

**OFFICE OF
AVIATION POLICY AND PLANS**

**AVIATION
INDUSTRY
OVERVIEW**

FISCAL YEAR 1999

March 2000

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AVIATION INDUSTRY OVERVIEW

FISCAL YEAR 1999

U.S. ECONOMIC OUTLOOK

- Gross Domestic Product: Latest actual data show GDP increased by 4.1 percent during FY 1999. Based on OMB's latest economic projections (December 1999), the U.S. economy is expected to grow at a rate of 3.5 percent during FY 2000. (See Page 4.)
- Price Indices: Consumer prices rose at a 1.9 percent pace through FY 1999 and are projected by OMB to rise by 2.7 percent in FY 2000. Fuel prices decreased 0.9 percent over the past fiscal year, but are expected to increase by 23.8 percent this fiscal year. (See page 4.)

AIR CARRIER TRAFFIC/CAPACITY

- Air carrier traffic, as measured by passenger enplanements, increased 3.4 percent during FY 1999. Domestic passengers were up 3.7 percent, while international passengers grew by 0.4 percent. The slow growth in international traffic results from a decline of 12.8 percent in travel to/from Pacific destinations. (See page 5.)
- Air carrier departures increased 4.2 percent during FY 1999. Domestic operations were up 4.5 percent and international operations were up 0.9 percent. (See page 5.)

AIR CARRIER FINANCIAL

- Profit/Loss: Commercial airlines recorded an operating profit of over \$8.8 billion during FY 1999. For the 74 reporting carriers, operating revenues and expenses were up 3.9 and 4.6 percent, respectively. (See page 9, with individual carrier detail on pages 23-26.)
- Yields/Fares: Passenger yields (revenue received per passenger mile) for the 42 reporting carriers decreased 2.1 percent during FY-1999 to 13.1 cents. The break-even yield for the reporting carriers was 11.9 cents during the same period. (See pages 27-28 for individual carrier detail.)
- Jet Fuel Prices: The price for air carrier jet fuel averaged 49.7 cents per gallon during FY 1999, a decrease of 9.1 percent from the average price of jet fuel during FY 1998. Domestically, air carrier jet fuel prices decreased 9.3 percent, while internationally jet fuel prices were down 8.6 percent. Overall fuel consumption increased 3.9 percent, up 3.6 percent in domestic markets and 1.1 percent in international markets. (See page 29.)

AIRCRAFT ORDERS AND DELIVERIES/SHIPMENTS

- Commercial Aircraft (Including Regional Jets): Air carrier aircraft orders decreased 22.0 percent during FY 1999. Deliveries were up 41.7 percent during the same time period. Foreign manufacturers accounted for approximately 77 percent of aircraft orders and 43 percent of aircraft deliveries. Excluding regional jets, foreign manufacturers accounted for 59.9 percent of aircraft orders and 32.5 percent of aircraft deliveries. (See page 11.)
- General Aviation: General aviation aircraft shipments and billings were up 15.0 and 41.5 percent, respectively, during FY 1999. Turbojets showed the largest increase in deliveries, up 24.2 percent. During the same FY 1999 period, 19.3 percent of total shipments were in the export trade, down from 24.4 percent during FY 1999. (See page 12.)

AVIATION INDUSTRY OVERVIEW (CONT'D)

FISCAL YEAR 1999

FAA WORKLOAD MEASURES

- FAA Workload: Operations at combined FAA/contract towered airports totaled 68.2 million, during FY 1999, 4.4 percent over recorded activity levels in the same FY 1998 period. Commercial activity (air carrier and air taxi/commuter operations) increased 3.0 percent at towered airports, while general aviation activity increased 5.2 percent and military activity increased 6.1 percent. Activity at FAA en route centers increased 3.4 percent during the same time period, with the number of commercial and general aviation aircraft handled up 4.7 and 1.9 percent respectively. (See page 14.)
- Individual Hub Activity: Air carrier activity at fifty-three of the largest U.S. airports was up 3.2 percent during FY 1999. Chicago O'Hare (867,246 operations) was the largest U.S. hub in terms of commercial operations in FY 1999, followed by Atlanta (866,886), and Dallas/Fort Worth (808,213). Long Beach (up 37.8 percent), Washington, Dulles (up 25.3 percent), and Raleigh/Durham (up 19.1 percent) recorded the largest percentage growth. Miami (down 3.6 percent), Dallas/Ft. Worth (down 3.3 percent), and New Orleans (down 2.9 percent) recorded the largest percentage declines. (See pages 16-17.)

**NOTE: UNLESS SPECIFICALLY NOTED OTHERWISE IN THE TEXT, ALL COMPARISONS ARE
FY 1999 TO FY 1998.**

US ECONOMIC OUTLOOK

FISCAL YEAR 1999

	<u>FY 1999</u>	<u>FY 2000</u>
	(%)	(%)
<u>GDP Growth Rate</u>		
OMB (12/99)	4.1	3.5
WEFA, Inc. (2/00)	4.1	3.9
DRI/McGraw Hill (2/00)	4.1	4.0
<u>Consumer Price Index</u>		
OMB (12/99)	1.9	2.7
WEFA, Inc. (2/00)	1.9	2.5
DRI/McGraw Hill (2/00)	1.9	2.5
<u>Gasoline & Oil Price Index</u>		
OMB (12/99)	(0.9)	23.8
WEFA, Inc. (2/00)	(1.0)	16.3
DRI/McGraw Hill (2/00)	(1.0)	15.8

Gross Domestic Product (GDP): Using Bureau of Economic Analysis chain-weighted GDP estimates, the U.S. economy grew at an annual rate of 4.1 percent during FY 1999, compared to 4.2 percent for FY 1998. The latest OMB estimate (December 1999) projects GDP growth of 3.5 percent for FY 2000.

