Dear readers,

I am pleased to introduce the latest ALTA Traffic Report to be launched in 2023. October's performance demonstrated the resilience of the industry in most Latin American and Caribbean markets once again.

It is particularly important to note that Brazil and Chile exceeded their 2019 international traffic levels for the first time by 2.3% and 3%, respectively. In contrast, Argentina and Peru are still lagging behind 2019 levels, remaining 22% and 26% below, respectively.

These data suggest a growing demand for the safest and most efficient means of transport in our region.However, there is still much work to be done, especially in terms of regulations, tax burdens, and infrastructure needs, to make air transport more affordable and accessible to more people in our countries.

As a year-to-date balance: it is important to highlight that from January to October 2023, 204.7 million domestic passengers traveled To/From the region, a 10.1% increase compared to the same period in 2022.

In this period, Ecuador stood out with an impressive 42% growth in domestic passengers compared to 2022. And we could affirm that Ecuador is a success case, as we have been part of the authorities' work to understand the sector and its impact on the country and, consequently, to advance with the necessary changes so that the aviation industry will be able to grow and provide jobs, opportunities and development for multiple industries in the country.

This report also offers a glimpse into the future with the traffic expectations for the December peak season. During this month, 332,829 flights will be operated to/from the region, 5% more than in December 2022. By December 22, approximately 11.5 thousand flights with 1.8 million seats are scheduled. These figures, far from being mere statistics, are proof of how aviation is pivotal on special dates and every day of the year, bringing families together, transporting goods, and delivering essential supplies.

I take this editorial to recognize the ALTA team who develops this monthly report, as well as a large group of statistical studies and analyses that contribute to the understanding of air transport in our countries. We will continue providing more in 2024!

Our thanks to each and every one of our readers who join us month-after-month. I wish you a very Happy Holidays and a New Year full of joys. At ALTA we renew our energies to continue working on achieving in our countries the conditions that will allow aviation to reach more people and corners of the region. That is our goal and our mission.

Good reading,

José Ricardo Botelho
ALTA's Executive Director & CEO

Passenger Traffic in Latin America and the Caribbean (LAC) Sees 4.1% Growth Compared to October 2022

In October, 35.5 million passengers traveled to, from and within LAC, a 4.1% increase (1.4 million additional passengers) vs. October 2022 and 1.4% vs. October 2019. Domestic traffic increased 0.2% vs. 2022 and international traffic grew by 10%. International extra-LAC traffic kept its growth trend with a 7.3% increase and international intra-LAC traffic recorded the largest growth vs. 2022 at 17.1%.

In October, total load factor reached 84.3%, 2.5 percentage points above 2022 levels, and 1.1 pts. above 2019. The domestic load factor was 84.1%, the intra-regional one was 83.7% and the extra-regional one stood out with 84.8%. Cumulatively, the total load factor was 82.8%, with a 0.04 percentage point marginal difference below 2022.

From January to October, the total passengers carried to, from and within the region was 371.8 million, 14.3% higher than the same period in 2022 and 3.4% higher than in 2019.

	October		Growth		Cumulative (January-October)		Growth	
	2022	2023	2023/2022	2023/2019	2022	2023	2023/2022	2023/2019
Passengers	**34,121,218**	**35,521,307**	4.1%	1.4%	**325,188,353**	**371,790,949**	14.3%	3.4%
Domestic	20,311,668	20,348,675	0.2%	-3.2%	185,940,665	204,687,180	10.1%	3.5%
Intra-LAC	3,587,876	4,199,891	17.1%	1.6%	30,221,520	40,627,487	34.4%	-5.1%
Extra-LAC	10,221,673	10,972,741	7.3%	11.2%	109,026,168	126,476,283	16.0%	6.2%
RPK (millions)	**68,248**	**73,585**	7.8%	3.4%	**662,387**	**770,699**	16.4%	0.8%
Domestic	18,916	19,087	0.9%	2.8%	176,114	191,621	8.8%	8.1%
Intra-LAC	7,209	8,106	12.4%	2.4%	60,216	78,490	30.3%	-5.7%
Extra-LAC	42,123	46,391	10.1%	3.8%	426,057	500,588	17.5%	-0.8%
***ASK (millions)**	**80,800**	**87,086**	7.8%	0.1%	**808,434**	**918,706**	13.6%	-0.5%
Domestic	23,100	22,707	-1.7%	2.5%	217,558	233,819	7.5%	8.8%
Intra-LAC	8,783	9,686	10.3%	-1.2%	76,052	97,250	27.9%	-4.1%
Extra-LAC	48,917	54,693	11.8%	-0.6%	514,824	587,637	14.1%	-3.2%
***Load Factor**	**83.1%**	**84.3%**	1.1 pts	2.5 pts	**81.2%**	**82.8%**	1.6 pts	-0.04 pts
Domestic	81.9%	84.1%	2.2 pts	0.3 pts	81.0%	82.0%	1.0 pts	-0.5 pts
Intra-LAC	82.1%	83.7%	1.6 pts	3.0 pts	79.2%	80.7%	1.5 pts	-1.4 pts
Extra-LAC	86.1%	84.8%	-1.3 pts	3.6 pts	82.8%	85.2%	2.4 pts	2.1 pts

