



## Monthly Statistical Report

To: Russell J. Handy, Aviation Director  
From: Brian Pratte, Chief Air Service Development Officer  
Copies: San Antonio Regional Stakeholders  
Subject: July 2019 Monthly Statistics  
Date: August 19, 2019

### SAT ACHIEVES BUSIEST MONTH ON RECORD

#### SUMMARY

After achieving 36 consecutive months of record passengers in June, San Antonio International Airport (SAT) experienced a new record high in July. A total of 961,838 passengers flew through the airport during the peak summer month representing an over 3% increase compared to July 2018 making it the busiest single month on record. Year-to-date, over 300,000 more passengers have flown through SAT compared to the same time period last year or a nearly 6% increase. The growth in July comes despite temporary cutbacks made by American and Southwest due to the worldwide grounding of the Boeing 737 MAX aircraft. Also in July, Alaska Airlines commenced their second daily flight to Seattle, a previously underserved market for SAT.

Domestic traffic for July rose 3%, or a total of 906,674 passengers, compared to the same month last year while international traffic increased nearly 4%, a total of 55,164 passengers. Additionally, a total of 23,071,791 pounds of air cargo moved through SAT during the month, representing a 5% increase, making it the busiest July for air cargo on record.

(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 and retention at the airport. These flights are not only to new destinations, but also represent added capacity to existing markets as well. As a result, SAT exceeded 10 million passengers for the first time in 2018, an 11% increase from the prior record year. Furthermore, a recently conducted retention analysis indicated that more passengers residing in SAT's catchment area are choosing to utilize their local airport as opposed to alternatives, leading to a four-point increase, from 83% to 87%, in passenger retention in 2018 versus 2015. The study also found that SAT's fares are on average \$4.94 higher in domestic markets the airport shares with Austin-Bergstrom International (AUS) in 2018, compared to \$11 higher in 2015. As SAT continues to add more flight options for its customers, fares will likely continue to decrease, resulting in even more passenger growth and retention at the airport.



## DOMESTIC PASSENGERS

Domestic passenger growth for July increased 3.0% on a 2.7% increase in capacity with several domestic carriers adding seats to the market during the month. This seat absorption is a strong indicator of a continued surge in demand and a thriving economic environment in San Antonio with more seats being filled than added.

In July, Alaska Airlines launched their second daily flight to Seattle, a market the airline has served since 2012. In addition, Sun Country Airlines inaugurated service to Minneapolis and Portland, OR in May and June which contributed to July's passenger increase. American Airlines, who has grown significantly at SAT during the last few years, increased seats by nearly 8% during the month by adding flights/capacity to multiple markets while also launching nonstop flights to New York-JFK in February. Equally impressive, United also grew capacity to multiple markets including Chicago O'Hare, Houston and Newark representing an over 5% increase for the month. Delta also grew capacity by almost 4% with added seats Atlanta and Salt Lake City. Southwest, an airline that has recently grown aggressively at SAT experienced a decrease in seats in July due the 737 MAX grounding and subsequent schedule reductions. Frontier Airlines also decreased capacity in July by discontinuing service or making seasonal cutbacks to multiple markets.

Airline	Seat Capacity Change	Passenger Change
Alaska Airlines	50.9%	51.1%
Allegiant Air	(0.6%)	(3.2%)
American Airlines	7.6%	9.1%
Delta Air Lines	3.9%	3.8%
Frontier Airlines	(5.8%)	(3.6%)
Southwest Airlines	(2.8%)	0.2%
Sun Country Airlines*	100%	100%
United Airlines	5.1%	(4.6%)

\*Sun Country Airlines inaugurated service at SAT in May 2019

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

- American Airlines: began daily nonstop service to New York JFK in February 2019 and increased aircraft gauge to Chicago O'Hare in May 2019, Charlotte in September 2018 and Los Angeles in November 2018
- Delta: increased gauge to Atlanta and Salt Lake City June 2019
- 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 year-round frequency to Newark in October 2018 and an additional frequency to Chicago O'Hare in March 2019



## INTERNATIONAL PASSENGERS

International passengers grew by over 4% in June on a 7% decrease in scheduled capacity, with a total of 32,026 monthly departure seats. Despite some seat reductions to Cancun, Mexico City and Monterrey, SAT still experienced an increase in international traffic. This is an impressive feat given the current macro-level economic and political uncertainties which continue to strain demand between the U.S. and Mexico. With international passengers up nearly 14% year-to-date, SAT continues to see positive indicators of an improving international environment.

