



Monthly Statistics Report

To: Russell J. Handy, Aviation Director
From: Brian Pratte, Air Service Administrator
Copies: San Antonio Regional Stakeholders
Subject: October 2017 Monthly Statistics
Date: November 27, 2017

RECORD MONTH IN OCTOBER 2017

SUMMARY

San Antonio International Airport (SAT) experienced yet another record month of passenger traffic in October with 803,667 total passengers, a remarkable 8.7% increase over October 2016. This represents the highest level of traffic for any October on record. Year-to-date traffic totaled 7,468,817 passengers, representing a 4.5% increase YOY, also a record. The October increase represents a continuing trend in growth at SAT with the last 16 consecutive months experiencing record passengers, as well as 17 of the past 18 months.

Domestic traffic for the month was up 8.6% compared to October 2016, due to capacity increases by some of the domestic carriers as well as new routes from Frontier and Southwest. Additionally, international traffic increased 10.2% as a result of new service added to Toronto and Mexico City this year.

With respect to air cargo, a total of 22,024,753 pounds moved through SAT in October 2017 or 14.2% YOY, 5.1% YTD.

Please see Exhibit A for a detailed breakdown.

Since the spring of 2016, 20 new flights have either been added or announced at SAT contributing to the recent growth in passengers at the airport. As part of our expanded efforts towards air service development, SAT 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.



DOMESTIC PASSENGERS

Scheduled domestic capacity, or seats, increased 6.6% or 28,168 seats in October 2017 vs. October 2016 with 455,054 total monthly departure seats. Airlines routinely make monthly or seasonal adjustments to the number of flights and seats available to match market demand trends.

In October, Frontier Airlines launched new non-stop service to four markets which contributed to a 51.7% surge in capacity for the month. American Airlines increased their capacity by 11.7% by deploying larger aircraft to Charlotte, Chicago O'Hare and Phoenix while Southwest Airlines grew capacity by 7.8% with new non-stop service to Kansas City (began Nov 2016) and added frequencies to Dallas-Love, Houston-Hobby, Las Vegas and San Diego. Delta grew capacity 4.8% by utilizing larger aircraft to Detroit and Salt Lake City. Seasonal adjustments were made on Allegiant with reduced capacity to Las Vegas and on United with trimmed capacity to Chicago, Houston-Intercontinental and Newark.

Airline	Seat Capacity Change	Passenger Change
Alaska Airlines	(1.8%)	(1.8%)
Allegiant Air	(23.0%)	(13.3%)
American Airlines	11.7%	13.2%
Delta Air Lines	4.8%	6.2%
Frontier Airlines	51.7%	48.4%
Southwest Airlines	7.8%	9.8%
United Airlines	(7.2%)	(4.1%)

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 2017 during peak times and increased aircraft gauge to Charlotte, Chicago O'Hare and Phoenix in September, March and April 2017 respectively.
- Frontier Airlines: began weekly service to Chicago O'Hare in April 2017 with added service to New Orleans, Ontario, CA, San Diego and Washington-Dulles in October 2017 and suspended seasonal service to Atlanta and Philadelphia in September 2017, a month earlier than last year. Atlanta resumed in November and Philadelphia will resume next April.
- Southwest Airlines: commenced daily non-stop service to Kansas City effective November 2016 and added a fifth daily flight to Houston-Hobby that same month.
- United Airlines: increased aircraft gauge on Denver flights while reducing aircraft gauge on Chicago O'Hare, Houston and Newark flights in September 2017.



INTERNATIONAL PASSENGERS

Scheduled international capacity grew in October 2017 at 23,246 monthly departure seats or 28.4%. This increase was primarily due to Volaris' new daily service to Mexico City which began September 15th as well as to Air Canada's inaugural service to Toronto which began May 1st collectively adding nearly 7,600 seats to the international market in October.

Total international passengers rebounded in October with an increase of 10.2% YOY. As noted earlier, this increase is primarily due to new flights to Toronto and Mexico City this year. However, the continued low value of the Peso and macro-level economic and political uncertainties continue to suppress demand between Mexico and SAT. While the valuation of the Peso to the U.S. Dollar has improved in 2017, with an increase of 0.50% in October YOY, the Peso still remained over 12% less in value than it did in October 2015 and over 28% less than it did in October 2014. As the Peso continues to regain value, leisure and VFR traffic between Mexico and the U.S. is expected to improve.