Prices: Consumer prices as measured for all urban wage earners (CPI-W) increased at an annual rate of 1.9 percent in FY 1999. In FY 1998, prices rose by 1.4 percent. OMB projects a 2.7 percent rise in price level for FY 2000. Fuel prices, as measured by the oil and gasoline price index, decreased 0.9 percent during FY 1999, compared to a 9.1 percent decrease in FY 1998. OMB estimates fuel prices to increase 23.8 percent during FY 2000.

**PASSENGER ENPLANEMENTS AND AIRCRAFT DEPARTURES
ALL CARRIERS--SCHEDULED AND CHARTER SERVICES**

FISCAL YEAR 1999

Passenger Enplanements

	<u>Domestic</u> (000)	<u>International</u> (000)	<u>Total</u> (000)	<u>% Change from FY 1998</u>		
				<u>Domestic</u> (%)	<u>International</u> (%)	<u>Total</u> (%)
First Quarter	140,961	13,308	154,269	3.9	0.3	3.6
Second Quarter	135,537	14,054	149,592	3.7	2.1	3.6
Third Quarter	151,116	14,464	165,581	2.9	(2.6)	2.4
July	55,320	5,575	60,895	4.2	0.6	3.9
August	53,895	5,560	59,455	3.8	(1.1)	3.4
September	45,909	4,649	50,558	4.9	6.6	5.0
Fourth Quarter	155,124	15,784	170,908	4.3	1.7	4.0
FY 1999	582,738	57,612	640,350	3.7	0.4	3.4

Aircraft Departures

	<u>Domestic</u> (000)	<u>International</u> (000)	<u>Total</u> (000)	<u>% Change from FY 1998</u>		
				<u>Domestic</u> (%)	<u>International</u> (%)	<u>Total</u> (%)
First Quarter	2,101.2	139.6	2,240.8	5.9	2.4	5.7
Second Quarter	2,025.9	140.1	2,166.0	3.6	(0.8)	3.3
Third Quarter	2,100.1	150.1	2,250.2	4.0	2.4	3.9
July	730.4	50.4	780.8	2.2	(2.4)	1.9
August	741.2	50.2	791.4	4.9	(1.6)	4.5
September	<u>688.8</u>	<u>46.2</u>	<u>735.1</u>	6.1	3.2	5.9
Fourth Quarter	2,160.4	146.9	2,307.3	4.4	(0.4)	4.0
FY 1999	8,387.5	576.7	8,964.2	4.5	0.9	4.2

Air carrier passenger enplanements increased 3.4 percent during FY 1999, with domestic enplanements up 3.7 percent and international enplanements up 0.4 percent.

Air carrier aircraft departures increased 4.2 percent during FY 1999, with domestic markets up 4.5 percent and international markets up 0.9 percent.

TRAFFIC AND SEAT CAPACITY (57 CARRIERS)

FISCAL YEAR 1999

	<u>ASMs</u> (mil)	<u>RPMs</u> (mil)	<u>LF</u> (%)	<u>Change from FY 1998</u>		
				<u>ASMs</u> (%)	<u>RPMs</u> (%)	<u>LF</u> (pts)
Majors 1/	842,901.5	600,609.2	71.3	4.3	4.4	0.1
Nationals 2/	64,075.1	43,809.9	68.4	2.3	2.2	(0.1)
Large/Medium Regionals 3/	24,143.4	15,400.8	63.8	32.6	34.0	0.7
Selected Regionals/ Commuters 4/	8,074.2	4,691.5	58.1	18.7	14.5	(2.1)
TOTAL	939,194.2	664,511.4	70.8	4.9	4.8	0.0

Fifty-seven U.S. Air Carriers reported a traffic increase of 4.8 percent during FY 1999. Seat miles increased 4.9 percent during the same time period. The load factor for FY 1999 was the same as reported for FY 1998, 70.8 percent.

Ten Majors reported traffic increases of 4.4 percent during FY 1999. Capacity increased by 4.3 percent, the result being a load factor of 71.3 percent, a slight increase over the FY 1998 period.

Twenty-two Nationals reported traffic and capacity increases of 2.2 and 2.3 percent, respectively, during FY 1999. The Nationals' load factor decreased 0.1 points to 68.4 percent.

Nineteen Large/Medium Regionals reported a traffic increase of 34.0 percent and a capacity increase of 32.6 percent during FY 1999. The load factor for these carriers increased 0.7 points to 63.8 percent.

Six Regional/Commuter carriers' traffic and capacity increased by 14.5 and 18.7 percent respectively during FY 1999. The load factor decreased 2.1 points to 58.1 percent.

1/ See page 19 for individual carrier detail.

2/ See page 20 for individual carrier detail.

3/ See page 21 for individual carrier detail.

4/ See page 22 for individual carrier detail.

FINANCIAL RESULTS (74 CARRIERS)

FISCAL YEAR 1999

	<u>OPERATING REVENUES</u> (\$Mil)	<u>OPERATING EXPENSES</u> (\$Mil)	<u>PROFIT/ (LOSS)</u> (\$Mil)	<u>Change from FY 1998</u>		<u>PROFIT/ (LOSS)</u> (\$Mil)
				<u>OPERATING REVENUES</u> (%)	<u>OPERATING EXPENSES</u> (%)	
Majors 1/	103,503.4	95,898.9	7,604.5	2.7	4.3	(1,187.5)
Nationals 2/	10,035.9	9,318.5	717.4	12.5	7.2	488.9
Large/Medium Regionals 3/	2,924.9	2,699.2	225.7	18.6	8.4	251.0
Selected Regionals/ Commuters 4/	1,599.9	1,304.2	295.7	9.3	1.8	113.0
TOTAL	118,064.1	109,220.8	8,843.3	3.9	4.6	(334.6)

Seventy-four Reporting Carriers had an operating profit of \$8.8 billion during FY 1999. This represents a \$0.3 billion drop in profits over the same FY 1998 period. Operating expenses increased by 4.6 percent, while revenues increased by 3.9 percent.

Thirteen Majors posted an operating profit of just over \$7.6 billion, a \$1.2 billion drop from FY 1998. Operating revenues were up 2.7 percent, while operating expenses increased 4.3 percent.