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

Domestic Market

During this month, Brazil increased 8% in domestic passenger compared to 2022, with the Brasilia-Sao Paulo (CGH) route standing out by increasing 35% in frequency compared to October 2022.

Mexico increased 5% in passengers; a slight slowdown compared to September when it exceeded 8% the levels for the same month in 2022. Although the first five domestic routes showed a decrease in flight number growth compared to 2022, the Monterrey-Tijuana route stood out with a 56% increase.

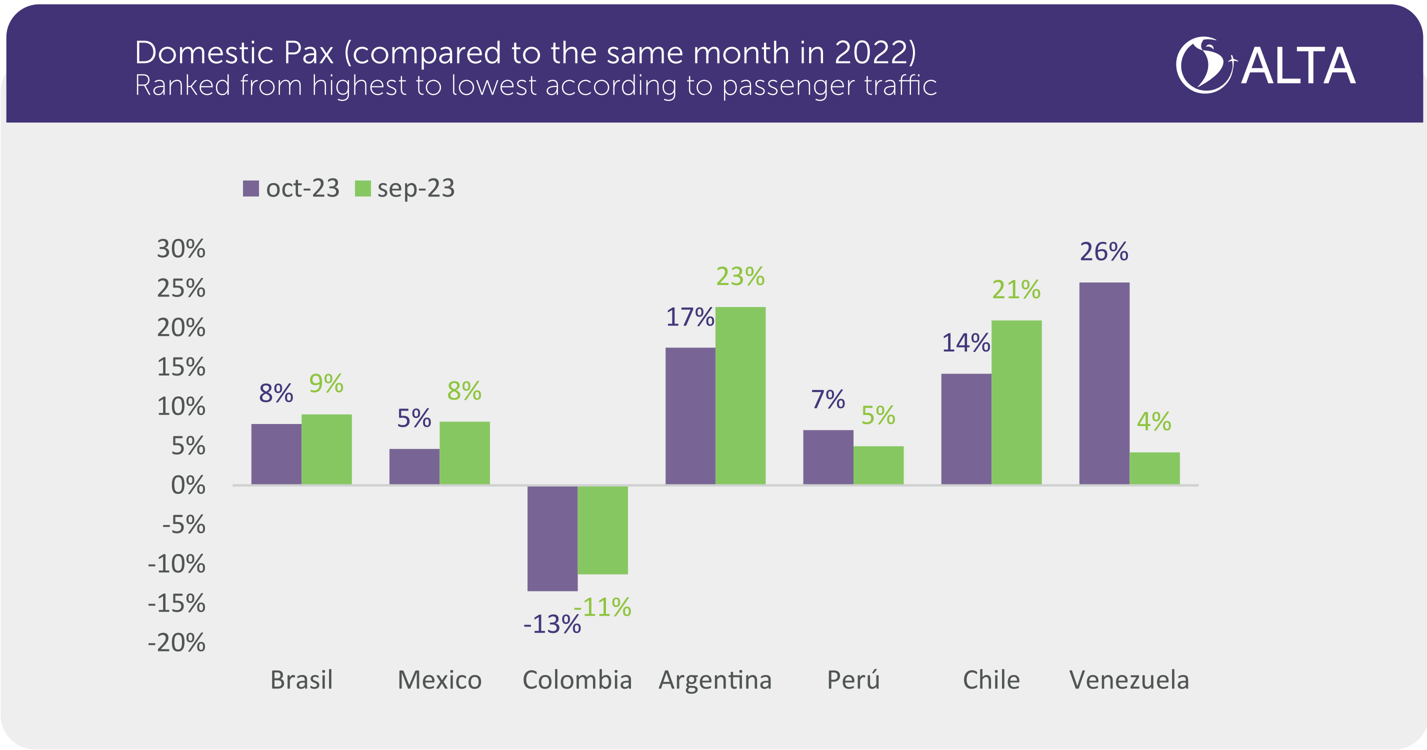
Colombia, meanwhile, showed a 13% reduction in its domestic market compared to 2022. The Barranquilla-Bogotá route ranked as the fourth most important in the country with a 19% growth compared to 2022.

