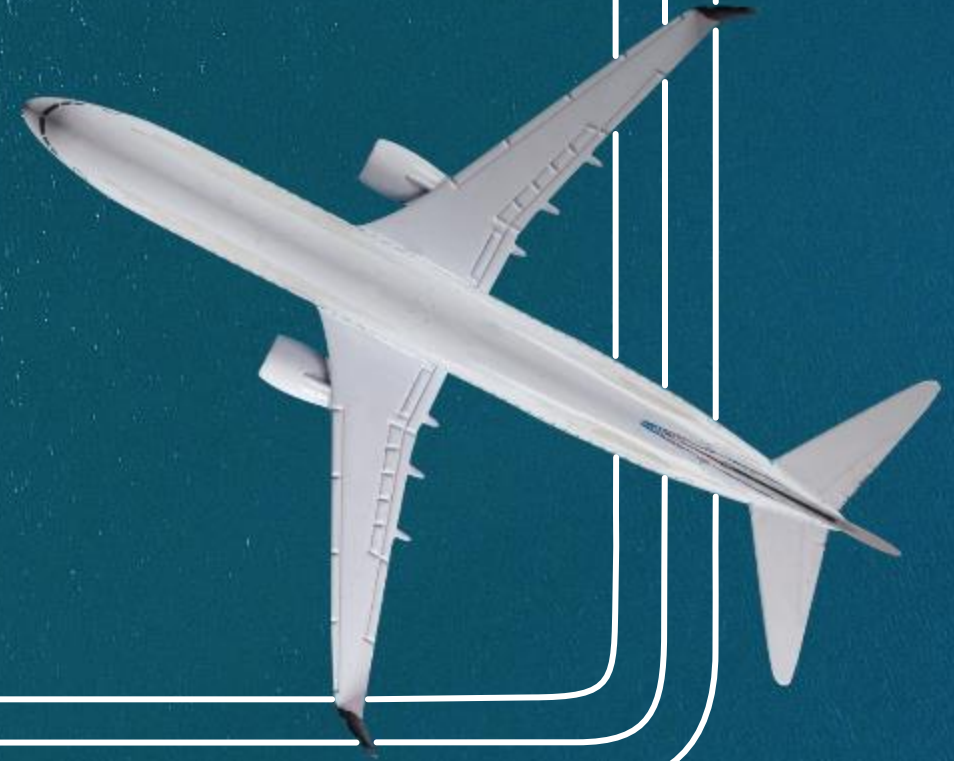


# COVID-19 and the impact on travel

IATA's analysis of impact and early signs  
of recovery



# Overview

The global pandemic resulting from the outbreak of the novel coronavirus, COVID-19, has led to an unprecedented decline in travel.

While it's not the first time our industry has been disrupted by public health emergencies — the SARS epidemic of 2003 resulted in a reported loss of between \$30bn-\$50bn\* — the impact being felt by the COVID-19 pandemic is already far more significant.

