

EMA Cargo Newsletter

October 2010

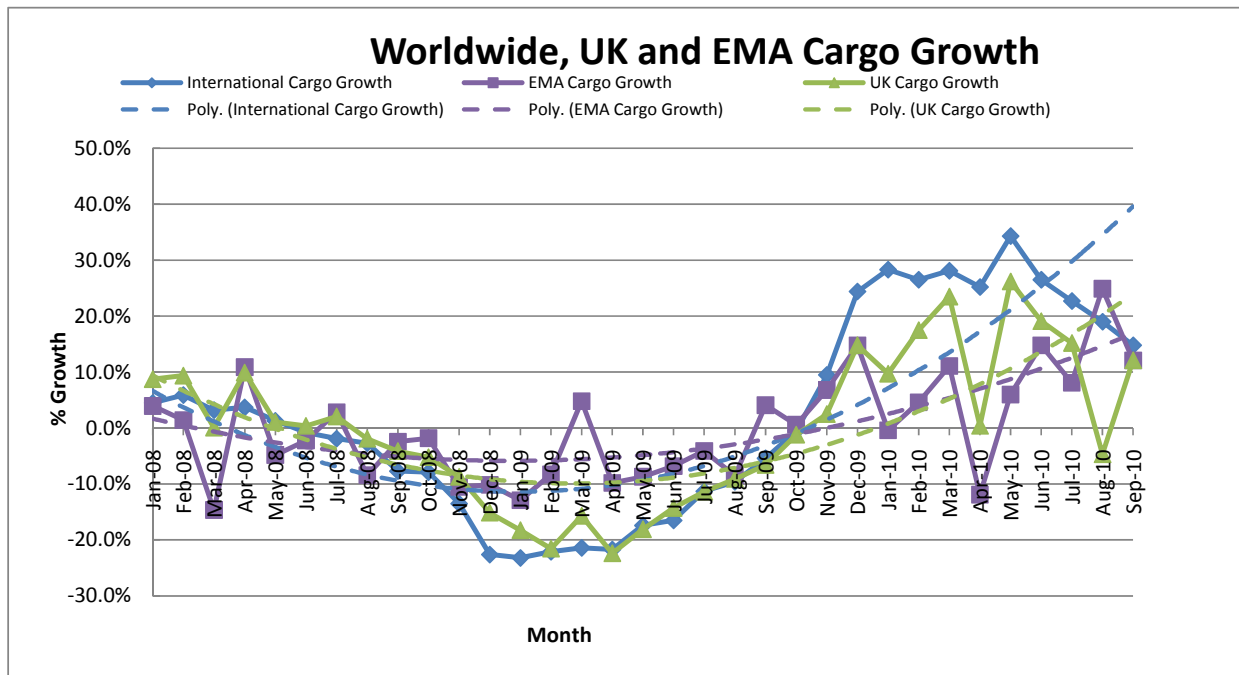
Welcome to the October 2010 issue of the EMA Cargo Newsletter in which we update you on cargo performance at local, national and international levels, providing a general overview of the air cargo industry, and more importantly keeping you up to date with significant developments at EMA.

2010 has been a good year for air cargo nationally and internationally with positive growth returning throughput levels back towards those experienced before the recession. Locally EMA has experienced continued growth, in particular during the summer months including dramatic year-on-year growth in August, followed by our highest ever recorded throughput in September. This encouraging performance has significantly boosted our throughput levels and raises expectations for 2011.

A cautious approach

However, concern remains about the long term stability of the air cargo market as headlines of a burst in the Asian peak season bubble return to the front pages of air cargo press. This may lead to a very cautious approach to forecasts until the peak-season run up to Christmas is over and figures are in for the first few months of 2011.

September's performance produced the highest ever monthly throughput at EMA raising hopes of a strong finish to the calendar year. This follows on from a very strong August which saw 24.9% growth, although this was compared to a very poor August 2009. Nevertheless, the 25,174 tonnes handled in August was a very strong month for EMA, an increase of more than 5,000 tonnes.