In Argentina, the domestic market grew by 17% compared to 2022. Frequencies on the Buenos Aires (AEP)-Mendoza route, the country's most important route, increased 25% and on the Córdoba-Ezeiza route increased 133%.

Chile exceeded its 2022 levels by 14% with 118% growth on the Concepción-Calama route.

From January to October 2023, 204.7 million domestic passengers traveled in the region, a 10.1% increase compared to the same period in 2022. During this period, Ecuador stood out with a 42% growth in domestic passengers compared to the cumulative 2022, with a noteworthy 22% increase in flights on the Manta-Quito route.

Although Colombia showed an 11% reduction, the Bogota-Medellin route climbed from third to second place regionally in the cumulative measured by flights, exceeded only by the Congonhas-Santos Dumont route.



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

Out of the top 15 domestic routes in the region, the Brasilia-Congonhas route had the highest growth in passengers (+30%), seats (+34%) and flights (35%).

The Mexico City-Tijuana route was the laggard with an 18% decrease in passengers and seats offered and a 22% reduction in domestic flights compared to October 2022.

In the domestic market, the Congonhas-Santos Dumont airport pair led in terms of flights and seats.

In terms of passenger, the route with the highest volume was Cancun-Mexico City and also achieved the highest load factor reaching 84%. However, despite being the most important domestically, it continued to experience a drop: 16% in passenger, 20% in seat capacity, and 17% in flights, compared to 2022.

