



## Monthly Statistical Report

To: Jesus Saenz, Director of Airports  
From: Brian Pratte, Chief Air Service Development Officer  
Copies: San Antonio Regional Stakeholders  
Subject: January 2020 Monthly Statistics  
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### INTERNATIONAL TRAFFIC CONTINUES UPWARD TREND

#### SUMMARY

Due partially to the continual global grounding of the Boeing 737 MAX aircraft, San Antonio International Airport (SAT) experienced a slight decrease in passengers January 2020. Although domestic passengers declined, international passengers to Mexico continued its impressive growth. Overall, 752,649 passengers flew through the airport during the month, a decrease of 0.3% from January 2019. Monthly traffic outperformed the reduction in capacity which declined 2.2%. Year-end January 2020 YOY capacity remains up 3.0%

Domestic traffic for January decreased 1.6%, with 710,358 total passengers compared to the same month last year. This decline is primarily due to capacity adjustments made by American and Frontier as well as continued schedule setbacks due to the grounding of the Boeing 737 MAX aircraft, which has been negatively affecting airports worldwide.

Nonetheless, international traffic surged 26.8% with all the airport's Mexican carriers adding capacity during the month. This June, SAT will welcome its fourth Mexican carrier, Viva Aerobus, with nonstop service to Monterrey making SAT the only U.S. medium-hub airport with four Mexican flag carriers. This collective international growth is a strong indicator of an improving economic environment between San Antonio and Mexico.

Additionally, a total of 22,197,225 pounds of air cargo moved through SAT during the month, representing a 3.0% decrease compared to January 2019, but still well above levels experienced the 10 years prior.

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

Since 2016, SAT has experienced explosive growth with an unprecedented 20% increase in passengers, nearly double the national average. Since then, the airport has welcomed multiple new flights that have promoted competition and driven average fares down by more than 8%. This has not only contributed to the recent passenger surge, but also the increase in passenger retention that were previously utilizing alternate airports, together making SAT one of the fastest growing medium-hub airports in the U.S.



## DOMESTIC PASSENGERS

While domestic passengers did decrease, they did not decrease at the same rate as capacity. For the month, domestic capacity was down 3.4% with a 1.6% decrease in passengers. This is a strong indicator a healthy economic environment where the lack of supply is artificially suppressing demand.

Overall capacity remains up at SAT year-ending January 2020 with recent capacity additions by multiple carriers. In 2019, Sun Country Airlines inaugurated seasonal service to Las Vegas, Minneapolis and Portland, OR while other carriers such as Alaska, American and United have all grown significantly at SAT. In July 2019, Alaska doubled its service by adding a second daily flight to Seattle while American increased overall 2019 capacity by 13% including launching nonstop flights to New York-JFK in February. United grew seats by 8% with additional frequencies or aircraft upgauges to Chicago, Denver and Newark.

Airline	Seat Capacity Change	Passenger Change
Alaska Airlines	77.4%	70.2%
Allegiant Air	0.0%	11.1%
American Airlines	(12.4%)	(5.5%)
Delta Air Lines	(2.1%)	5.8%
Frontier Airlines	(46.3%)	(49.1%)
Southwest Airlines	(3.4%)	(3.0%)
Sun Country Airlines*	100.0%	100.0%
United Airlines	10.8%	(7.2%)

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

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

- Alaska Airlines: began second daily flight to Seattle in July 2019
- American Airlines: began daily nonstop service to New York JFK in February 2019 and a seasonal second frequency to
- Delta: increased gauge to Atlanta and Salt Lake City June 2019
- Frontier Airlines: seasonal route adjustments and some route discontinuations began in late 2018 into 2019; capacity increase to Las Vegas began in August 2019
- Southwest Airlines: market adjustments due to 737MAX grounding from July 2019 forward
- United Airlines: increased year-round frequency to Denver in 2019 and frequency or gauge increase to Chicago in March 2019



## INTERNATIONAL PASSENGERS

International traffic grew by nearly 27% in January on 23% increase in scheduled capacity, with 30,050 total monthly departure seats. As noted earlier, this was due to added capacity by all the airport's Mexican carriers to Guadalajara, Mexico City and Monterrey. This growth is an impressive feat given the current macro-level economic and political uncertainties that continue to strain demand between the U.S. and Mexico and suggests an improving international environment with demand outpacing supply.

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 Q3 2019, while cities such as Austin and Houston-Hobby experienced a decrease in capacity to Mexico.