Twenty-eight Nationals posted an operating profit of \$717.4 million, a \$488.9 million improvement over FY 1998. Operating revenues and expenses increased 12.5 percent and 7.2 percent respectively.

Twenty-seven Large/Medium Regionals reported an operating profit of \$225.7 million, a \$251 million improvement over FY 1998. The Regionals' operating revenues increased by 18.6 percent, while operating expenses increased by 8.4 percent.

Six Selected Regionals/Commuters earned an operating profit of \$295.7 million, representing a \$113.0 million increase over FY 1998. Operating expenses increased 1.8 percent, while operating revenues increased 9.3 percent.

Passenger Yields 5/ for forty-two reporting carriers decreased 2.1 percent in FY 1999, from 13.33 cents to 13.05 cents. Break-even yield for FY 1999 was 11.89 cents, down from 11.94 cents for FY 1998.

1/ See page 23 for individual carrier detail.

2/ See page 24 for individual carrier detail.

3/ See page 25 for individual carrier detail.

4/ See page 26 for individual carrier detail.

5/ See pages 27-28 for individual carrier yield data.

AIR CARRIER AIRCRAFT ORDERS AND DELIVERIES

FISCAL YEAR 1999

	<u>ORDERS</u>		<u>DELIVERIES</u>	
	<u>Number</u>	<u>% Change from FY 1998</u>	<u>Number</u>	<u>% Change from FY 1998</u>
NARROWBODY				
2-Engine	660	(34.4)	658	41.2
3-Engine	-	-	-	-
4-Engine	<u>3</u>	(81.3)	<u>25</u>	25.0
Total Narrowbody	663	(35.1)	683	40.5
WIDEBODY				
2-Engine	64	(71.7)	182	44.4
3-Engine	-	-	10	(33.3)
4-Engine	<u>83</u>	(10.8)	<u>79</u>	(17.9)
Total Widebody	147	(56.0)	271	30.3
Total Orders/Deliveries (Excluding Regional Jets)	810	(40.3)	954	37.5
Foreign Manufacturers	485	(24.7)	310	40.3
Foreign Share	59.9%	12.4 Points	32.5%	0.7 Points
REGIONAL JETS				
RJ-100	213	17.0	86	43.3
EMB-145	208	(1.4)	88	87.2
DO -328	<u>166</u>	295.2	<u>7</u>	-
Total Regional Jets	587	34.9	181	69.2
Total Orders/Deliveries (Including Regional Jets)	1,397	(22.0)	1,135	41.7
Foreign Manufacturers	1,072	(0.6)	491	49.7
Foreign Share	76.7%	16.5 Points	43.3%	2.4 Points

Commercial air carrier jet aircraft orders, including regional jets, totaled 1,397 during FY 1999, a 22.0 percent decrease from FY 1998. Foreign manufacturers' orders comprised 76.7 percent of the commercial aircraft market, up 16.5 points over FY 1998. Excluding regional jets, air carrier jet aircraft orders totaled 810 during FY 1999, a 40.3 percent decrease from FY 1998. Foreign manufacturers of aircraft, excluding regional jets, comprised 59.9 percent of the commercial aircraft market, up 12.4 points over FY 1998.

Commercial air carrier jet deliveries totaled 1,135 during FY 1999, up 41.7 percent from the same FY 1998 period. Foreign manufacturers accounted for 43.3 percent of all deliveries, an increase of 2.4 points over FY 1998. Excluding regional jets, air carrier jet aircraft deliveries totaled 954 during FY 1999, a 37.5 percent increase over FY 1998. Foreign manufacturers of aircraft, excluding regional jets, comprised 32.5 percent of the commercial aircraft market, a 0.7 point increase over FY 1998.

GENERAL AVIATION AIRCRAFT SHIPMENTS

FISCAL YEAR 1999

	<u>Number of Shipments</u>	<u>% Change from FY 1998</u>
PISTON	1,647	12.1
TURBOPROP	285	17.3
JET	<u>488</u>	<u>24.2</u>
TOTAL	2,420	15.0

General aviation aircraft shipments increased 15.0 percent during FY 1999, totaling 2,420 units compared to 2,105 units shipped during FY 1998. Billings increased 41.5 percent during the same period, \$7.5 billion compared to \$5.3 billion during the same FY 1998 period.

Export shipments were up 13.1 percent during FY 1999, from 511 to 578. Export billings totaled \$2.4 billion during FY 1999, up from billings of \$1.4 billion during FY 1998. In FY 1999, 19.3 percent of total shipments and 24.2 percent of total billings were in export trade. During FY 1998, 24.4 percent of total shipments and 26.5 percent of total billings were in export trade.

FAA WORKLOAD MEASURES

FISCAL YEAR 1999

			<u>% Change from FY 1998</u>	
	<u>FAA Facilities (000)</u>	<u>Combined/FAA Contract Facilities (000)</u>	<u>FAA Facilities (%)</u>	<u>Combined/FAA Contract Facilities (%)</u>
Tower Operations				
Air Carrier	14,423.8	14,582.4	2.3	2.3
Commuter/Air Taxi	9,318.3	10,576.2	4.4	4.0
General Aviation	29,144.7	40,041.0	4.4	5.2
Military	<u>2,181.8</u>	<u>2,950.8</u>	7.5	6.1
Total	55,068.6	68,150.4	3.9	4.4
Instrument Operations				
Air Carrier	15,742.3	15,833.1	2.8	2.8
Commuter/Air Taxi	11,270.0	11,586.7	3.2	3.3
General Aviation	20,643.8	20,897.9	4.9	4.9
Military	<u>3,454.2</u>	<u>3,512.3</u>	2.6	2.6
Total	51,110.3	51,830.0	3.7	3.7
Center Operations				
Air Carrier	24,044.8		3.5	
Commuter/Air Taxi	7,732.1		8.3	
General Aviation	8,807.8		1.9	
Military	<u>4,069.8</u>		(2.9)	
Total	44,654.4		3.4	
Flight Services				
Total	32,415.8		(4.4)	

Since 1994, a total of 110 FAA towers (zero in FY 1999, one in FY 1998) have been converted to contract tower status. Additionally, 30 towered airports (6 in FY 1999) were brought into the contract tower program. The removal of these airports from FAA air traffic counts makes comparisons to previous year's activity levels difficult. To overcome these discontinuities, the FAA is reporting air traffic activity at FAA and contract tower facilities on both an individual as well as a combined basis. Activity at FAA Air Route Traffic Control Centers is not affected by the tower conversions.

