

Passenger & Cargo Movement

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Quarterly Update: Cargo volume and Passenger numbers

First quarter of FY20 witnessed subdued activity in the movement of cargo volumes and passengers.

- Airline passengers and cargo volumes recorded a decline for the first time over the last 5 years.
- Major ports recorded 1.5% growth during Q1FY20 vs 4% growth during the corresponding period in the previous year recording hence a decline in growth.
- Railways recorded 2.7% volume growth in cargo handled in terms of tonnage. This is a considerable decline from 6.5% growth recorded in Q1-FY19.
- The slowdown in volume and passenger numbers across modes of transport does relate well with subdued economic activity – both domestic and foreign trade.

Airlines:

- Passenger traffic numbers recorded marginal decline (<1%) in domestic and international traffic respectively during Q1-FY20. Total passenger numbers declined by 0.6% during the period vs 17.1% growth during the corresponding period in the previous year.

Table 1 Airline Passenger and Freight/Cargo Volume

		April- June			Growth (% y-o-y)	
		FY18	FY19	FY20	Q1FY19	Q1FY20
Passenger Traffic <i>(in million)</i>	Domestic	57.0	68.2	67.7	19.5	-0.7
	International	15.6	16.9	16.9	8.5	-0.3
	Total	72.6	85.1	84.6	17.1	-0.6
Freight <i>('000 tonnes)</i>	Domestic	293.9	328.9	320.9	11.9	-2.4
	International	538.1	557.9	521.1	3.7	-6.6
	Total	832	886	842	6.6	-5.0

Source: Airport Authority of India

- Among airports, the 7 JV airports led by Delhi, Mumbai and Bengaluru together account for 67% of the total passenger traffic, recorded (-2.6%) decline in passenger traffic. This could be attributed to disruption by the temporary shut-down of Jet Airways post mid-April. The service disruption also led to considerable hike in passenger fares, resulting to a fall in demand for air-tickets. Closure of Pakistan's airspace post-Pulwama attack too led to brief disruption in international air-services which led increase in international airfares.
- International Cargo volume recorded a sharper decline of 6.6% during the first quarter and domestic cargo fell by 2.4% vs. Q1FY19.

Major Ports:

- The 12 major ports recorded 1.5% increase in cargo volume handled during Q1-FY20 vs 4% recorded during the corresponding period in the previous year.
- Growth in cargo volume was mainly supported by increased volume of coking coal (16.9%), iron-ore incl. pellets (15.3%) and container volumes. Coking coal and iron-ore account for ~14% of the total cargo handled by the major ports.
- Container volumes recorded 5% increase and witnessed its share improving by 71 bps in the overall cargo handled by major ports, to 21.3% during Q1-FY20.

Table 2 Cargo handled by Major-Ports

<i>(in million tonnes)</i>	Apr- June			Growth (% y-o-y)	
	FY18	FY19	FY20	Q1FY19	Q1FY20
Volume	167.5	174.2	176.8	4%	1.5%

Source: Indian Port Association

- Fertilizer (incl. raw) volumes recorded a 14.4% decline, followed by miscellaneous cargo which recorded 10.4% decline and thermal coal which 4.7% decline in volumes handled during Q1-FY20 vs Q1-FY19.

Railways:

- Total cargo volume handled by railways grew by 2.7% during Q1-FY20 vs 6.5% growth recorded during the corresponding period in the previous year.
- Coal cargo volume grew by 3.8% during Q1-FY20 and accounted for 51% of the total volume of goods handled by railways.
- Pig Iron, finished steel and iron ore, which accounted for 16% of the total cargo handled and recorded a 11.1% growth in cargo volume handled by railways.

<i>(in million tonnes)</i>	Apr- June			Growth (% y-o-y)	
	FY18	FY19	FY20	Q1FY19	Q1FY20
Volume	281.2	299.4	307.4	6.5%	2.7%

- Cement volumes fell by 11.4% during Q1FY20 to 27 million tonnes. Fertilizer volume too witnessed a marginal decline and domestic container volume declined by 3%.

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