Airline	Seat Capacity Change	Passenger Change
Air Canada	100%	100%
Aeromexico*	(33.6%)	(47.6%)
Interjet	(3.0%)	(3.5%)
Southwest**	N/A	N/A
United**	N/A	N/A
Volaris	311.1%	140.8%

*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 two daily flights to Mexico City only on select dates and ceased service to MTY in January 2017
- Air Canada: new daily service to Toronto began May 2017
- Southwest & United: offers service to Cancun on a seasonal basis
- Volaris: launched daily service to Mexico City in September 2017 and decreased seasonal capacity to Guadalajara in June 2017



RECENT SCHEDULE CHANGES

In November 2017, Southwest Airlines announced **NEW** daily, year-round, non-stop service to Oakland and Fort Lauderdale beginning July 8, 2018. Prior to this announcement, Oakland was an unserved market and Fort Lauderdale was only served on a seasonal basis. Both markets will bring much needed capacity to the Bay Area and Southeast Florida and will be flown on a 143-seat Boeing 737 aircraft. These new flights come after Southwest added **NEW** daily non-stop service to Kansas City, MO in November 2016 while adding a fifth daily flight to Houston-Hobby that same month. Southwest has also recently added additional frequencies to Baltimore, Chicago-Midway, Denver, Nashville, Orlando and Tampa, mostly during the peak summer season.

Frontier Airlines has recently added nine **NEW** markets from SAT. Less than daily service to New Orleans, Ontario, CA, San Diego and Washington-Dulles began in October 2017, service to Phoenix began in November and service to Cincinnati, Colorado Springs, Orlando and San José, CA is scheduled to begin in April 2018. Prior to these announcements, Cincinnati, Colorado Springs, Ontario and San José were all unserved markets with San José being on the airport's list of top target markets. In total, these new additions bring the total number of Frontier destinations either announced or served from SAT to 14 with all to be flown on 150-180 seat Airbus A319/A320 aircraft.

In February 2018, American Airlines will launch **NEW** daily, year-round, non-stop service to Philadelphia, a market currently served seasonally by Frontier. The new service will be operated on a 128-seat Airbus A319 aircraft.

Volaris recently launched **NEW** daily non-stop service to Mexico City on September 15th flown on a 179-seat Airbus A320 aircraft. With this added service, SAT now offers four daily non-stop flights to Mexico's capital city.

In November 2017, Southwest launched seasonal Saturday service to New York's La Guardia Airport. Overall, the airline will operate four total flights on November 18th and 25th and December 23rd and 30th.

On May 1, 2017, San Antonio International Airport welcomed a **NEW** international carrier with Air Canada's daily non-stop service to Toronto, Ontario, Canada- the airport's first non-stop to Canada.

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



EXHIBIT A

San Antonio International Airport Passenger & Air Cargo Activity Summary Report

	September			Calendar Year-to-Date		
	2017	2016	% Change	2017	2016	% Change
Passengers						
Domestic Enplanements	330,814	327,881	0.9%	3,189,433	3,049,746	4.6%
Domestic Deplanements	332,323	327,209	1.6%	3,208,229	3,051,381	5.1%
Total Domestic Passengers	663,137	655,090	1.2%	6,397,662	6,101,127	4.9%
Intl Enplanements	12,079	14,037	-13.9%	134,899	152,815	-11.7%
Intl Deplanements	12,320	14,361	-14.2%	132,589	152,681	-13.2%
Total Intl Passengers	24,399	28,398	-14.1%	267,488	305,496	-12.4%
Grand Total All Passengers	687,536	683,488	0.6%	6,665,150	6,406,623	4.0%

Air Cargo (in Pounds)						
Total Domestic Freight	15,068,341	13,360,196	12.8%	120,709,235	114,343,806	5.6%
Total Intl Freight	615,080	891,763	-31.0%	6,531,229	7,784,933	-16.1%
Total Freight	15,683,421	14,251,959	10.0%	127,240,464	122,128,739	4.2%
Total Mail	6,316,093	5,911,919	6.8%	54,952,349	52,895,353	3.9%
Grand Total All Air Cargo	21,999,514	20,163,878	9.1%	182,192,813	175,024,092	4.1%

San Antonio International Airport Total Air Operations

	September			Calendar Year-to-Date		
	2017	2016	% Change	2017	2016	% Change
Air Carrier	7,065	6,678	5.8%	67,038	65,025	3.1%
Air Taxi	1,615	2,051	-21.3%	14,828	16,603	-10.7%
General Aviation	3,710	4,313	-14.0%	33,715	37,328	-9.7%
Military	516	498	3.6%	3,649	4,219	-13.5%
Total Itinerant	12,906	13,540	-4.7%	119,230	123,175	-3.2%