Aircraft activity at combined FAA/contract towered airports increased 4.4 percent from levels recorded during FY 1998. Aircraft activity at towers increased in all categories, with general aviation and military tower operations recording the largest increases--up 5.2 and 6.1 percent, respectively.

Instrument operations at combined FAA/contract towers totaled 51.8 million in FY 1999, up 3.7 percent over the same FY 1998 period. Commuter/air taxi and general aviation activity levels showed the greatest increase--up 3.3 and 4.9 percent, respectively. Commercial (sum of air carrier and commuter/air taxi) instrument operations were up 3.0 percent.

Aircraft handled by FAA Centers increased 3.4 percent during FY 1999—with the greatest increases in air carrier and commuter/air taxi aircraft handled, up 3.5 and 8.3 percent respectively. The number of general aviation aircraft handled increased 1.9 percent, while the number of military aircraft handled decreased 2.9 percent.

Total services at FAA Flight Service Stations totaled 32.4 million during FY 1999, down 4.4 percent over the same FY 1998 period.

COMMERCIAL OPERATIONS AT SELECTED U.S. HUBS/1

FISCAL YEAR 1999

<u>U.S. Hub Airport</u>	<u>Hub Code</u>	<u>FY 1999 Commercial Operations</u>	<u>FY 1998 Commercial Operations</u>	<u>% Change from FY 1998</u>
Albuquerque	ABQ	112,519	115,520	(2.6)
Atlanta	ATL	866,886	805,567	7.6
Boston	BOS	469,214	477,087	(1.7)
Charlotte	CLT	382,924	389,496	(1.7)
Chicago		<u>1,069,529</u>	<u>1,032,822</u>	<u>3.6</u>
Midway	MDW	202,283	182,845	10.6
O'Hare	ORD	867,246	849,977	2.0
Cincinnati	CVG	437,321	413,131	5.9
Cleveland	CLE	282,283	272,501	3.6
Dallas/Fort Worth		<u>949,744</u>	<u>962,842</u>	<u>(1.4)</u>
Dallas/Ft. Worth Int'l.	DFW	808,213	835,444	(3.3)
Dallas Love Field	DAL	141,531	127,398	11.1
Dayton	DAY	102,739	101,480	1.2
Denver	DEN	475,708	462,977	2.8
Detroit	DTW	485,943	445,446	9.1
Hartford	BDL	124,170	115,452	7.6
Honolulu	HNL	230,812	226,051	2.1
Houston		<u>575,398</u>	<u>552,357</u>	<u>4.2</u>
Houston Int'l.	IAH	434,005	412,007	5.3
Houston Hobby	HOU	141,393	140,350	0.7
Indianapolis	IND	194,081	182,139	6.6
Kansas City	MCI	206,510	197,278	4.7
Las Vegas	LAS	379,748	337,505	12.5
Los Angeles		<u>1,085,882</u>	<u>1,078,184</u>	<u>0.7</u>
Los Angeles Int'l.	LAX	751,511	754,141	(0.4)
Burbank	BUR	98,769	95,718	3.2
John Wayne	SNA	89,516	92,078	(2.8)
Long Beach	LGB	22,053	16,005	37.8
Ontario	ONT	124,033	120,242	3.2
Memphis	MEM	304,165	298,671	1.8
Miami/Ft. Lauderdale		<u>625,690</u>	<u>627,680</u>	<u>(0.3)</u>
Miami	MIA	443,295	460,032	(3.6)
Fort Lauderdale	FLL	182,395	167,648	8.8
Minneapolis/St. Paul	MSP	402,003	412,008	(2.4)
Nashville	BNA	156,119	150,982	3.4
New Orleans	MSY	137,475	141,546	(2.9)

COMMERCIAL OPERATIONS AT SELECTED U.S. HUBS/1 (Con't.)

FISCAL YEAR 1999

<u>U.S. Hub Airport</u>	<u>Hub Code</u>	<u>FY 1999 Commercial Operations</u>	<u>FY 1998 Commercial Operations</u>	<u>% Change from FY 1998</u>
New York		<u>1,131,660</u>	<u>1,124,014</u>	<u>0.7</u>
Kennedy	JFK	339,726	345,839	(1.8)
LaGuardia	LGA	347,541	336,505	3.3
Newark	EWR	444,393	441,670	0.6
Orlando	MCO	321,412	322,422	(0.3)
Philadelphia	PHL	425,942	413,513	3.0
Phoenix	PHX	466,740	438,268	6.5
Pittsburgh	PIT	407,510	416,257	(2.1)
Portland	PDX	271,912	248,611	9.4
Raleigh/Durham	RDU	195,065	163,787	19.1
St. Louis	STL	474,196	472,579	0.3
Salt Lake City	SLC	286,640	285,708	0.3
San Antonio	SAT	118,175	121,446	(2.7)
San Diego	SAN	205,972	206,027	(0.0)
San Francisco		<u>775,662</u>	<u>766,863</u>	<u>1.2</u>
San Francisco Int'l.	SFO	406,454	406,178	0.1
Oakland	OAK	217,412	221,084	(1.7)
San Jose	SJC	151,796	139,601	8.7
San Juan	SJU	175,564	156,017	12.5
Seattle	SEA	425,280	394,625	7.8
Tampa	TPA	221,277	212,649	4.1
Washington/Baltimore		<u>900,903</u>	<u>800,937</u>	<u>12.5</u>
Dulles	IAD	387,112	308,847	25.3
National	DCA	250,546	252,773	(0.9)
Baltimore	BWI	263,245	239,317	10.0
Total All Airports		16,860,773	16,342,445	3.2

1/ Commercial operations include the sum of air carrier operations and air taxi/commuter operations.