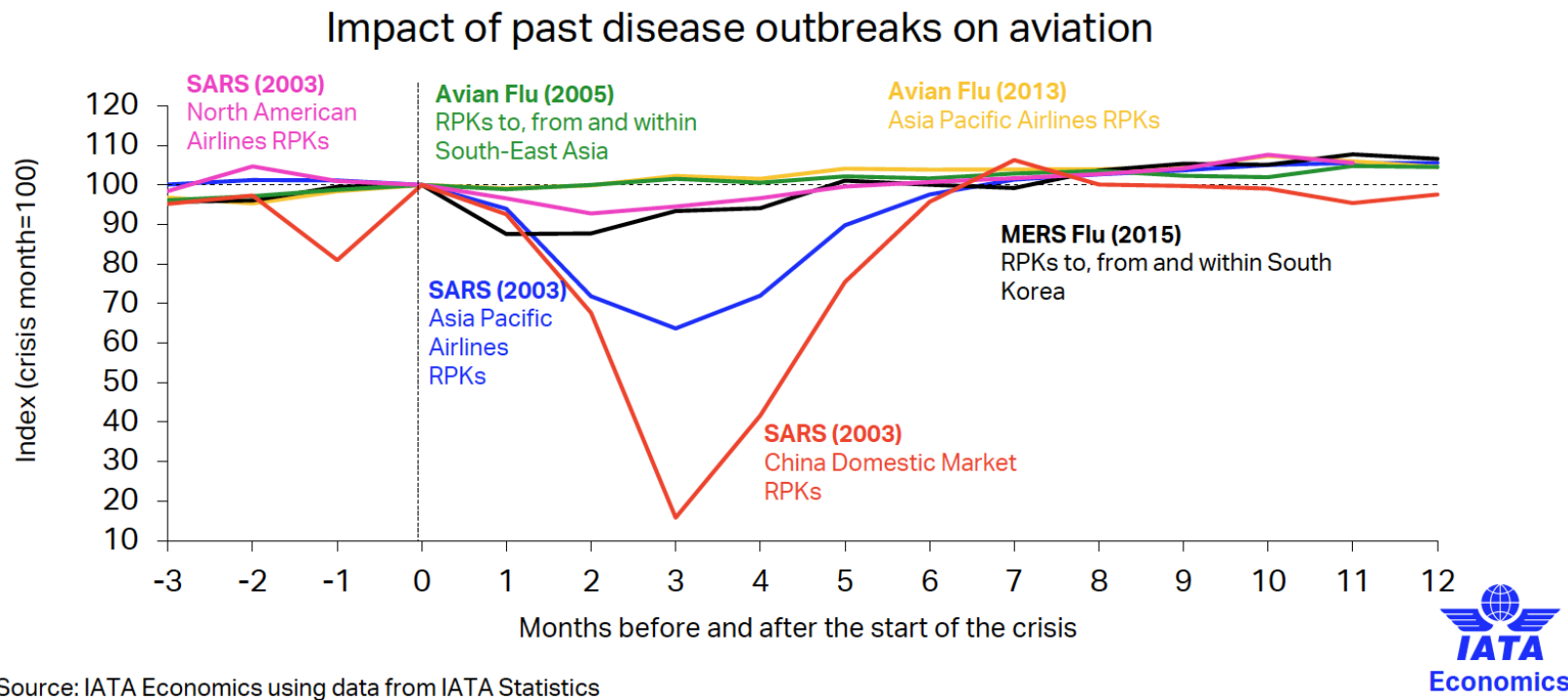
This analysis looks at IATA's impact assessment of COVID-19. It looks at how this novel coronavirus compares to other epidemics like SARS, MERS and Avian Flu. It also shares some early signs of recovery in China, along with a review of government stimulus packages that are helping to support economies at this time.

While it does not provide reliable predictions for the impact of COVID-19, it does offer a limited data set that may be useful at this point as we try to think forward to how the travel industry will recover.

Read the full IATA report at [iata.org/economics](https://www.iata.org/economics)

\*[World Economic Forum](https://www.weforum.org/)

