenger traffic

ALTA



Growth in domestic passenger traffic 2023 vs. 2022

ALTA

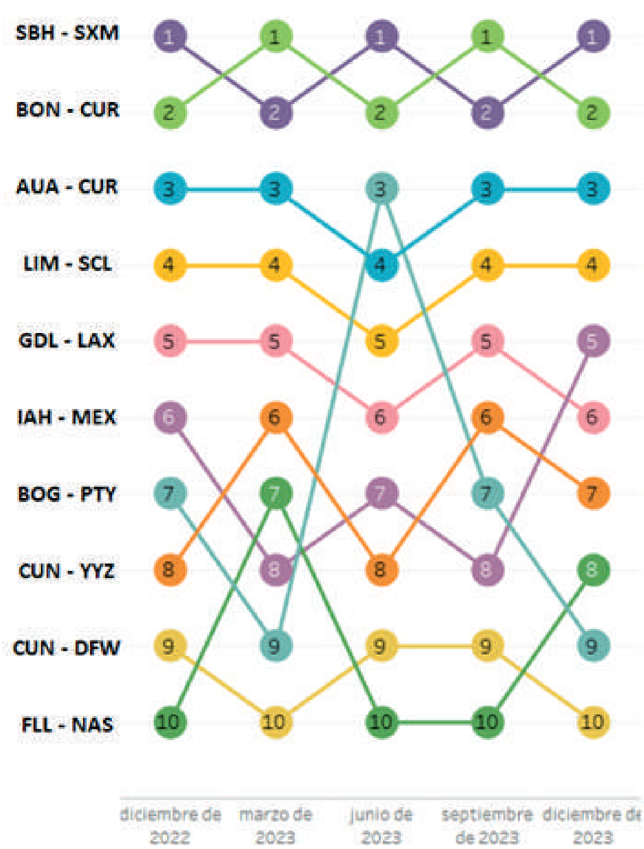


Source: ALTA analysis, developed using data from aviation authorities of each country and Amadeus

TOP 10 domestic routes in the region according to flights in December and 2023

TOP 10 domestic routes in the region according to flights in December and 2023

Route	Flights December, 2023	Flights 2023	Growth Dec 23 vs Dec 22	Growth 2023 vs 2022
BOG - MDE	3.026	31.131	11%	7%
CGH - SDU	3.012	37.838	-4%	24%
BZE - SPR	2.938	25.965	46%	6%
BOG - CLO	2.157	23.513	10%	6%
BOG - CTG	2.056	22.486	6%	1%
CUN - MEX	1.995	25.781	-18%	-11%
CUZ - LIM	1.915	19.932	-8%	-3%
BZE - PLJ	1.664	15.534	10%	-14%
MEX - MTY	1.599	20.853	-10%	-4%
BAQ - BOG	1.508	14.971	31%	19%



Source: ALTA analysis, developed using data from Amadeus

Capacity on the top 10 domestic routes in the region increased 6.0% in December 2023. However, the region experienced a 2% overall decrease in total domestic flights, amounting to 21,870 flights.

The Bogota-Medellin route stood out in December 2023 with 3,026 flights, 11% more than in 2022. Although it was behind Congonhas-Santos Dumont until November, in December it exceeded it, showing a 24% annual increase.

Cancun-Mexico City, the most important route domestically, improved its position to fourth place in December 2023 from sixth place in 2022. Despite this, it faced the largest drop among the top 10, down 18% in December and 11% annually.

The Belize-San Pedro route recorded a significant 46% growth compared to the previous year. However, it dropped from third to sixth place in December 2023.

Four out of the top 10 domestic routes, by flights, involve Bogotá as an origin or destination point.

International market

In December 2023, passenger carried in Brazil increased by 24% compared to the same month in 2022. The Buenos Aires (AEP)-Guarulhos (GRU) route was particularly significant in terms of flights, with a 5% increase. In addition, there was a significant 75% growth in flights to Peru, standing out as the country pair with the highest intra-regional growth. There was also a 72% increase in flights to the Dominican Republic compared to December 2022.