**SCHEDULED AND NONSCHEDULED
TRAFFIC DEMAND, SEAT CAPACITY, AND LOAD FACTORS
FISCAL YEAR 1999**

MAJORS

<u>CARRIER</u>	<u>ASMs</u> (mil)	<u>RPMs</u> (mil)	<u>L.F.</u> (%)	<u>Change from FY 1998</u>		
				<u>ASMs</u> (%)	<u>RPMs</u> (%)	<u>L.F.</u> (pts)
Alaska	17,238.2	11,700.4	67.9	4.8	6.1	0.9
America West	25,562.1	17,202.3	67.3	6.4	6.2	(0.2)
American	158,072.9	110,479.3	69.9	2.1	2.0	(0.1)
Continental	77,187.1	56,149.7	72.7	12.1	13.0	0.6
Delta	144,498.4	104,438.2	72.3	2.4	1.7	(0.5)
Northwest	98,778.3	72,961.9	73.9	7.6	7.9	0.2
Southwest	51,292.7	34,969.6	68.2	9.4	15.5	3.6
Trans World	35,237.4	25,842.7	73.3	0.2	3.3	2.3
United	176,628.6	125,659.5	71.1	2.3	1.9	(0.3)
USAirways	58,405.8	41,205.6	70.6	3.5	0.1	(2.4)
Total	842,901.5	600,609.2	71.3	4.3	4.4	0.1

THE TRAFFIC DATA ON THIS PAGE ARE BASED ON EACH CARRIER'S
MONTHLY FILINGS ON DOT FORM 41.

SCHEDULED AND NONSCHEDULED
TRAFFIC DEMAND, SEAT CAPACITY, AND LOAD FACTORS
FISCAL YEAR 1999
NATIONALS

<u>CARRIER</u>	<u>ASMs</u> (mil)	<u>RPMs</u> (mil)	<u>L.F.</u> (%)	<u>Change from FY 1998</u>		
				<u>ASMs</u> (%)	<u>RPMs</u> (%)	<u>L.F.</u> (pts)
Air Transport International	121.0	69.7	57.6	27.7	25.8	(0.8)
Air Wisconsin	1,656.6	1,105.1	66.7	44.9	46.9	0.9
Aloha	1,152.8	754.6	65.5	(4.5)	(4.0)	0.3
American International 1/	121.3	90.5	74.6	(10.5)	(14.7)	(3.7)
American Trans Air	14,317.7	10,396.5	72.6	6.8	10.0	2.14
Atlantic Southeast	2,176.2	1,227.4	56.4	18.8	21.2	1.12
Continental Express	3,176.7	1,963.5	61.8	28.0	34.7	3.1
Continental Micronesia	4,623.7	3,447.6	74.6	(24.2)	(19.2)	4.7
Executive	624.1	375.3	60.1	26.6	24.5	(1.0)
Hawaiian	5,982.5	4,572.2	76.4	7.6	8.5	0.7
Horizon	2,162.6	1,378.8	63.8	26.8	29.6	1.4
Kiwi 1/	386.3	249.1	64.5	(64.7)	(63.0)	3.1
Midway	1,515.3	995.4	65.7	2.3	3.2	0.6
Midwest Express	2,910.0	1,886.3	64.8	19.7	19.5	(0.1)
National Airlines 2/	472.7	263.3	55.7	n/a	n/a	n/a
Reno	3,847.6	2,390.4	62.1	(13.1)	(14.2)	(0.9)
Simmons	4,271.8	2,658.4	62.2	38.5	38.2	(0.1)
Sun Country	4,306.6	3,176.4	73.7	(3.6)	(11.7)	(6.7)
Tower	6,542.9	4,634.3	70.8	0.7	(5.1)	(4.4)
Trans States	878.4	454.0	51.7	(7.0)	(8.4)	(0.8)
USAir Shuttle	681.3	314.6	46.2	(0.9)	3.2	1.8
World	2,147.0	1,406.5	65.5	30.2	16.8	(7.5)
Total	64,075.1	43,809.9	68.4	2.3	2.2	(0.1)

1/ FY 1999, carrier did not report 3rd and 4th quarter data.

2/ Began reporting traffic 3rd quarter of FY 1999.

**THE TRAFFIC DATA ON THIS PAGE ARE BASED ON EACH CARRIER'S
MONTHLY FILINGS ON DOT FORM 41.**

**SCHEDULED AND NONSCHEDULED
TRAFFIC DEMAND, SEAT CAPACITY, AND LOAD FACTORS
FISCAL YEAR 1999
LARGE/MEDIUM REGIONALS**

<u>CARRIER</u>	<u>ASMs</u> (mil)	<u>RPMs</u> (mil)	<u>L.F.</u> (%)	<u>Change from FY 1998</u>		
				<u>ASMs</u> (%)	<u>RPMs</u> (%)	<u>L.F.</u> (pts)
AirTran (formerly ValuJet)	5,643.3	3,432.6	60.8	10.0	19.6	4.9
Eastwind 1/	445.6	178.7	40.1	n/a	n/a	n/a
Express One Intl./Jet East 2/	243.1	34.4	14.2	(45.0)	(87.5)	(48.4)
Frontier	3,118.7	1,870.2	60.0	51.1	54.5	1.3
Laker 3/	537.9	287.8	53.5	58.1	35.6	(8.8)
Mesaba	2,432.1	1,369.9	56.3	36.1	41.4	2.1
MGM Grand	1,374.1	924.4	67.3	63.8	38.3	(12.4)
Miami Air	921.6	407.4	44.2	(1.3)	(4.9)	(1.7)
North American 4/	709.4	393.9	55.5	(2.8)	(15.0)	(8.0)
Omni Express 1/	790.0	689.1	87.2	n/a	n/a	n/a
Pan American 5/	21.2	5.9	28.0	n/a	n/a	n/a
Reeve	122.5	55.2	45.1	(1.8)	(14.0)	(6.4)
Ryan	2,361.9	1,873.6	79.3	22.7	19.8	(2.0)
Spirit	2,692.6	2,022.0	75.1	101.8	92.8	(3.5)
Sun Jet 1/	56.7	45.8	80.7	n/a	n/a	n/a
Sun Pacific 6/	234.3	146.5	62.5	(40.1)	(46.1)	(7.0)
Transmeridian	1,037.8	740.5	71.4	37.9	31.4	(3.5)
UFS, Inc.	196.4	102.3	52.1	(6.2)	(6.7)	(0.3)
Vanguard	1,204.2	820.6	68.2	13.8	19.3	3.1
Total	24,143.4	15,400.8	63.8	32.6	34.0	0.7