# Impact of past disease outbreaks on aviation

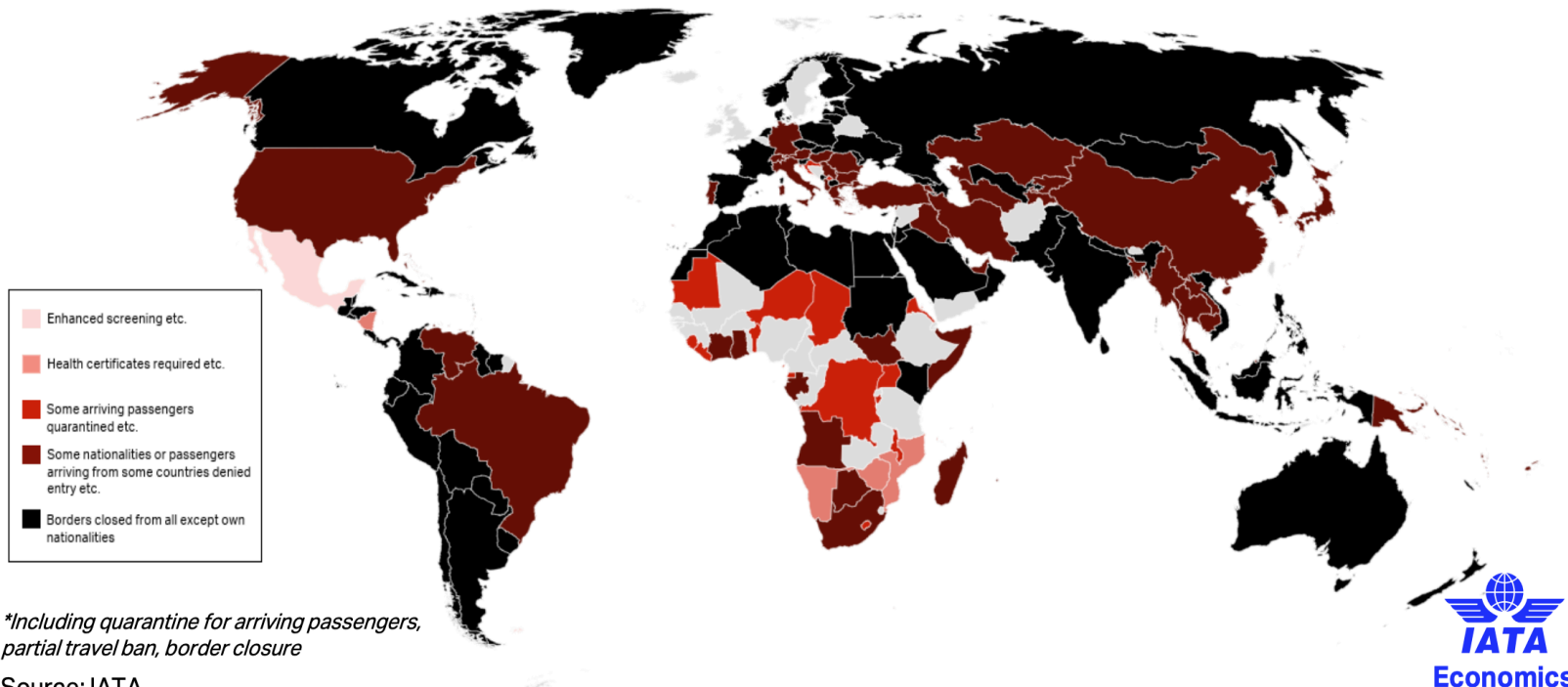


History shows that travel takes the brunt of economic or public health crises. It's also usually the first industry to recover.

As we can see from IATA's report, previous disease outbreaks have peaked after 1–3 months and recovered to pre-outbreak levels in 6–7 months.

While the hole will be deeper for the COVID-19 outbreak, and the recovery timeframe will take longer due to the global recession, we know from history that travel is resilient in the face of crises.