Airline	Seat Capacity Change	Passenger Change
Aeromexico	16.0%	21.5%
Interjet	52.6%	43.3%
Southwest*	0.0%	17.3%
United*	N/A	N/A
Volaris	3.0%	23.2%

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

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

- Aeromexico: increased frequency to Mexico City during peak travel periods beginning November 2019
- Interjet: increased frequency from weekly to daily to Guadalajara in March 2019 and increased gauge to Monterrey in January 2020
- 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 recently made some schedule adjustments to their schedule at SAT. American has temporarily suspended their Philadelphia flight with a scheduled resumption this summer while Southwest has temporarily suspended week-day service to Oakland with daily service scheduled to resume in August. Southwest has continued to reduce frequencies to other SAT markets as they work to mitigate the negative MAX impact. Due to these setbacks, SAT anticipates a decrease in capacity during the affected months with the airport's growth trend regaining its momentum once the 737 MAX is back in service, though that date is still unknown.

In December, American added a second seasonal frequency to their global hub in Miami. The flight is flown on an Embraer 175 aircraft and will provide more options for those looking to escape to Florida, Caribbean or Latin America during the colder winter months.

This summer, Southwest Airlines initially planned to expand service at SAT with additional frequencies to seven markets while adding **NEW** Saturday only service to Albuquerque. Expanded markets included Atlanta, Chicago-Midway, Denver, Houston-Hobby, Los Angeles, Nashville and St. Louis. However, due to the continued MAX grounding, many of these increases will not occur until the MAX issue is resolved.

Last year, Sun Country Airlines, a new carrier for SAT, launched **NEW** nonstop, seasonal service to Las Vegas Minneapolis and Portland, OR. While service to Portland will not resume this summer, service to Minneapolis will resume in May with flights to Las Vegas resuming in the fall. All flights will operate on B737-800 aircraft with 183 seats.

In July 2019, 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 currently 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 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 early morning and returns late evening on a 160-seat Boeing 737-800 aircraft.



## EXHIBIT A

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

	January			Calendar Year-to-Date		
	2020	2019	% Change	2020	2019	% Change
<b>Passengers</b>						
Domestic Enplanements	353,570	357,115	-1.0%	353,570	357,115	-1.0%
Domestic Deplanements	356,788	364,686	-2.2%	356,788	364,686	-2.2%
<b>Total Domestic Passengers</b>	<b>710,358</b>	<b>721,801</b>	<b>-1.6%</b>	<b>710,358</b>	<b>721,801</b>	<b>-1.6%</b>
Intl Enplanements	20,739	15,813	31.2%	20,739	15,813	31.2%
Intl Deplanements	21,552	17,543	22.9%	21,552	17,543	22.9%
<b>Total Intl Passengers</b>	<b>42,291</b>	<b>33,356</b>	<b>26.8%</b>	<b>42,291</b>	<b>33,356</b>	<b>26.8%</b>
<b>Grand Total All Passengers</b>	<b>752,649</b>	<b>755,157</b>	<b>-0.3%</b>	<b>752,649</b>	<b>755,157</b>	<b>-0.3%</b>
<b>Air Cargo (in Pounds)</b>						
Domestic Freight Enplaned	6,432,918	6,378,713	0.8%	6,432,918	6,378,713	0.8%
Domestic Freight Deplaned	9,025,965	8,906,037	1.3%	9,025,965	8,906,037	1.3%
<b>Total Domestic Freight</b>	<b>15,458,883</b>	<b>15,284,751</b>	<b>1.1%</b>	<b>15,458,883</b>	<b>15,284,751</b>	<b>1.1%</b>
Intl Freight Enplaned	876,551	723,148	21.2%	876,551	723,148	21.2%
Intl Freight Deplaned	359,310	291,691	23.2%	359,310	291,691	23.2%
<b>Total Intl Freight</b>	<b>1,235,861</b>	<b>1,014,839</b>	<b>21.8%</b>	<b>1,235,861</b>	<b>1,014,839</b>	<b>21.8%</b>
<b>Total Freight</b>	<b>16,694,744</b>	<b>16,299,590</b>	<b>2.4%</b>	<b>16,694,744</b>	<b>16,299,590</b>	<b>2.4%</b>
Mail Enplaned	1,906,687	2,279,514	-16.4%	1,906,687	2,279,514	-16.4%
Mail Deplaned	3,595,794	4,312,302	-16.6%	3,595,794	4,312,302	-16.6%
<b>Total Mail</b>	<b>5,502,481</b>	<b>6,591,815</b>	<b>-16.5%</b>	<b>5,502,481</b>	<b>6,591,815</b>	<b>-16.5%</b>
<b>Grand Total All Air Cargo</b>	<b>22,197,225</b>	<b>22,891,405</b>	<b>-3.0%</b>	<b>22,197,225</b>	<b>22,891,405</b>	<b>-3.0%</b>

SAN ANTONIO INTERNATIONAL AIRPORT

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