Top 15 domestic routes in LAC in October.
Ranked according to passenger traffic

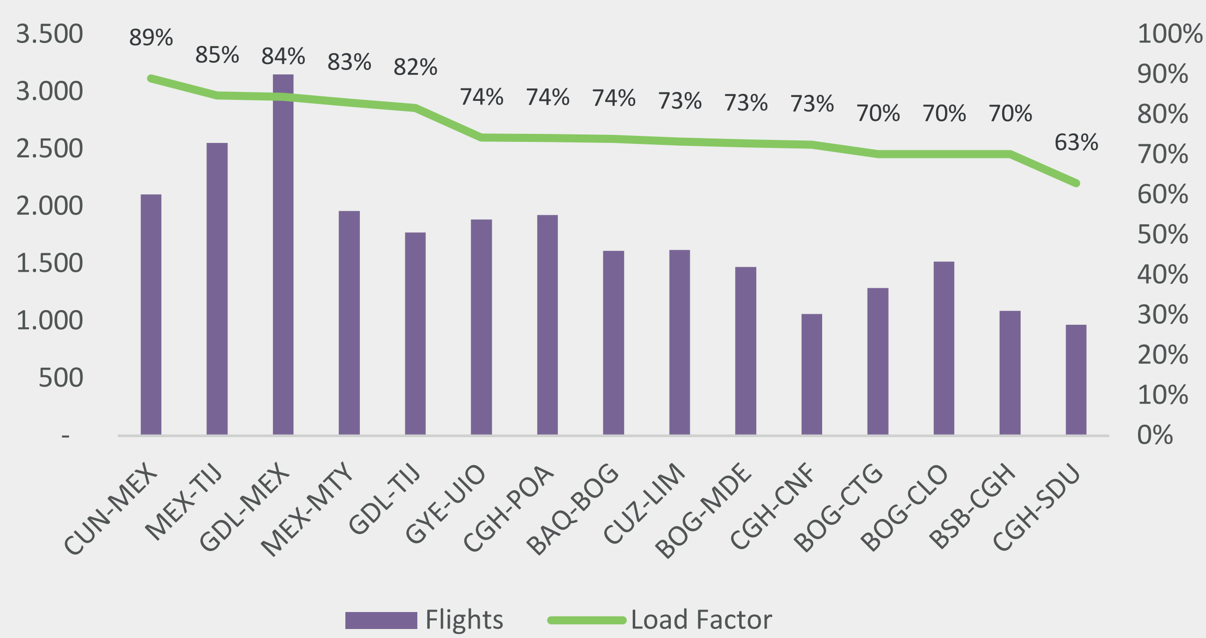
ALTA

	October			Variation oct 2023/oct (%)		
Domestic Route	Passenger	Seats	Flights	Passenger	Seats	Flights
CUN-MEX	357,444	401,393	2,102	-16%	-20%	-17%
BOG-MDE	332,854	457,214	2,554	-6%	-2%	-5%
CGH-SDU	292,254	464,360	3,150	5%	8%	13%
CUZ-LIM	246,184	336,058	1,960	-13%	-5%	-2%
MEX-MTY	288,294	347,573	1,770	-5%	-7%	-10%
BOG-CTG	240,329	342,398	1,886	-10%	-2%	-4%
BOG-CLO	241,337	344,030	1,923	-7%	1%	-5%
GDL-MEX	233,064	276,184	1,611	-20%	-25%	-19%
BSB-CGH	198,582	283,164	1,620	30%	34%	35%
CGH-POA	191,763	258,496	1,472	23%	19%	21%
MEX-TIJ	178,534	210,666	1,061	-18%	-18%	-22%
BAQ-BOG	170,117	229,992	1,286	7%	24%	19%
CGH-CNF	176,361	243,082	1,518	21%	19%	22%
GYE-UIO	131,128	176,615	1,087	-13%	-14%	-20%
GDL-TIJ	166,532	203,874	968	-10%	-10%	-12%

Source: ALTA analysis, developed using data from Amadeus

Flights and load factor by domestic route

ALTA



Source: ALTA analysis, developed using data from Amadeus

International Market

In October, Brazil exceeded passenger traffic in 2022 by 34%. A 91% growth was reported in flights to Peru and 88% to Chile. As a significant development, **Brazil exceeded 2019 international traffic levels for the first time with 2.3%, mobilizing 1.9 million international passengers, representing 25,216 additional passengers.**

With 353,282 additional passengers, Colombia showed a 26% increase in international passengers compared to 2022. This growth was the result of the increase in flights operated on routes such as Bogota-Guayaquil (+68%), Bogota-Orlando (+74%) and Fort Lauderdale-Medellin (+89%), with significant increases in flights offered to/from Venezuela and Guatemala (both +75% vs. 2019) and Ecuador (+54% vs. 2022).

Traffic from the Dominican Republic grew by 9% compared to 2022, driven by an increase in flights from Cuba, from 44 to 88 frequencies during this month. Costa Rica and Aruba also stood out, growing 146% and 123%, respectively.

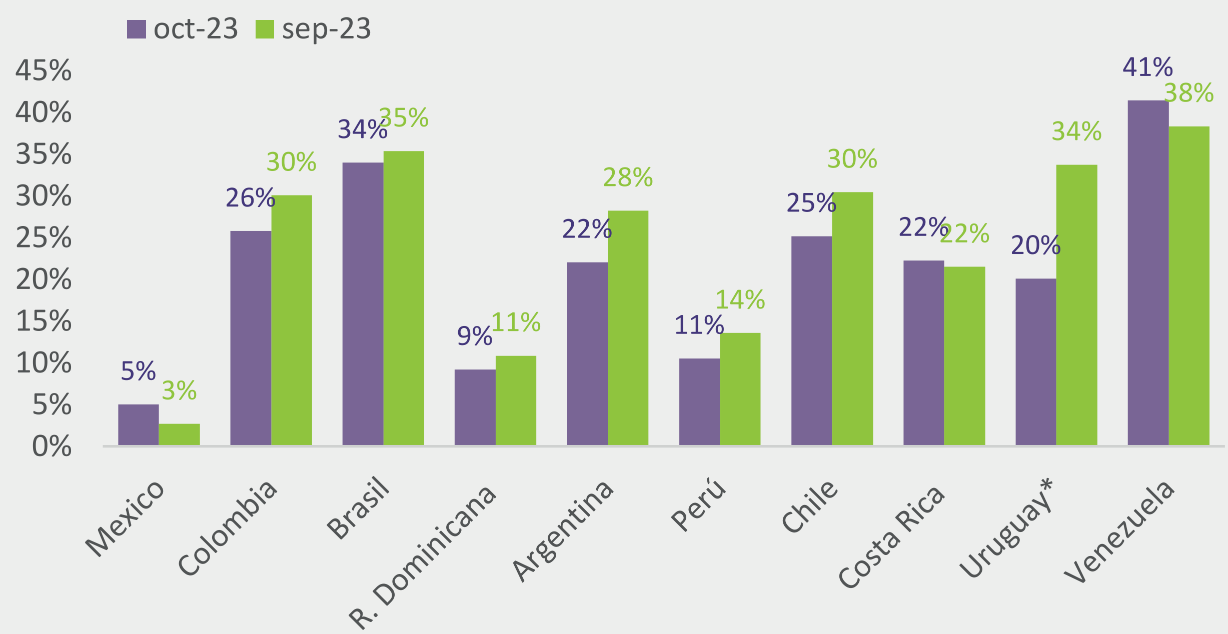
Mexico's international traffic grew by 5%. Among the most outstanding routes, Cancun-Washington increased 88% in flights compared to 2022. In addition, the increase in frequencies from St. Lucia airport (NLU) to Santo Domingo was notable, with a 279% increase compared to 2022. There was also a 137% increase in flights to/from Ecuador and a 108% increase to the Dominican Republic.