# Global travel restrictions

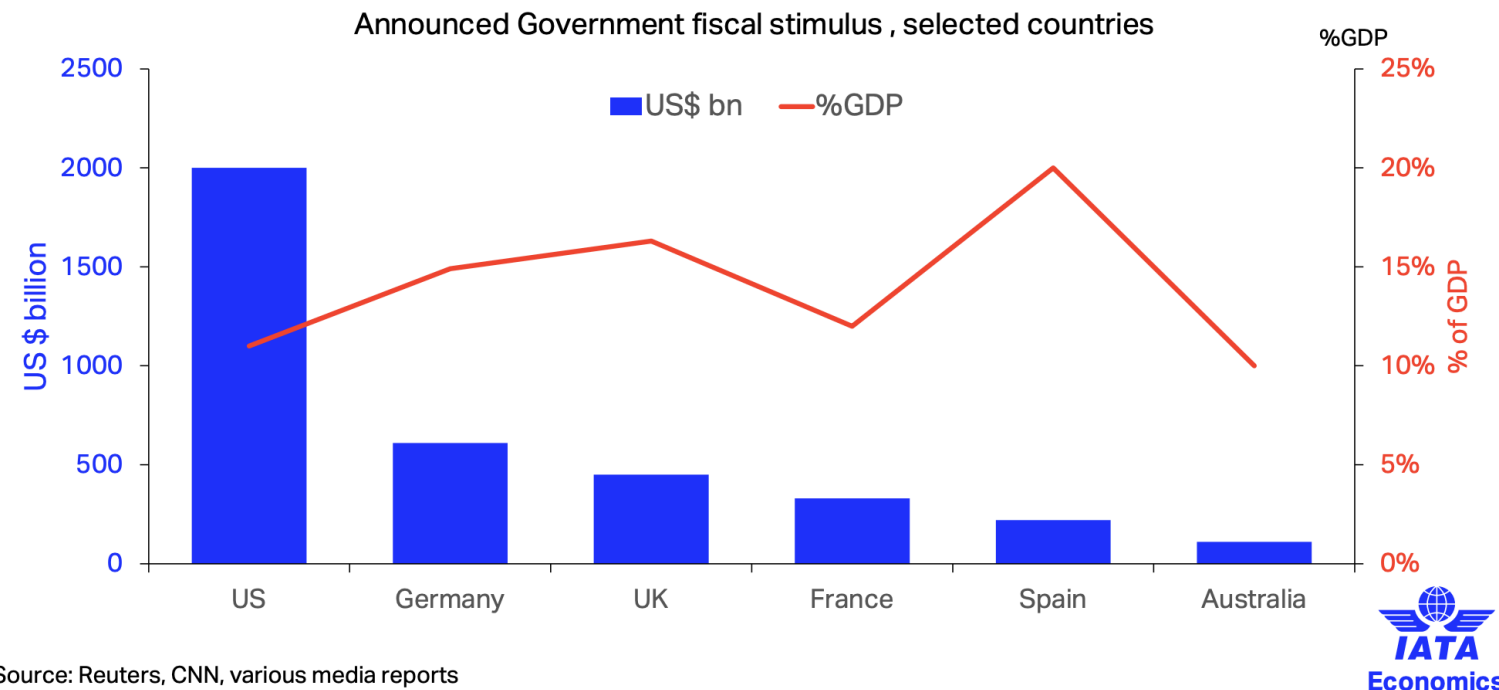


This image from IATA's report shows how travel restrictions due to the COVID-19 outbreak are closing down international aviation.

Markets with severe\* restrictions now cover 98% of global passenger revenues.

Access IATA's searchable index of countries with current travel limitations and other measures in place for each [here](#).

# Government fiscal stimulus packages



Governments across the world are implementing major fiscal stimulus packages, adding spending worth 10-20% of annual GDP.

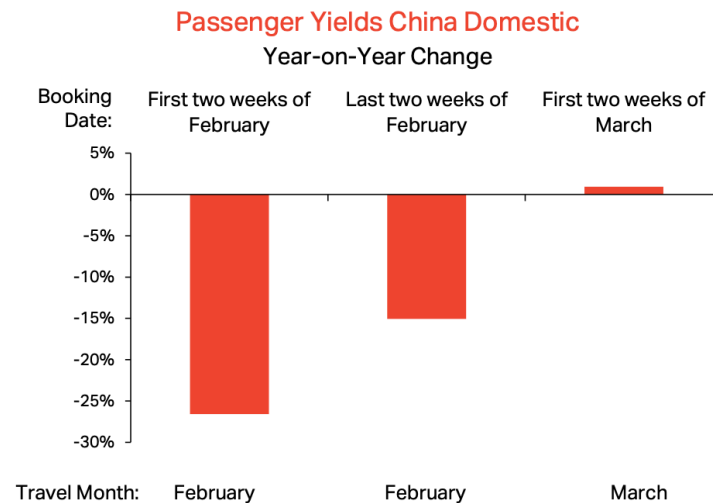
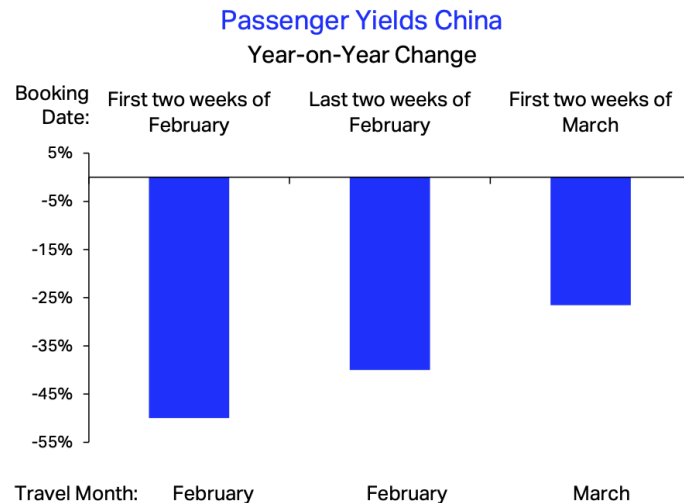
This graph shows fiscal stimulus packages to support the overall economy.

The blue bars on this graph show the level of fiscal stimulus packages in US\$. The red line expresses the size of these packages in relation to the GDP of each country.

For example, the US package of \$2 trillion is equal to approximately 10% of its GDP, while Spain's \$220 billion is equivalent to 20% of its GDP.



# Passenger yields stabilizing China's domestic market



Source: IATA Economics using DDS



While the global travel industry is feeling the severe impact of COVID-19, there are some positive signs appearing in China.

Now that the country is emerging from its lockdown period, it is experiencing a recovery in bookings, particularly in relation to domestic flights.

The depth of the impact being felt on bookings is on a positive trajectory from February to March, both on domestic (red bars) and international flights.



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