

Airlines – Quotes of the Week

They Said What?

This is Citi's Global Airline 'Quotes of the Week' product, summarizing the best quotes from the prior week.

■ Demand

- **Economy passengers moving into business class:** IATA said, "Although fares in premium class have been falling more than twice faster than in the economy class, **volumes at the front and back of an aircraft have been recovering in similar pace.** However, since corporate travelers are largely grounded due to limited travel budgets and online conferencing, **demand for premium class might be coming from leisure segment.**" Source: [IATA](#)
- **Labour Day weekend is the best weekend of summer 2020:** "On Friday, September 4th, the TSA recorded 968,673 passengers entering security checkpoints. This was the **highest figure recorded in one day since March 16th,** when the TSA saw over 1.2mn enter security checkpoints." Source: [SimpleFlying](#)

■ Supply

- **Wizz Air expects capacity to remain at 60% in Q3'21 (Oct-Dec):** "Notwithstanding recent developments, Wizz Air expects capacity for the second quarter of the financial year at roughly 60%. If however mobility restrictions across the network persist, **capacity is likely to remain at around 60% in Q3'21 (Oct-Dec),** as opposed to 80% as previously anticipated." Source: [Wizz](#)
- **Norwegian Air's capacity is down 94% in August:** "In August, capacity was 94% lower than last year, while the flights that were operated had a **load factor of 62.1%. RASK** is estimated at 0.52 for the period, **up 27%.**" Source: [Norwegian](#)

■ Other

- **Ryanair raised €400mn by placing of shares:** "A total of 35,242,291 new ordinary shares in the company have been placed at a **price of €11.35 per share,** raising **gross proceeds of approximately €400 million.**" Source: [Ryanair](#)
- **Virgin Atlantic completes £1.2bn solvent recapitalisation:** "Virgin Atlantic has announced the completion of the £1.2bn private-only solvent recapitalisation of the airline and holiday business. In this scenario, capacity operated across its network in Q4 2020 would be c.25% of 2019, and **revenues in 2021 could be only 50% of 2019 levels.**" Source: [Virgin Atlantic](#)
- **Business aviation recovery sustains in Europe:** WINGX said, "August saw the overall market edge further towards recovery, with marked variation between Europe and the US. Further ahead in the pandemic curve, **European countries have substantially opened their economies, and belatedly, tourism has been rebooted.** The US market is still some way behind, but as the public health crisis recedes, there may now be a quicker upturn." Source: [WINGX](#)

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