Argentina experienced a 22% increase in international traffic. Although there was a 3% slight reduction compared to the previous month, a significant 34% increase was reported in frequencies to Chile and 56% on the Cordoba-Panama route, compared to 2022.

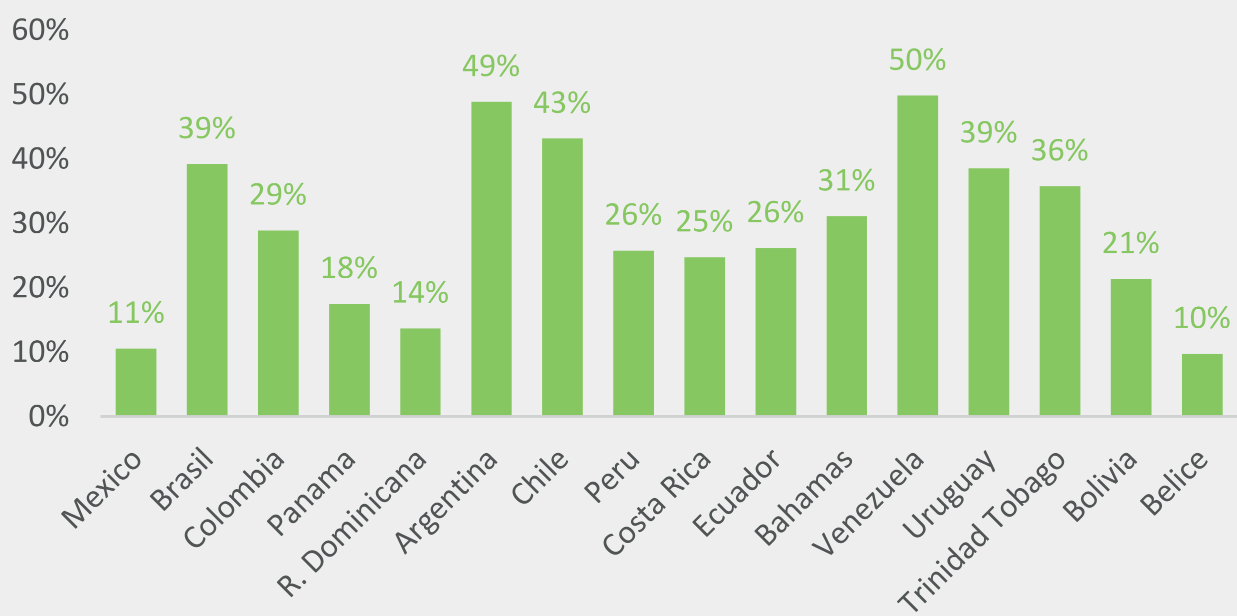
Chile exceeded its 2022 levels by 30% and, **along with Brazil, exceeded pre-pandemic levels for the first time with 3%. The Sao Paulo (GRU)-Santiago route increased its frequency by 61% compared to October 2022.**

From January to October 2023, 167 million international passengers traveled To/From the region, 20% more than in 2022. In this cumulative, Venezuela stood out with a 50% growth in passengers compared to 2022, with the Caracas-Lisbon route showing the largest increase with a 190% increase over the 2022 cumulative. Argentina and Chile also showed significant progress, with 49% and 52% increases, respectively.