International passengers from Colombia increased 34% compared to December 2022, reaching 561,872 additional passengers. December stood out as the month with the highest international passenger traffic of the year. This growth was driven by an increase in flights on routes such as Bogota-Guayaquil (+90% vs. 2022), Bogota-Orlando, which doubled its frequencies, and New York-Medellin (+98% vs. 2022). Increases were also noted in flights To/From Guatemala (+150% vs. 2022) and Puerto Rico (+103% vs. 2022).

International traffic volume in the Dominican Republic increased 14% compared to December 2022. The route between St. Lucia (NLU) and Santo Domingo grew by 200%. In addition, the markets To/From Chile and El Salvador experienced 260% and 173% growth, respectively.

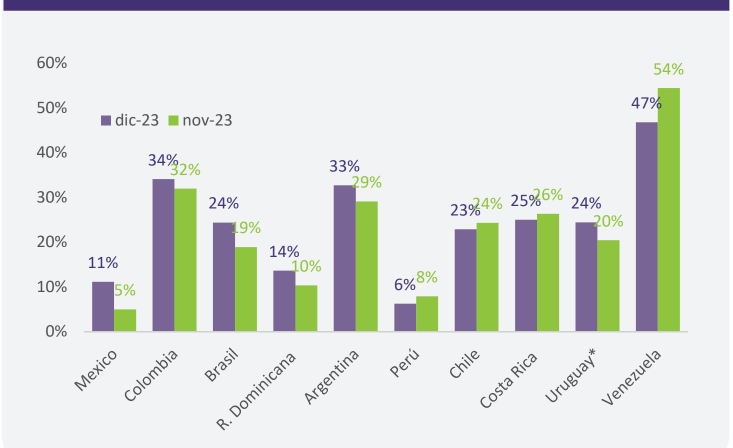
Mexico recorded an 11% increase in international traffic in December, showing a 19% advance over the previous month. The Guadalajara-Los Angeles route stood out with a 21% increase compared to December 2022. Among the most outstanding routes, Cancun-Toronto increased 34%. There was also 95% growth in flights To/From the Dominican Republic, and a strong 42% increase in operations to Ecuador.

Argentina experienced a 33% increase in international traffic in December; however, compared to 2019, it is still at 94%. During December, the frequencies to Chile grew by 23%, and on the Ezeiza-Rio de Janeiro (GIG) route, flights increased by 66% compared to 2022. In Chile, the 2022 figures were exceeded by 23%, and the Florianópolis-Santiago route had a 78% increase in frequencies.

In 2023, international passenger traffic in the region grew by 19%, reaching a total of 203.5 million.
Venezuela stood out with a 51% increase in international passengers compared to the previous year. It was followed by Chile with a 44% increase, Argentina with 38% and Brazil with 36%, positioning them as the markets with the next highest percentage growth in passengers during the year.

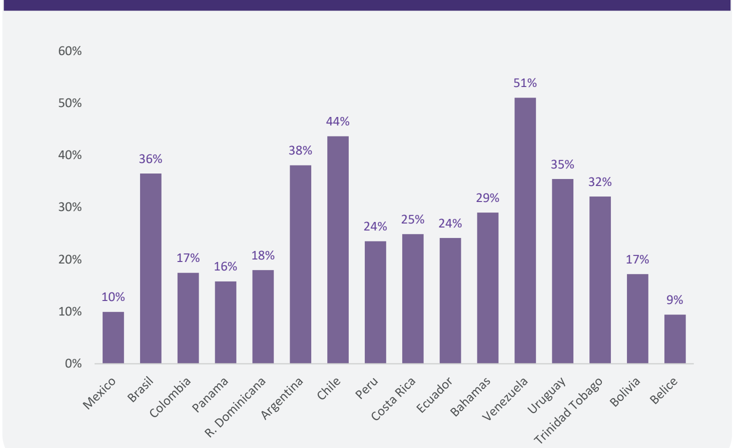
International pax (compared to the same month in 2022)
Ranked from highest to lowest according to passenger traffic