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 #1 among all U.S. medium-hub in terms of total seat growth to Mexico year-end June 2019, ahead of St. Louis and San José, CA. 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
Aeromexico	0.5%	7.4%
Interjet	14.0%	28.1%
Southwest*	(20.4%)	(20.2%)
United*	(10.7%)	18.3%
Volaris	(12.1%)	3.6%

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

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

- Interjet: increased frequency from weekly to daily to Guadalajara in March 2019
- Southwest & United: offers service to Cancún on a seasonal basis



## RECENT SCHEDULE CHANGES

In response to the global grounding of the Boeing 737 MAX aircraft, American and Southwest have made some adjustments to their summer/fall schedule at SAT. American has temporarily suspended their Philadelphia flight while Southwest has temporarily suspended service to Oakland in addition to reducing frequencies to a few other SAT markets. SAT expects capacity growth to slow slightly during affected months, but anticipates the airport's growth trend to regain its momentum once the 737 MAX is back in service, though that date is still unknown.

In July, Alaska Airlines doubled their current service to Seattle by offering a second daily flight from SAT. This growth is a strong indicator for both the airline's success on the route as well as increased demand between the two markets. The second daily flight is scheduled to depart SAT early morning and return late evening making it now possible for passengers to make day trips to the Pacific Northwest city.

In June 2019, Sun Country Airlines, a new carrier for SAT, launched **NEW** nonstop, 4X weekly seasonal service to Portland, OR having launched seasonal service to Minneapolis in May with Las Vegas service to follow this September. As a top unserved market for the airport, Portland is a welcomed addition to SAT's air service portfolio while the added service to Las Vegas and Minneapolis will complement SAT's current level of service. All flights will operate on B737-700/800 aircraft with up to 183 seats.

In February 2019, American Airlines launched **NEW** daily nonstop service to New York's JFK Airport. The airline joined Delta and United with nonstop service to the New York City area, a top underserved market for SAT prior to this additional flight. The new American flight departs SAT in the mid-morning and returns late evening 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.

In August 2018, 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.



## EXHIBIT A

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

	July			Calendar Year-to-Date		
	2019	2018	% Change	2019	2018	% Change
<b>Passengers</b>						
Domestic Enplanements	456,600	441,070	3.5%	2,898,878	2,751,650	5.4%
Domestic Deplanements	450,074	439,026	2.5%	2,861,189	2,725,918	5.0%
<b>Total Domestic Passengers</b>	<b>906,674</b>	<b>880,096</b>	<b>3.0%</b>	<b>5,760,067</b>	<b>5,477,568</b>	<b>5.2%</b>
Intl Enplanements	26,028	25,550	1.9%	133,086	120,670	10.3%
Intl Deplanements	29,136	27,644	5.4%	139,160	118,593	17.3%
<b>Total Intl Passengers</b>	<b>55,164</b>	<b>53,194</b>	<b>3.7%</b>	<b>272,246</b>	<b>239,263</b>	<b>13.8%</b>
<b>Grand Total All Passengers</b>	<b>961,838</b>	<b>933,290</b>	<b>3.1%</b>	<b>6,032,313</b>	<b>5,716,831</b>	<b>5.5%</b>
<b>Air Cargo (in Pounds)</b>						
Domestic Freight Enplaned	7,156,921	6,615,577	8.2%	49,322,269	45,793,594	7.7%
Domestic Freight Deplaned	9,556,701	8,693,664	9.9%	64,117,845	59,791,991	7.2%
<b>Total Domestic Freight</b>	<b>16,713,622</b>	<b>15,309,241</b>	<b>9.2%</b>	<b>113,440,114</b>	<b>105,585,585</b>	<b>7.4%</b>
Intl Freight Enplaned	676,936	595,227	13.7%	4,913,231	3,712,401	32.3%
Intl Freight Deplaned	177,982	258,817	-31.2%	1,463,447	1,418,504	3.2%
<b>Total Intl Freight</b>	<b>854,918</b>	<b>854,044</b>	<b>0.1%</b>	<b>6,376,678</b>	<b>5,130,905</b>	<b>24.3%</b>
<b>Total Freight</b>	<b>17,568,540</b>	<b>16,163,285</b>	<b>8.7%</b>	<b>119,816,792</b>	<b>110,716,490</b>	<b>8.2%</b>
Mail Enplaned	1,852,153	2,166,609	-14.5%	14,691,767	16,211,184	-9.4%
Mail Deplaned	3,651,098	3,693,070	-1.1%	27,225,731	26,444,155	3.0%
<b>Total Mail</b>	<b>5,503,251</b>	<b>5,859,679</b>	<b>-6.1%</b>	<b>41,917,498</b>	<b>42,655,339</b>	<b>-1.7%</b>
<b>Grand Total All Air Cargo</b>	<b>23,071,791</b>	<b>22,022,964</b>	<b>4.8%</b>	<b>161,734,290</b>	<b>153,371,829</b>	<b>5.5%</b>

SAN ANTONIO INTERNATIONAL AIRPORT

9800 AIRPORT BOULEVARD | SAN ANTONIO, TX 78216 | T: 210.207.SAIA (7242) | F: 210.207.3500