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



International passenger traffic growth (January-October 2023) vs. 2022



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

Top 15 international routes in LAC in October Ranked according to passenger traffic

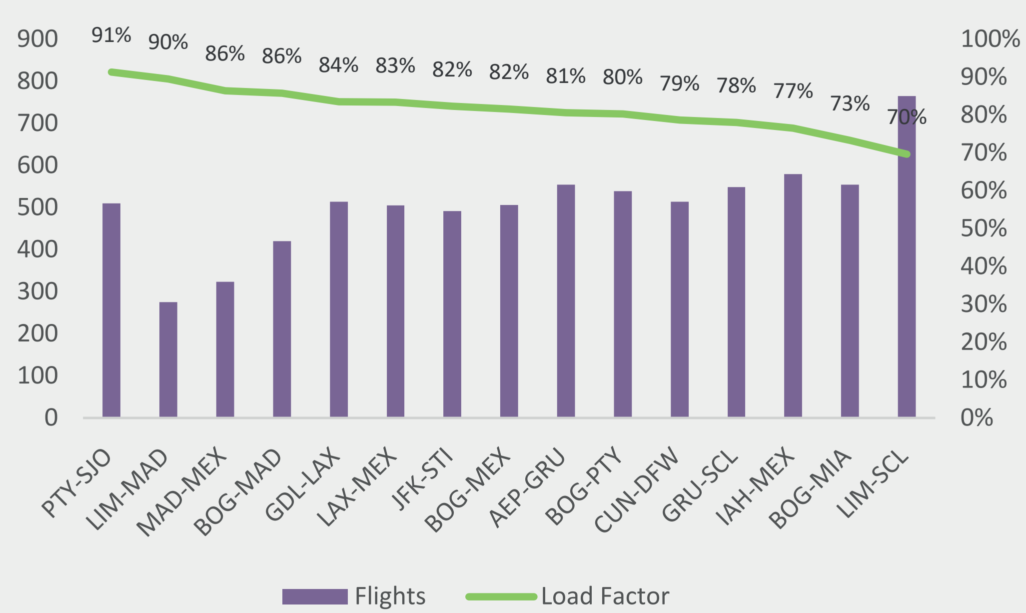
ALTA

International route	October Passenger	October Seats	October Flights	Variation oct 2023/oct (%) Passenger	Variation Seats	Variation Flights
LIM-SCL	112,244	160,978	765	25%	25%	21%
BOG-MAD	103,188	120,228	420	4%	9%	10%
GRU-SCL	92,091	117,996	549	69%	68%	61%
GDL-LAX	89,069	106,614	514	22%	29%	13%
MAD-MEX	85,329	98,676	324	-2%	4%	8%
LAX-MEX	79,042	94,760	505	19%	19%	12%
AEP-GRU	77,574	96,232	555	-10%	-9%	-10%
CUN-DFW	78,266	99,508	514	-18%	-10%	-11%
LIM-MAD	77,873	87,006	276	22%	29%	30%
BOG-PTY	73,729	91,843	539	-9%	-3%	-8%
PTY-SJO	73,083	79,990	510	25%	18%	15%
BOG-MEX	72,915	89,368	506	-3%	-3%	-2%
BOG-MIA	69,636	94,974	555	1%	18%	19%
IAH-MEX	67,083	87,584	580	-8%	-7%	-10%
JFK-STI	72,179	8,650	492	14%	28%	31%