ALTA



Growth in international passenger traffic (2023 vs. 2022)

ALTA

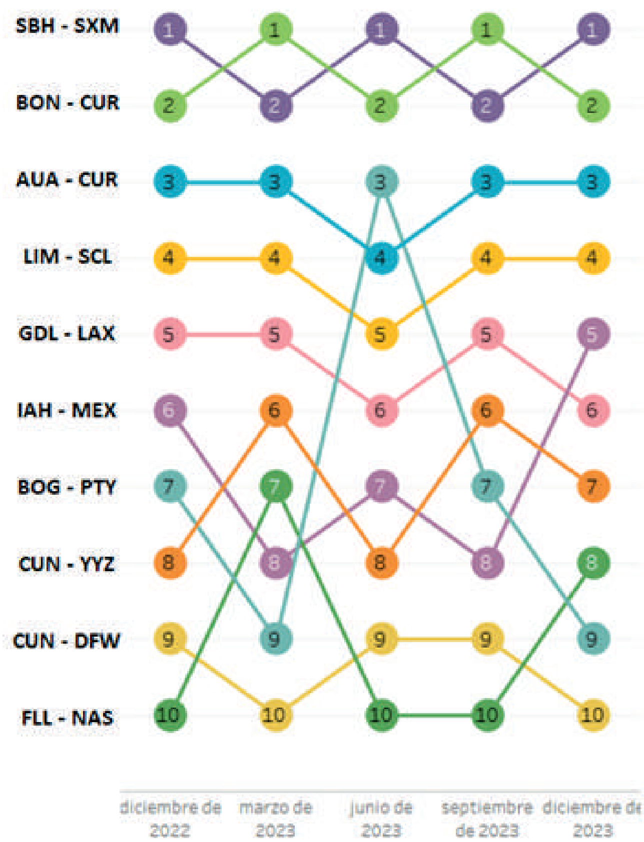


Source: ALTA analysis, developed using data from the aviation authorities of each country and Amadeus. *Airports in Uruguay

TOP 10 international routes in the region according to flights in December and 2023

TOP 10 international routes in the region according to flights in December and 2023

Ruta	Vuelos diciembre 2023	Vuelos 2023	Crecimiento dic 23 vs dic 22	Crecimiento 2023 vs 2022
SBH - SXM	2.046	16.710	67%	19%
BON - CUR	1.257	12.546	27%	33%
AUA - CUR	1.000	9.502	15%	8%
LIM - SCL	759	8.537	3%	29%
GDL - LAX	732	6.754	21%	11%
IAH - MEX	713	7.311	-0.3%	-9%
BOG - PTY	673	6.726	14%	-2%
CUN - YYZ	661	5.780	34%	42%
CUN - DFW	657	7.281	10%	-4%
FLL - NAS	654	6.082	20%	15%



Source: ALTA analysis, developed using data from Amadeus

• In December 2023, the top 10 international routes in the region experienced a joint 24% increase in capacity measured in flights, while the total international flights in the region grew by 14% compared to the same month in 2022.