1/ Began reporting 2nd quarter FY 1999.

2/ FY 1999, carrier did not report 4th quarter data.

3/ Began reporting 4th quarter FY 1998

4/ FY 1999, carrier did not report 3rd quarter data.

5/ FY 1998, carrier did not report 3rd or 4th quarter data. FY 1999, carrier did not report 2nd-4th quarter data.

6/ FY 1999, carrier did not report 4th quarter data.

**THE TRAFFIC DATA ON THIS PAGE ARE BASED ON EACH CARRIER'S
MONTHLY FILINGS ON DOT FORM 41.**

**SCHEDULED
TRAFFIC DEMAND, SEAT CAPACITY, AND LOAD FACTORS
FISCAL YEAR 1999**

SELECTED REGIONALS/COMMUTERS 1/

<u>CARRIER</u>	<u>ASMs</u> (mil)	<u>RPMs</u> (mil)	<u>L.F.</u> (%)	<u>Change from FY 1998</u>		
				<u>ASMs</u> (%)	<u>RPMs</u> (%)	<u>L.F.</u> (pts)
Atlantic Coast Airways 2/	1,308.0	767.2	58.7	30.7	35.9	2.3
CCAir 3/	85.0	44.4	52.3	56.3	51.0	(1.8)
Comair 2/	2,945.5	1,917.5	65.1	60.6	(9.2)	(50.0)
Great Lakes 4/	269.6	124.1	46.1	1.2	15.8	6.5
Mesa /2	1,895.3	958.3	50.6	(0.6)	(19.0)	(11.5)
Skywest 2/	1,570.8	880.0	56.0	27.7	30.1	1.0
Total	8,074.2	4,691.5	58.1	18.7	14.5	(2.1)

- 1/ Carriers reporting traffic data on Securities and Exchange Commission Form 10Q.
2/ Data and comparison based on three quarters of data from FY 1998 and FY 1999.
3/ Data and comparison based on one quarter of data from FY 1998 and FY 1999.
4/ Data and comparison based on two quarters of data from FY 1998 and FY 1999.

**THE TRAFFIC DATA ON THIS PAGE ARE BASED ON EACH CARRIER'S
QUARTERLY FILINGS ON SECURITIES AND EXCHANGE COMMISSION FORM 10Q.**

FINANCIAL RESULTS

FISCAL YEAR 1999

MAJORS

<u>CARRIER</u>	<u>OPERATING REVENUES</u> (\$Mil)	<u>OPERATING EXPENSES</u> (\$Mil)	<u>PROFIT/ (LOSS)</u> (\$Mil)	<u>Change from FY 1998</u>		
				<u>OPERATING REVENUES</u> (%)	<u>OPERATING EXPENSES</u> (%)	<u>PROFIT/ (LOSS)</u> (\$Mil)
Alaska	1,666.2	1,473.1	193.1	7.3	7.5	9.8
America West	2,103.5	1,906.9	196.6	7.2	8.5	(8.0)
American	15,824.1	14,802.4	1,021.7	(3.5)	1.6	(798.6)
Continental	7,838.93	7,226.7	612.2	9.6	11.6	(76.1)
Delta	14,849.7	13,243.1	1,606.5	1.8	3.6	(200.8)
DHL	1,384.2	1,306.1	78.0	7.6	5.6	29.0
Federal Express	14,229.8	13,280.4	949.3	5.8	5.3	118.2
Northwest	9,531.1	9,042.8	488.3	5.9	3.9	197.6
Southwest	4,578.9	3,792.2	786.7	11.9	10.3	133.5
Trans World	3,254.1	3,397.9	(143.8)	(2.1)	2.2	(144.9)
United	17,783.6	16,427.1	1,356.5	1.8	1.8	15.66
United Parcel Service	2,015.3	1,980.8	34.6	3.9	4.0	(1.1)
USAirways	8,444.0	8,019.4	424.9	(1.3)	4.6	(461.7)
Total	103,503.4	95,898.9	7,604.5	2.7	4.3	(1,187.5)

THE FINANCIAL DATA ON THIS PAGE ARE BASED ON EACH CARRIER'S QUARTERLY FILINGS ON DOT FORM 41.