Source: ALTA analysis, developed using data from Amadeus

Flights and load factor by international route

ALTA



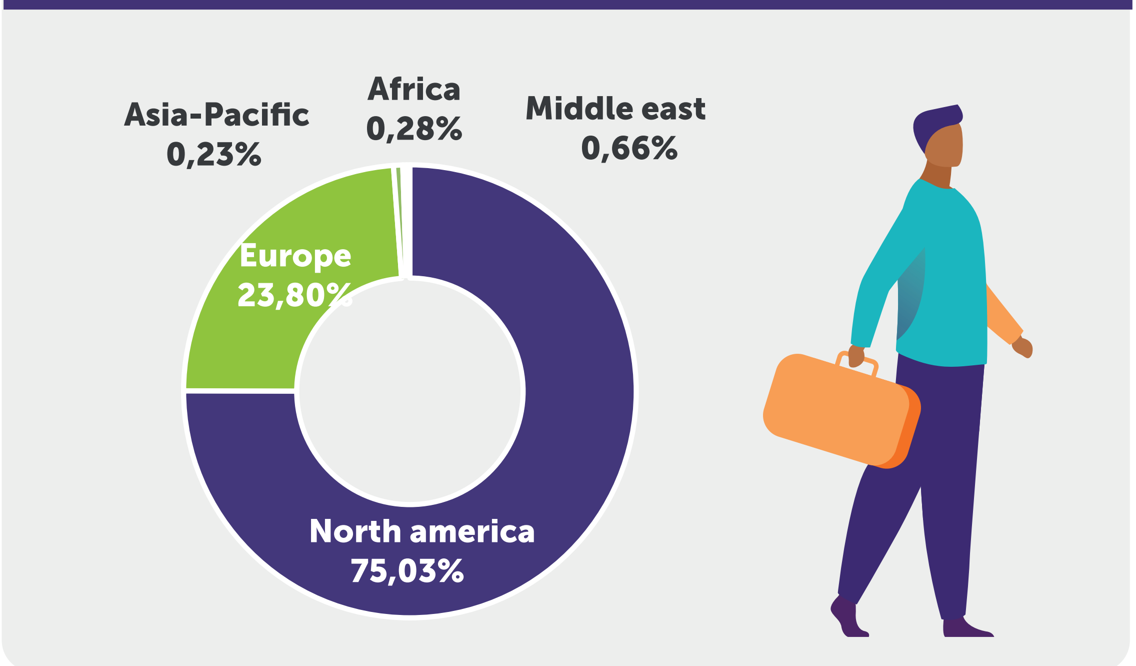
The Guarulhos-Santiago airport pair recorded the highest growth in the international market with 69% in passengers, 68% in seats and 61% in flights, compared to October 2022. It is the third most important route regionally in terms of passengers.

The most important international route in terms of passengers was Lima-Santiago with 112,244 passengers and a 25% increase compared to October 2022. This route also led in capacity, with a 25% increase, and offered flights in the region, with a 21% rise.

The Cancun-Dallas/Fort Worth route lagged the most in terms of passengers, experiencing an 18% decrease and an 11% reduction in frequencies compared to October 2022.

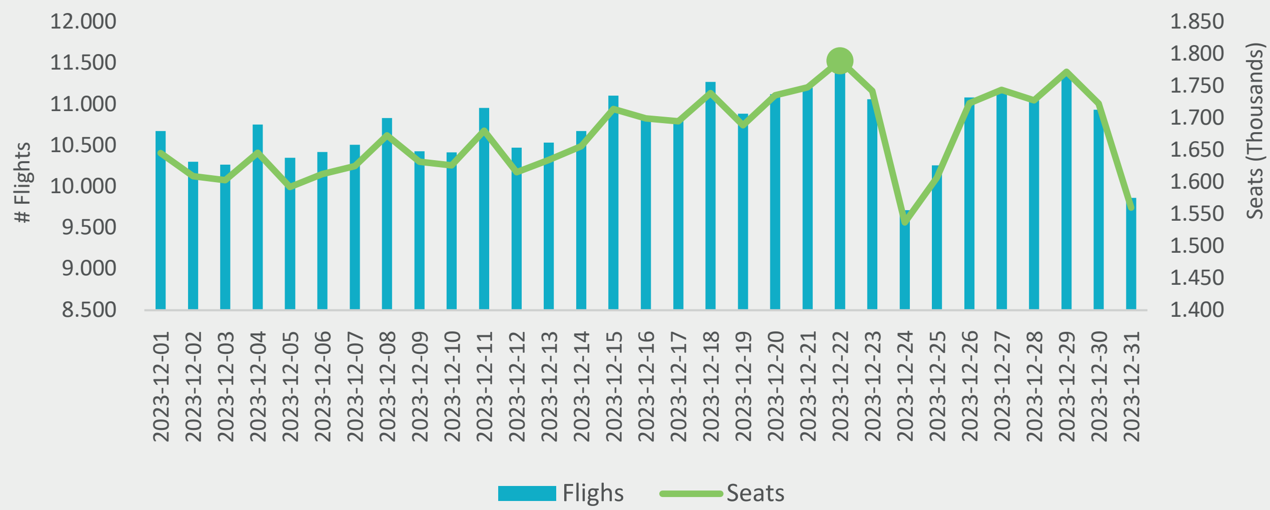
This month, the Panama-San José route achieved the highest load factor with 91%. It also showed a 25% growth in international traffic compared to 2022.