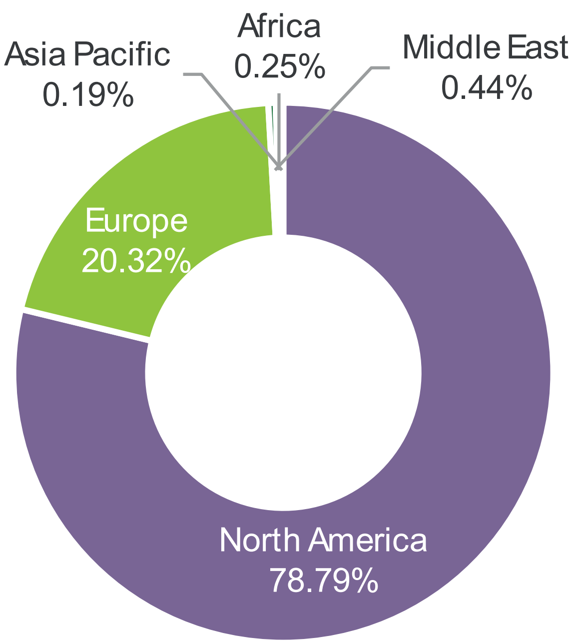
• The Saint Barthélemy (SBH) - Saint Maarten (SXM) route stood out as the most-flown international route both in December 2023 and over the year. With a 67% growth compared to December 2022, this city pair maintained its leading position, occasionally exchanging this position with the second busiest route, Bonaire-Curaçao.

• Cancun-Toronto was positioned as the second city pair (from Top 10) with the highest growth, with 34% in December and 42% for the year.

• The Bogota-Panama route showed 14% growth over 2022 and a slight 2% decrease in flights compared to the same period last year. Despite this decline, it moved from seventh place in December 2022 to third place at mid-year, finally ranking ninth.

• The route with the lowest growth (from Top 10), both in December and over the year, was Houston-Mexico City, which declined 0.3% from December 2022 and was down 9% compared to the previous year. Despite this decline, it is worth noting that it managed to move up from sixth position in December 2022 to fifth position by the end of 2023.

Distribution of international passengers To/From LAC in December



Source: ALTA analysis, developed using data from Amadeus

During December, almost 14.8 million international passengers traveled To/From the region.

78.8% of these international passengers originated in or was destined for North America, representing the market with the most significant growth in absolute terms, adding about 1.3 million additional passengers.

In percentage terms, Africa was the market that experienced the greatest increase, with a 104% growth, equivalent to 19,055 additional passengers compared to December 2022.

The region in a year: traffic overview in 2023

In 2023, the region experienced a significant increase in passenger traffic, reaching a total of 451.6 million, a 13.3% increase. A total of 3.6 million flights were operated, showing a 8.6% growth, and a total of 285.8 million seats were offered: a 10.5% increase compared to 2022.

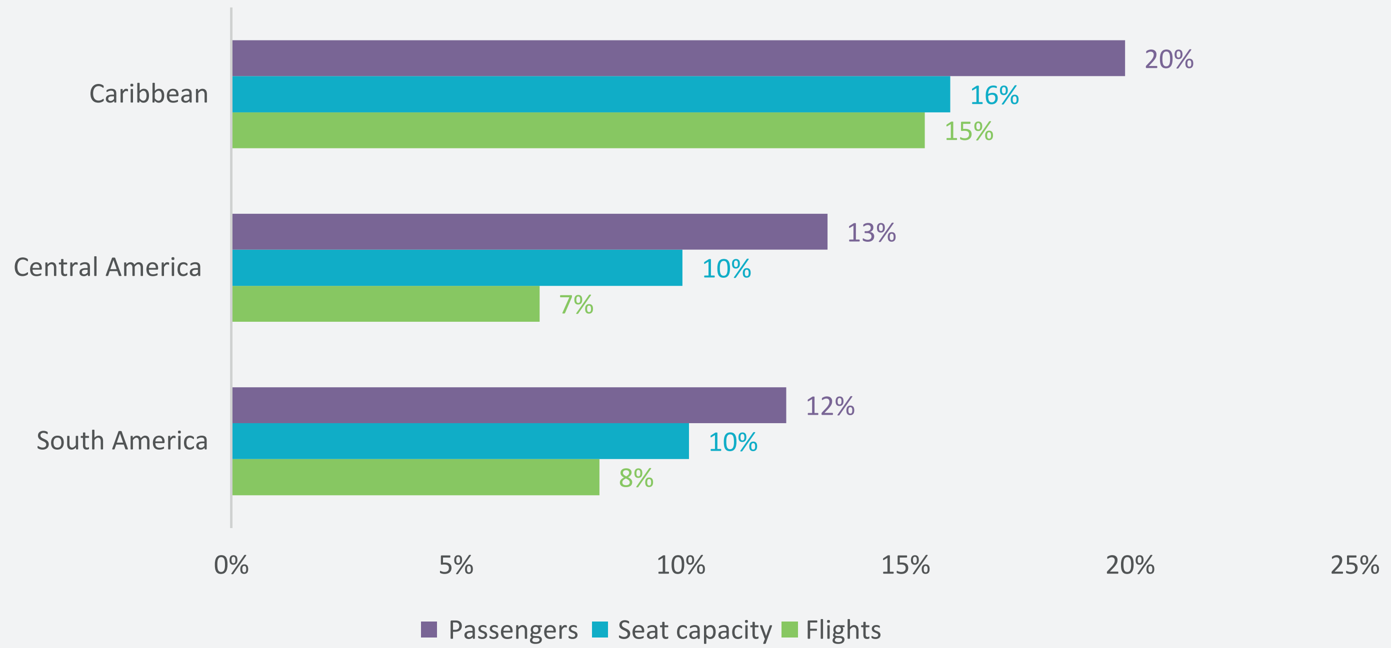
South America stood out as the leader in air traffic, recording a total of 246.6 million passengers, 310.6 million seats offered and 1.9 million flights over the year.