FINANCIAL RESULTS

FISCAL YEAR 1999

NATIONALS

<u>CARRIER</u>	<u>Change from FY 1998</u>					
	<u>OPERATING REVENUES</u> (\$Mil)	<u>OPERATING EXPENSES</u> (\$Mil)	<u>PROFIT/ (LOSS)</u> (\$Mil)	<u>OPERATING REVENUES</u> (%)	<u>OPERATING EXPENSES</u> (%)	<u>PROFIT/ (LOSS)</u> (\$Mil)
Air Transport	116.7	124.3	(7.6)	4.0	7.1	(3.7)
Air Wisconsin	244.9	236.7	8.3	39.8	39.0	3.3
Aloha	226.9	224.1	2.9	(1.8)	1.6	(7.7)
American International	334.2	308.3	25.9	(17.1)	(22.0)	18.5
American Trans Air	973.7	881.5	92.1	13.8	12.6	19.4
Arrow	87.3	84.8	2.6	(0.2)	(24.0)	26.7
Atlantic Southeast	459.9	357.9	102.1	14.3	16.1	7.9
Atlas 1/	421.9	296.4	125.5	6.1	6.0	7.4
Challenge Air Cargo	144.7	158.5	(13.8)	4.9	14.8	(13.7)
Continental Express	657.5	545.1	112.5	20.0	16.0	34.7
Continental Micronesia	527.4	496.6	30.9	(17.3)	(28.9)	91.8
Emery	1,409.3	1,399.9	9.4	133.6	140.7	(12.2)
Evergreen	351.5	289.3	62.2	28.3	17.3	35.0
Executive 1/	118.7	97.3	21.4	(17.9)	(16.0)	(7.3)
Hawaiian	469.0	454.5	14.5	11.7	12.3	(0.8)
Horizon	404.1	378.3	25.9	20.6	19.7	6.8
Kiwi 2/	19.2	25.8	(6.6)	(75.3)	(73.5)	13.3
Midway	215.8	193.5	22.2	5.9	7.2	(1.0)
Midwest Express	390.0	330.0	60.0	12.5	11.8	8.6
National 3/	24.2	49.0	(24.8)	n/a	n/a	n/a
Polar Air Cargo 1/	229.0	216.1	13.0	(28.1)	(37.4)	39.5
Reno	337.6	342.6	(5.1)	(12.9)	(12.6)	(0.8)
Simmons	742.6	706.2	36.5	(6.2)	2.1	(63.4)
Sun Country 1/	177.5	178.7	(1.2)	(27.5)	(27.2)	(0.4)
Tower 1/	321.7	321.2	0.5	(34.1)	(33.3)	(5.7)
Trans States	230.1	223.5	6.6	7.8	16.3	(14.6)
USAir Shuttle 1/	137.3	128.2	9.1	(21.0)	(26.2)	9.0
World	263.2	270.2	(7.0)	(6.1)	(4.4)	(4.6)
Total	10,035.9	9,318.5	717.4	12.5	7.2	488.9

1/ FY 1999, carrier did not report 4th quarter data.

2/ FY 1999, carrier did not report 2nd, 3rd and 4th quarter data.

3/ Carrier began reporting 3rd quarter FY 1999.

THE FINANCIAL DATA ON THIS PAGE ARE BASED ON EACH CARRIER'S QUARTERLY FINDINGS ON DOT FORM 41.

FINANCIAL RESULTS

FISCAL YEAR 1999

LARGE/MEDIUM REGIONALS

<u>CARRIER</u>	<u>Change from FY 1998</u>					
	<u>OPERATING REVENUES</u>	<u>OPERATING EXPENSES</u>	<u>PROFIT/ (LOSS)</u>	<u>OPERATING REVENUES</u>	<u>OPERATING EXPENSES</u>	<u>PROFIT/ (LOSS)</u>
	(\$Mil)	(\$Mil)	(\$Mil)	(%)	(%)	(\$Mil)
AirTran (formerly Valujet)	509.1	473.9	35.2	76.4	66.8	30.6
Amerijet 1/	77.2	70.2	7.0	(20.9)	(23.5)	1.2
Eastwind 1/, 2/	13.3	19.2	(6.0)	n/a	n/a	n/a
Express One Intl/Jet East	113.8	105.9	7.8	1.6	1.3	3.2
Fine 1/	86.8	77.1	9.7	(8.8)	(20.1)	11.1
Florida West 3/	58.8	61.5	(2.8)	(42.5)	(39.9)	(2.6)
Frontier	284.0	243.9	40.1	62.5	37.1	43.2
Gemini Air Cargo	116.7	100.8	15.9	13.0	11.8	2.8
Kitty Hawk 4/	101.4	80.4	21.0	(26.7)	(34.3)	5.1
Lynden Air 2/	28.9	25.0	3.9	n/a	n/a	n/a
Mesaba	381.9	336.7	45.2	26.0	22.1	17.9
MGM Grand	90.7	82.0	8.7	51.1	11.5	22.3
Miami Air	85.4	81.6	3.8	7.0	3.5	2.9
North American	65.2	63.0	2.2	6.1	5.5	0.4
Northern Air Cargo	40.5	40.2	0.3	(2.6)	5.2	(3.1)
Omni Express 2/	28.1	27.2	0.9	n/a	n/a	n/a
Reeve	30.8	32.6	(1.9)	1.3	(1.4)	0.8
Ryan	181.0	171.6	9.4	30.4	27.5	5.2
Spirit	206.4	197.3	9.1	81.3	82.6	3.2
Sun Pacific 3/	10.9	15.7	(4.8)	(40.0)	(13.3)	(4.8)
Tatonduk 2/	13.7	12.6	1.2	n/a	n/a	n/a
Trans Continental 2/	6.6	11.0	(4.3)	n/a	n/a	n/a
Transmeridian 3/	60.3	67.1	(6.8)	69.3	78.6	(4.9)
UFS, Inc.	64.4	62.2	2.2	10.6	10.5	0.3
USA Jet	144.7	118.9	25.8	65.1	51.1	16.8
Vanguard 4/	119.4	117.0	2.3	22.1	14.7	6.6
Zantop	4.9	4.6	0.4	(67.6)	(72.9)	2.0
Total	2,924.9	2,699.2	225.7	18.6	8.4	251.0

1/ FY 1999, carrier did not report 4th quarter data.

2/ Carrier began reporting 2nd quarter FY 1999.

3/ Carrier began reporting 2nd quarter FY 1998.

4/ FY 1999, carrier did not report 2nd, 3rd, and 4th quarter data.

