



Monthly Statistics Report

To: Russell J. Handy, Aviation Director
From: Brian Pratte, Air Service Administrator
Copies: San Antonio Regional Stakeholders
Subject: June 2017 Monthly Statistics
Date: July 26, 2017

ANOTHER RECORD MONTH IN JUNE 2017

SUMMARY

San Antonio International Airport continues to have positive passenger growth with yet another record month of passenger traffic in June with 834,917 total passengers, a 4.4% increase over June 2016. This represents the highest level of traffic for ANY month on record. Year-to-date traffic totaled 4,372,302 passengers, representing a 4.1% increase YOY, also a record. Finally, the June growth represents the 12th straight month of passenger growth, as well as 13 of the past 14 months.

Domestic traffic for the month was up 7.0% compared to June 2016, primarily due to capacity increases by most of our domestic carriers as well as new routes from Frontier and Southwest. International traffic also experienced an increase of 1.5%. While scheduled seat reductions were seen on Aeromexico to Monterrey and Mexico City with adjustments by Volaris to Guadalajara, total international seats remained stable at 0.1% primarily due to Air Canada's new daily flight to Toronto and increased capacity to Cancun on Southwest and United.

With respect to air cargo, a total of 21,150,484 pounds moved through San Antonio International Airport in June 2017, an increase of 1.0%.

Please see Exhibit A for a detailed breakdown.

As part of our expanded efforts towards air service development, the San Antonio International Airport has developed a robust, broad air service marketing and advertising program. This program is intended to heighten awareness of options, including carriers and destinations, throughout San Antonio and the surrounding region.

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DOMESTIC PASSENGERS

Scheduled domestic capacity increased 7.2% or 35,071 seats in June 2017 versus June 2016 with 521,246 total monthly departure seats. Airlines routinely make monthly or seasonal adjustments to the number of flights and seats available to match market demand trends.

American Airlines increased capacity by 9.7% with an added daily frequency to Charlotte and increased aircraft gauge to Chicago O'Hare and Phoenix while Southwest Airlines increased capacity by 8.1% with new nonstop service to Kansas City (began Nov 2016) and increases to Baltimore, Dallas, Houston, Phoenix, St. Louis and Tampa. In addition, Frontier Airlines initiated weekly service to Chicago O'Hare in April 2017 and increased capacity to Las Vegas by 20.0% while United Airlines increased by 7.6% with larger aircraft operating to Chicago O'Hare, Denver and Newark.

Alaska, Delta and Allegiant's capacity remained relatively flat for June YOY.

Airline	Seat Capacity Change	Passenger Change
Alaska Airlines	1.6%	3.9%
Allegiant Air*	(0.2%)	(6.5%)
American Airlines	9.7%	4.7%
Delta Air Lines	(0.2%)	(-1.2%)
Frontier Airlines**	16.6%	9.9%
Southwest Airlines	8.1%	7.9%
United Airlines	7.6%	1.5%

*Allegiant Air shifted service from SAT to FLL to seasonal service; **Frontier service to/from ORD began Apr 2017.

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

- American Airlines: increased Miami service back to near daily in March during peak times. A fourth frequency was added to Charlotte in late August 2016 and an increased aircraft gauge to Chicago and Phoenix in March and April 2017 respectively.
- Delta Air Lines: added eighth frequency to Atlanta in June 2017
- Frontier Airlines: began weekly service to Chicago O'Hare in April 2017
- Southwest Airlines: commenced daily nonstop service to MCI effective November 6th and added a fifth daily flight to HOU that same day. A second frequency was added to TPA on select days in June 2017
- United Airlines: reduced aircraft gauge to ORD in January 2017, LAX in June 2016 and SFO in September 2016 with increased gauge to DEN in June 2017

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INTERNATIONAL PASSENGERS

Scheduled international capacity, or seats, remained stable in June 2017 YOY at 24,597 monthly departure seats or 0.1%. This stability was primarily due to Air Canada's inaugural service to Toronto which began May 1 adding nearly 2,300 seats to the international market which helped offset Volaris' and Aeromexico's reduction of seats to Guadalajara and Mexico City respectively. Aeromexico's ceased operations to Monterrey in January is also contributing the airline's decreased capacity YOY.