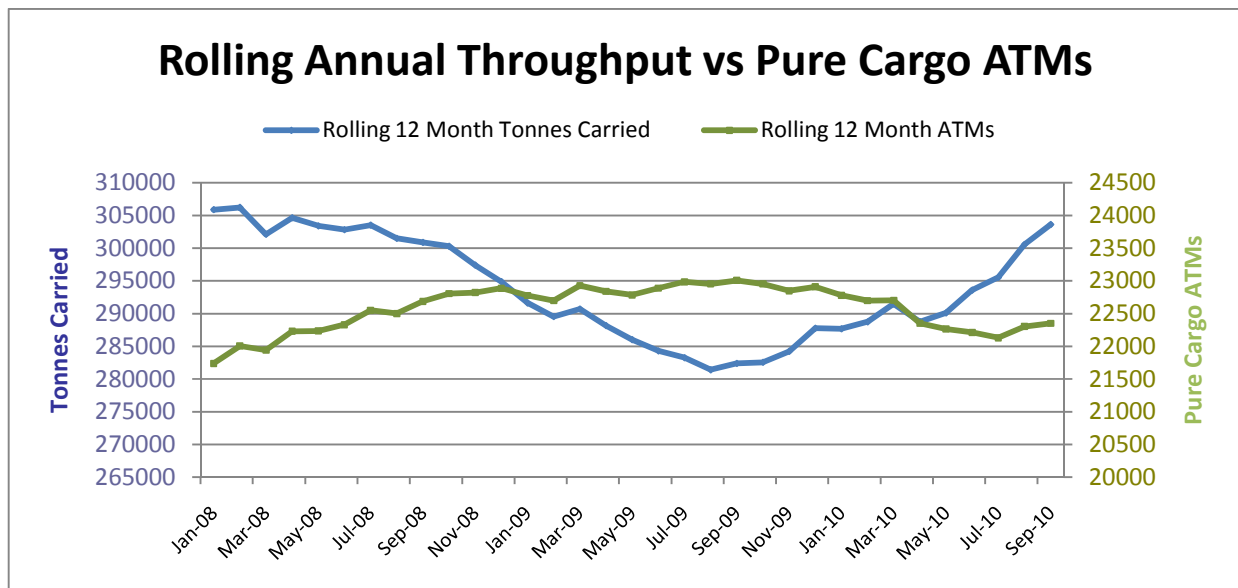
Source(s): www.iata.org, www.caa.co.uk, EMA Monthly Stats (CAA and IATA statistics will be updated once published in future editions of the EMA Cargo Newsletter).

For the last year the trend line representing EMA has been increasingly similar to performance nationally within the UK following growth which has averaged 7.7% per month from January 2010, and 15.0% average growth during the summer months of June to September inclusive. This growth has led to a current 12 month rolling throughput at EMA in excess of 303,000 as we approach the peak season run up to Christmas and the end of the year.

The rolling 12 month performance table below illustrates a very encouraging 7.5% average growth rate which equates to an increase of more than 20,000 tonnes throughout compared to the same October – September period last year. The 303,621 tonnes handled in the last 12 months represents an average monthly throughput of 25,300 tonnes:

	Tonnes Carried This Year	Tonnes Carried Last Year	Tonnes Carried	Cargo ATM's This Year	Cargo ATM's Last Year	ATMs
Oct-09	26,806	26,638	0.6%	1,971	2,025	-2.7%
Nov-09	26,096	24,426	6.8%	1,828	1,934	-5.5%
Dec-09	25,830	22,297	15.8%	1,878	1,817	3.4%
Jan-10	22,012	22,096	-0.4%	1,747	1,877	-6.9%
Feb-10	23,838	22,785	4.6%	1,754	1,835	-4.4%
Mar-10	27,901	25,123	11.1%	2,008	2,004	0.2%
Apr-10	20,551	23,316	-11.9%	1,498	1,847	-18.9%
May-10	23,947	22,587	6.0%	1,736	1,824	-4.8%
Jun-10	26,898	23,425	14.8%	1,907	1,960	-2.7%
Jul-10	26,216	24,262	8.1%	2,029	2,111	-3.9%
Aug-10	25,174	20,149	24.9%	1,972	1,799	9.6%
Sep-10	28,352	25,299	12.1%	2,024	1,976	2.4%
Total	303,621	282,403	7.5%	22,352	23,009	-2.9%

The last two months alone have created a net difference of +8,000 tonnes towards the rolling annual throughput, and also included a rare growth in cargo air transport movements; a welcome sight, but again this illustrates the improved efficiency our cargo operators are gaining through greater capacity utilisation. The continued growth in cargo throughput against a contracting number of pure cargo air transport movements is demonstrated in the chart below:



We now approach the peak season run up to Christmas and wait to see if the Asian bubble will hold out into 2011 when we will gain a better perspective of economic performance compared to last year.