Distribution of international passengers to/from LAC



The days with the most flights in the region towards the end of the year:

Flights and seats per day, December 2023



Source: ALTA analysis, developed using data from Amadeus

Busiest flying days in the region at the end of the year:

In December, 332,829 flights will be operated To/From the region, a 5% increase compared to 2022. In addition, almost 52 million seats will be offered, a 7% increase compared to 2022.

The day with the most flights scheduled is December 22, coinciding with Christmas celebration. A total of 11.5 thousand flights and approximately 1.8 million seats are scheduled for that date.

December 22 will not only be the busiest day this month, but also for the entire year 2023 in the region, with a 5% increase in flights and 6% increase in seats offered, compared to the same day in 2022. December 29 will be the second busiest day of the year for regional airports.

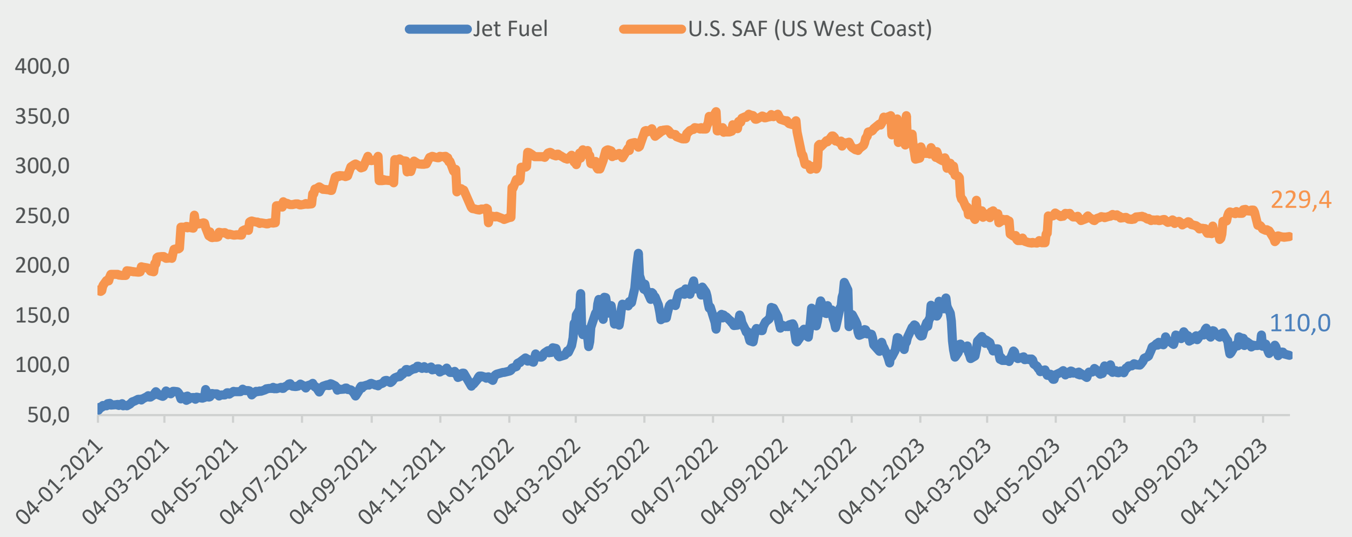
Week 51 will be the busiest week for flights during 2023, with a total of 76,775 flights; representing a 6% increase compared to the same week in 2022.

Fuel prices

Throughout November, jet fuel had an average price of US$ 116/Barrel, reaching a peak of US$ 130, a 4% slight decrease compared to the average price in October of US$ 121. During November, the average price of jet fuel was 26% above the average for the same month in 2021 and 13% below 2022.

On the other hand, according to S&P Global Commodity Insights as of November 27, 2023, SAF was twice as expensive as regular fuel with an average price throughout September of US$ 232/Barrel, an 8.1% decrease compared to October 2023.

Sustainable Aviation Fuel (SAF) vs. regular Jet Fuel Price
US$/Barrel, November 27



Source: S&P Global Commodity Insights y US Energy Information Administration