The Caribbean showed the highest percentage growth, with a 20% increase in passengers, a 16% increase in seat capacity and a notable 15% increase in flights compared to 2022.

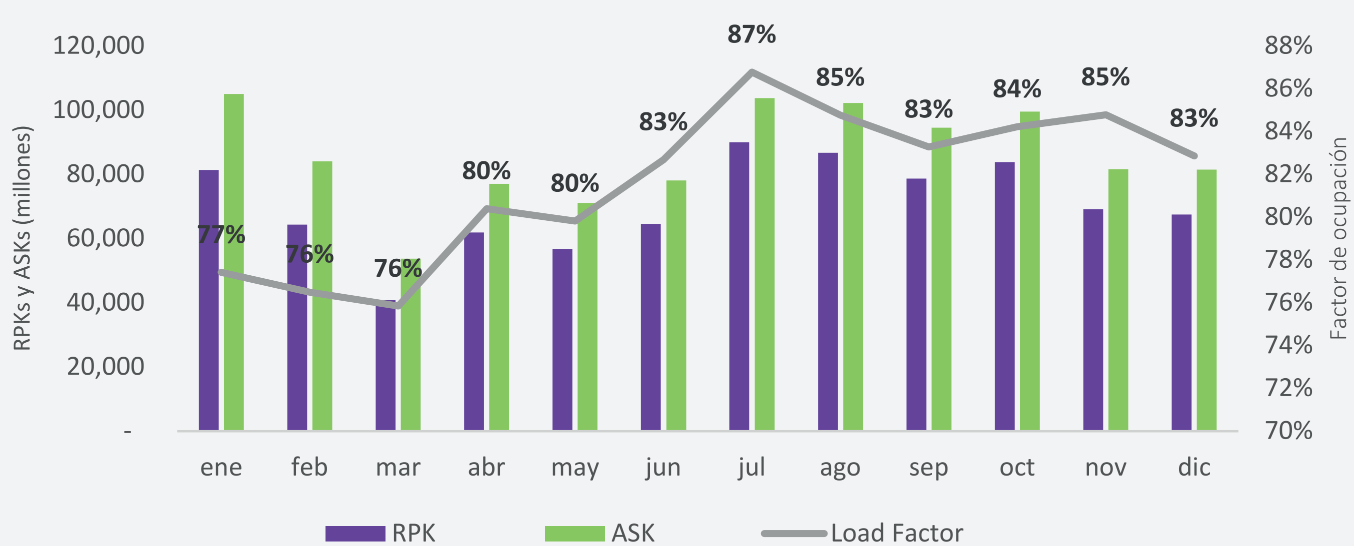
December stood out as the month with the highest international passenger carried for the entire year, with a total of 19.4 million. This exceptional figure may be attributed to extra-LAC traffic, which peaked during that month.

