



## Monthly Statistical Report

To: Russell J. Handy, Aviation Director  
From: Brian Pratte, Chief Air Service Development Officer  
Copies: San Antonio Regional Stakeholders  
Subject: January 2019 Monthly Statistics  
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### 2019 BEGINS WITH RECORD PASSENGER GROWTH

#### SUMMARY

San Antonio International Airport (SAT) opened the new year by continuing its record setting trend in passenger growth. A total of 755,157 passengers flew through the airport in January representing a significant increase of over 7% or over 52,000 passengers, the highest of any January on record. This growth, reflects an ongoing trend of progress at the airport in its effort to attain and retain air service with multiple new routes added in the past three years and record passengers for the last consecutive 31 months. With forecasted capacity up 7% for 2019, SAT anticipates this record growth to continue for months to come.

Domestic traffic for January rose nearly 8% compared to the same month last year, outpacing capacity growth which increased by nearly 5%, suggesting a healthy economic environment where demand is outpacing supply. Notably, international traffic increased over 5% with a decrease in capacity just over 4%.

Additionally, a total of 22,891,405 pounds of air cargo moved through SAT in January 2019 reaching levels not experienced during the month of January since 2008. This growth, further supports the economic momentum apparent in the San Antonio region.

(Please see Exhibit A for a detailed breakdown of all passenger and cargo stats)

Since 2016, the airport has welcomed multiple new flights which have contributed to the recent passenger growth at the airport. These flights are not only to new destinations, but also represent added capacity to existing markets. These additions are telling indicators of a flourishing economy in San Antonio, now the fastest growing city in the country by total volume. According to the Bureau of Labor Statistics, unemployment rates continue to fall year after year and are consistently below the national average. From 2013 to 2018, 124,000 jobs were added in the Alamo City with significant growth in the tech, cybersecurity, bioscience and manufacturing sectors. The visitor and tourism industry continues to outpace their hotel occupancy targets set for the next several years and below national average cost of living continues to make San Antonio an increasingly attractive place to live, work and do business.

(Sources: U.S. Census Bureau, San Antonio Economic Development Foundation and Visit San Antonio)

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## DOMESTIC PASSENGERS

Scheduled domestic capacity, or seats, increased 4.6% or 20,782 seats in January 2019 vs. January 2018 with a total of 471,555 monthly departure seats. This growth comes during typically one of the slower travel months of the year when airlines routinely make seasonal adjustments to the number of flights and seats available to match market demand trends.

Multiple airlines increased capacity during the month of January. American Airlines, who has grown aggressively at SAT during the last few years, increased seats 21% during the month including the launch of Philadelphia last year and additional flights/capacity to Charlotte, Chicago O'Hare, Los Angeles and Phoenix. Southwest grew capacity by over 4% by launching Fort Lauderdale and Oakland in July 2018 and by increasing frequency and/or aircraft gauge to multiple markets. Airlines that made seasonal cutbacks include Allegiant, Frontier and United.

Airline	Seat Capacity Change	Passenger Change
Alaska Airlines	2.8%	4.9%
Allegiant Air	(15.4%)	(17.8%)
American Airlines	21.0%	18.8%
Delta Air Lines	2.6%	6.3%
Frontier Airlines	(36.5%)	(22.0%)
Southwest Airlines	4.6%	8.3%
United Airlines	(2.9%)	(1.4%)

When comparing year-over-year domestic capacity changes, the results were based on the following:

- American Airlines: began daily nonstop service to Philadelphia in February 2018 and increased aircraft gauge to Chicago O'Hare in May 2018, Charlotte in September 2018 and Los Angeles in November 2018
- Delta: increased frequency to Salt Lake City June 2018
- Frontier Airlines: Seasonal route adjustments and some route discontinuations began in late 2018, early 2019
- Southwest Airlines: launched new daily service to Fort Lauderdale and Oakland in July 2018 with recent added capacity to several markets
- United Airlines: increased seasonal frequency to Denver in June 2018 and year-round frequency to Newark in October 2018



## INTERNATIONAL PASSENGERS

Scheduled international capacity declined by 4.2% in January 2019, with a total of 24,473 monthly departure seats. This decline was primarily driven by seasonal adjustments made by Aeromexico and Interjet to Mexico City.

Despite the decrease in seats, total international passengers grew by 5.5% during the month. This traffic growth is a positive indicator of an improving international environment, particularly to/from Mexico. Nevertheless, current macro-level economic and political uncertainties continue to strain demand between Mexico, SAT and the United States as a whole. The valuation of the Peso to the U.S. Dollar continues to struggle to gain significant improvement since its collapse in 2015.

However, to some degree, San Antonio's strong cultural and economic ties to Mexico limit the negative effect these external factors play on air service between Mexico and our region. To illustrate, SAT ranked #3 among all U.S. medium-hubs in terms of total seat growth to Mexico year-end 2018, behind San José, CA and Houston-Hobby respectively. SAT's air service team continues to monitor these macro-level factors closely and any effect they may have on service levels to/from Mexico.

Airline	Seat Capacity Change	Passenger Change
Air Canada	4.1%	(14.3%)
Aeromexico	(8.4%)	(4.8%)
Interjet	(6.5%)	6.8%
Southwest*	0.0%	(14.3%)
United*	N/A	N/A
Volaris	0.0%	27.4%

\*Southwest and United offer seasonal service to Cancún, Mexico.