Although seats were flat, total international passengers in June increased slightly at 1.5%. While the valuation of the Peso to the U.S. Dollar improved during Q217, the value of the Peso still saw a decrease YOY. In May 2017, the Peso had 7% less value than the same time in 2016, and 18% less value than two years prior to that. As the Peso continues to gain value, leisure traffic between Mexico and the U.S. is also expected to recover.

Airline	Seat Capacity Change	Passenger Change
Air Canada	100%	100%
Aeromexico*	(39.1%)	(17.9%)
Interjet	0.0%	(4.5%)
Southwest (International)**	24.5%	16.2%
United (International)**	9.0%	5.3%
Volaris	(38.5%)	(-45.4%)

*Aeromexico ceased service from SAT to MTY in January 2017 **Southwest and United offer seasonal service to Cancun, Mexico.

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

- Aeromexico: increased to 2 daily flights to Mexico City on select dates
- Air Canada: new daily service to Toronto began May 2017
- Southwest & United: offers service to Cancun on a seasonal basis
- Volaris: decreased seasonal capacity to Guadalajara in June.

RECENT SCHEDULE CHANGES

In July 2017, Frontier announced the addition of six **NEW** markets for the airline from SAT. Less than daily service to New Orleans, Phoenix and San Diego will begin early October and assumed less than daily, seasonal service to Cincinnati, Orlando and San José, CA will launch spring of 2018. Prior to this announcement, Cincinnati and San José were unserved markets with San José being on the airport's list of top target markets. These new additions bring the number of destinations served by Frontier from SAT to 11.

Volaris recently announced **NEW** daily nonstop service to Mexico City scheduled to begin September 15th. The service will be flown on a 179-seat Airbus A320 aircraft.

In November 2017, Southwest will launch seasonal Saturday service to New York's La Guardia Airport.

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On May 1st, 2017, San Antonio International Airport welcomed a **NEW** international carrier with Air Canada's daily nonstop service to Toronto, Ontario, Canada.

Southwest Airlines added **NEW** daily nonstop service to Kansas City, MO on November 6th and added a fifth daily flight to Houston-Hobby on the same day.

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EXHIBIT A

San Antonio International Airport Passenger & Air Cargo Activity Summary Report

	June			Calendar Year-to-Date		
	2017	2016	% Change	2017	2016	% Change
Passengers						
Domestic Enplanements	402,792	385,954	4.4%	2,106,661	2,012,547	4.7%
Domestic Deplanements	392,251	374,877	4.6%	2,104,458	2,000,406	5.2%
Total Domestic Passengers	795,043	760,831	4.5%	4,211,119	4,012,953	4.9%
Intl Enplanements	21,218	20,923	1.4%	82,622	94,981	-13.0%
Intl Deplanements	18,656	18,353	1.7%	78,561	93,095	-15.6%
Total Intl Passengers	39,874	39,276	1.5%	161,183	188,076	-14.3%
Grand Total All Passengers	834,917	800,107	4.4%	4,372,302	4,201,029	4.1%
Air Cargo (in Pounds)						
Total Domestic Freight	14,052,957	13,499,094	4.1%	78,130,522	74,960,829	4.2%
Total Intl Freight	723,586	1,120,039	-35.4%	4,606,551	5,104,123	-9.7%
Total Freight	14,776,543	14,619,133	1.1%	82,737,073	80,064,952	3.3%
Total Mail	6,373,941	6,326,423	0.8%	36,115,700	34,705,693	4.1%
Grand Total All Air Cargo	21,150,484	20,945,556	1.0%	118,852,773	114,770,645	3.6%

San Antonio International Airport Total Air Freight (000 lbs)

	June			Calendar Year-to-Date		
	2017	2016	% Change	2017	2016	% Change
Air Carrier	7,899	7,709	2.5%	44,144	43,764	0.9%
Air Taxi	1,697	1,739	-2.4%	9,790	10,214	-4.2%
General Aviation	3,758	4,301	-12.6%	22,515	25,088	-10.3%
Military	370	460	-19.6%	2,225	2,688	-17.2%
Total Itinerant	13,724	14,209	-3.4%	78,674	81,754	-3.8%

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