Although July recorded the highest total number of passengers, RPKs and the highest load factor (87%), December stood out for having the highest total number of seats offered, amounting to a total of 51.7 million.

Growth in the region vs. 2022



The region in the year, month over month



Source: ALTA analysis, developed using data from Amadeus

Desarrollo de Rutas

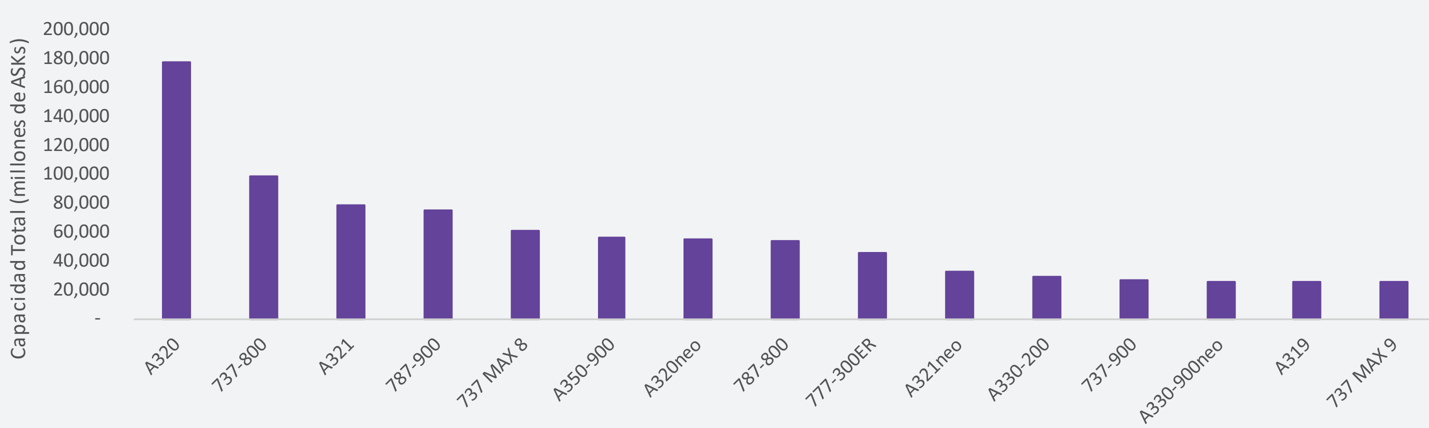
Over 200 new routes that were not operating in 2022 were added to the route network to and from Latin America and the Caribbean.

NEW ROUTES TO/FROM LAC IN 2023

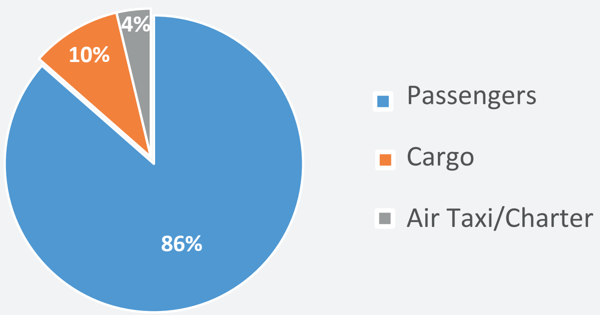
Fleet Development

The Latin America and Caribbean region closed 2023 with a total of 2,291 aircraft in service.