When comparing year-over-year international capacity changes, the results were based on the following:

- Air Canada: reduced daily service to 5X weekly during off-peak travel months (Nov-May)
- Interjet: increased capacity to Guadalajara during peak summer months (Jun-Aug) and Monterrey which both began June 2018
- Southwest & United: offers service to Cancún on a seasonal basis
- Volaris: increased seasonal capacity to Guadalajara in June 2018 during peak months only



## RECENT SCHEDULE CHANGES

In January 2019, Sun Country Airlines, a new carrier for SAT, announced **NEW** nonstop, 4X weekly service to Minneapolis and Portland, OR beginning May 23 and June 5, respectively. Prior to this announcement, Portland was one of the airport's top unserved destinations while the carrier's service to Minneapolis will complement SAT's incumbent service on Delta. Both flights will operate on B737-700/800 aircraft with up to 182 seats.

In October 2018, American Airlines announced **NEW** daily nonstop service to New York's JFK Airport beginning February 2019. American joins Delta and United with nonstop service to the New York area, a top underserved market for SAT prior to this announcement. The new American flight will be operated on a 160-seat Boeing 737-800 aircraft.

Over the past several months, Frontier Airlines has launched seasonal and year-round service to several markets from SAT that will continue throughout 2019. These markets include Atlanta, Colorado Springs, Denver, Las Vegas, New Orleans, Ontario, CA, Orlando, San Diego and Washington-Dulles

Also in August, Frontier and Volaris launched a first of its kind codeshare agreement between the two ultra-low-cost carriers. The codeshare allows for each airline to sell combined passenger itineraries for seamless transfer between the U.S. and Mexico and is anticipated to have a positive impact on passenger traffic between the two carriers at SAT.

In July 2018, Southwest Airlines began **NEW** daily, year-round, nonstop service to Oakland (OAK) and Fort Lauderdale (FLL). Prior to launch, OAK was an unserved market and FLL was only served seasonally. Both markets bring much needed capacity to the Bay Area and Southeast Florida and are flown on 143/175-seat Boeing 737 aircraft. Southwest has also recently increased frequencies to multiple cities, mostly during the peak summer season.

In February 2018, American Airlines launched **NEW** daily, year-round, nonstop service to Philadelphia, a market previously served only seasonally by Frontier. The new service is operated on a 150-seat Airbus A320 aircraft and provides added capacity to the East Coast and American's primary transatlantic gateway.

In January 2018, Southwest Airlines began daily, direct (one-stop, no plane change) service to Ronald Reagan Washington National Airport (DCA). Though the layover city fluctuates, the schedule remains consistent each day.

Volaris recently launched **NEW** nonstop service to Mexico City in September 2017 flown on a 179-seat Airbus A320 aircraft which is operated seasonally during peak travel periods. With this added service, SAT now offers four peak-day nonstop flights to Mexico's capital city.



## EXHIBIT A

### San Antonio International Airport Passenger & Air Cargo Activity Summary Report

	January			Calendar Year-to-Date		
	2019	2018	% Change	2019	2018	% Change
<b>Passengers</b>						
Domestic Enplanements	357,115	330,851	7.9%	357,115	330,851	7.9%
Domestic Deplanements	364,686	340,264	7.2%	364,686	340,264	7.2%
<b>Total Domestic Passengers</b>	<b>721,801</b>	<b>671,115</b>	<b>7.6%</b>	<b>721,801</b>	<b>671,115</b>	<b>7.6%</b>
Intl Enplanements	15,813	15,486	2.1%	15,813	15,486	2.1%
Intl Deplanements	17,543	16,145	8.7%	17,543	16,145	8.7%
<b>Total Intl Passengers</b>	<b>33,356</b>	<b>31,631</b>	<b>5.5%</b>	<b>33,356</b>	<b>31,631</b>	<b>5.5%</b>
<b>Grand Total All Passengers</b>	<b>755,157</b>	<b>702,746</b>	<b>7.5%</b>	<b>755,157</b>	<b>702,746</b>	<b>7.5%</b>
<b>Air Cargo (in Pounds)</b>						
Domestic Freight Enplaned	6,378,713	6,165,724	3.5%	6,378,713	6,165,724	3.5%
Domestic Freight Deplaned	8,906,037	8,255,037	7.9%	8,906,037	8,255,037	7.9%
<b>Total Domestic Freight</b>	<b>15,284,751</b>	<b>14,420,761</b>	<b>6.0%</b>	<b>15,284,751</b>	<b>14,420,761</b>	<b>6.0%</b>
Intl Freight Enplaned	723,148	476,454	51.8%	723,148	476,454	51.8%
Intl Freight Deplaned	291,691	129,871	124.6%	291,691	129,871	124.6%
<b>Total Intl Freight</b>	<b>1,014,839</b>	<b>606,325</b>	<b>67.4%</b>	<b>1,014,839</b>	<b>606,325</b>	<b>67.4%</b>
<b>Total Freight</b>	<b>16,299,590</b>	<b>15,027,086</b>	<b>8.5%</b>	<b>16,299,590</b>	<b>15,027,086</b>	<b>8.5%</b>
Mail Enplaned	2,279,514	2,182,740	4.4%	2,279,514	2,182,740	4.4%
Mail Deplaned	4,312,302	3,684,663	17.0%	4,312,302	3,684,663	17.0%
<b>Total Mail</b>	<b>6,591,815</b>	<b>5,867,403</b>	<b>12.3%</b>	<b>6,591,815</b>	<b>5,867,403</b>	<b>12.3%</b>
<b>Grand Total All Air Cargo</b>	<b>22,891,405</b>	<b>20,894,489</b>	<b>9.6%</b>	<b>22,891,405</b>	<b>20,894,489</b>	<b>9.6%</b>

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