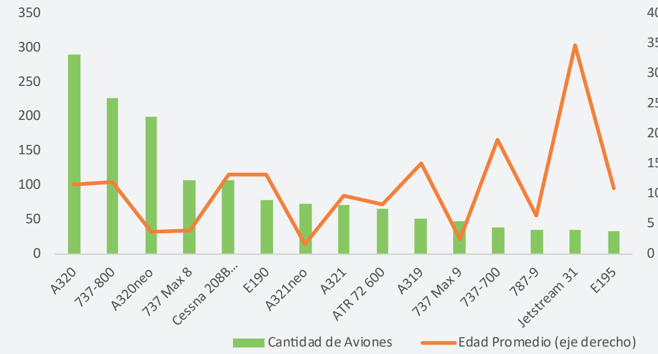
Capacity deployed To/From LAC in 2023



Fleet Distribution in LAC

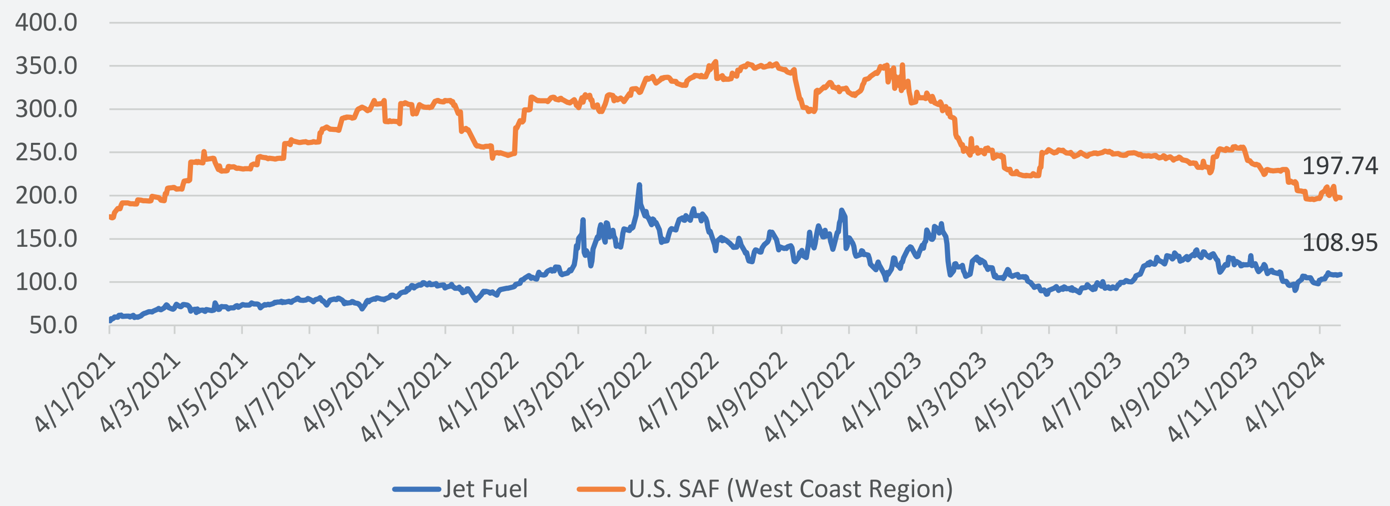


Aircraft in service in LAC



Jet fuel prices

Sustainable Aviation Fuel (SAF)
vs. regular Jet Fuel priceUS$/Barrel, January 22



During January 2024, the average jet fuel price stood at US$106.1 per barrel, reaching a high of US$110.7. This figure reflects a 30% decrease compared to the average price in January 2023, which was US$149.

On the other hand, according to S&P Global Commodity Insights data through January 22, 2023, Sustainable Aviation Fuel (SAF) price was almost twice as expensive as regular fuel, with an average price throughout that month of US$ 201.7 per barrel. However, this value represented a 35% reduction compared to the price recorded in January 2023 and a 4% reduction compared to December 2023.

Content created by ALTA's economics team.
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Editor's Notes:
• Further information, announcements, and ALTA positions follow us on X and Instagram: ALTA_aero and on Linkedin: ALTA - Latin American & Caribbean Air Transport Association
• Data contained are estimates, and are subject to review