**THE FINANCIAL DATA ON THIS PAGE ARE BASED ON EACH CARRIER'S
QUARTERLY FILINGS ON DOT FORM 41.**

FINANCIAL RESULTS

FISCAL YEAR 1999

SELECTED REGIONALS/COMMUTERS 1/

<u>CARRIER</u>	<u>OPERATING REVENUES</u> (\$Mil)	<u>OPERATING EXPENSES</u> (\$Mil)	<u>PROFIT/ (LOSS)</u> (\$Mil)	<u>Change from FY 1998</u>		
				<u>OPERATING REVENUES</u> (%)	<u>OPERATING EXPENSES</u> (%)	<u>PROFIT/ (LOSS)</u> (\$Mil)
Atlantic Coast Airways 2/	256.4	217.7	38.7	21.0	26.9	(1.6)
CCAir 3/	19.3	17.9	1.4	32.2	29.3	0.6
Comair 2/	624.0	457.3	166.7	14.3	13.9	22.0
Great Lakes 4/	63.4	60.4	3.1	37.1	29.2	3.5
Mesa 3/	300.2	274.8	25.4	(23.9)	(37.1)	67.7
Skywest 2/	336.6	276.1	60.4	34.5	31.2	20.8
Total	1,599.9	1,304.2	295.7	9.3	1.8	113.0

1/ Carriers reporting traffic data on Securities and Exchange Commission Form 10Q.

2/ Data and comparison based on three quarters of data from FY 1998 and FY 1999.

3/ Data and comparison based on one quarter of data from FY 1998 and FY 1999.

4/ Data and comparison based on two quarters of data from FY 1998 and FY 1999.

<p>THE FINANCIAL DATA ON THIS PAGE ARE BASED ON EACH CARRIER'S QUARTERLY FILINGS ON SECURITIES AND EXCHANGE COMMISSION FORM 10Q.</p>

SYSTEM PASSENGER YIELDS

(AVERAGE REVENUE PER SCHEDULED REVENUE PASSENGER MILE)

FISCAL YEAR 1999

	<u>Actual Yield</u> (Cents)	<u>Change from FY 1998</u> (%)	<u>Break Even Yield</u> (Cents)	<u>Increase Required To Break Even</u> (%)
<u>Majors</u>				
Alaska	12.43	1.4	10.78	--
America West	11.45	1.2	10.31	--
American	12.99	(4.9)	12.06	--
Continental	12.11	(4.8)	11.02	--
Delta	12.63	(1.7)	11.09	--
Northwest	11.37	(1.5)	10.70	--
Southwest	12.44	(1.6)	10.19	--
Trans World	11.54	(2.4)	12.11	1.05
United	12.23	(0.7)	11.15	--
USAirways	16.67	(3.2)	15.64	--
Total Reporting	12.59	(2.6)	11.50	--
<u>Nationals</u>				
Air Wisconsin	22.03	(5.1)	21.28	--
Aloha	27.42	1.6	27.01	--
American Trans Air	9.96	5.74	8.57	--
Atlantic Southeast	36.81	(5.5)	28.50	--
Continental Express	33.41	(9.8)	27.62	--
Continental Micronesia	11.76	5.8	10.85	--
Executive	36.33	(8.9)	28.44	--
Hawaiian	9.88	0.3	9.51	--
Horizon	28.61	(4.4)	26.69	--
Kiwi	10.37	(13.9)	14.22	37.0
Midway	21.16	3.3	18.93	--
Midwest Express	18.52	(5.1)	15.33	--
National	9.10	n/a	18.51	103.4
Reno	13.59	8.8	13.80	1.6
Simmons	36.45	(13.7)	34.58	--
Tower	8.03	1.9	8.02	--
Trans States	49.66	16.9	48.20	--
USAir Shuttle	57.23	1.1	53.41	--
Total Reporting	18.02	4.4	16.40	--

SYSTEM PASSENGER YIELDS (Con't.)

(AVERAGE REVENUE PER SCHEDULED REVENUE PASSENGER MILE)

FISCAL YEAR 1999

	<u>Actual Yield</u> (Cents)	<u>Change from FY 1998</u> (%)	<u>Break Even Yield</u> (Cents)	<u>Increase Required To Break Even</u> (%)
<u>Large/Medium Regionals</u>				
AirTran (formerly ValuJet)	13.95	3.08	12.91	--
Eastwind	15.42	N/a	22.29	44.5
Frontier	14.54	6.1	12.39	--
Mesaba	27.61	(10.7)	24.31	--
Reeve	39.07	4.4	44.70	14.3
Spirit	9.70	(4.5)	9.24	--
UFS, Inc.	60.87	17.0	58.71	--
Vanguard	13.77	3.8	13.48	--
Total Reporting	15.71	(3.3)	14.40	--
 <u>Sel. Reg./Comm.</u>				
Atlantic Coast	32.92	(10.8)	27.87	--
CCAir	42.30	(13.2)	39.21	--
Comair	30.86	(8.5)	22.16	--
Great Lakes	41.13	10.9	38.61	--
Mesa	30.82	(5.1)	28.17	--
Skywest	37.57	3.7	30.71	--
Total Reporting	32.83	(4.6)	26.52	--
 Total Reporting Carriers	 13.05	 (2.1)	 11.89	 --

<p>YIELD DATA FOR MAJORS, NATIONALS, AND LARGE/MEDIUM REGIONALS ARE BASED ON EACH CARRIER'S FILINGS ON DOT FORM 41. YIELD DATA FOR SELECTED REGIONALS/COMMUTERS IS BASED ON EACH CARRIER'S FILINGS ON SECURITIES AND EXCHANGE COMMISSION FORM 10Q.</p>
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AIR CARRIER JET FUEL PRICES

FISCAL YEAR 1999

	<u>Cents/ Gallon</u>	<u>DOMESTIC</u>		<u>INTERNATIONAL</u>		
		<u>Percent Change from</u>		<u>Cents/ Gallon</u>	<u>Percent Change from</u>	
		<u>Previous Month</u>	<u>Same Month Previous Year</u>			<u>Previous Month</u>
FY 1998						
October	61.17	2.9	(13.0)	66.07	4.1	(15.4)
November	62.60	2.3	(11.9)	68.33	3.4	(13.5)
December	59.75	(4.5)	(18.6)	67.47	(1.3)	(16.5)
January	56.84	(4.9)	(23.0)	62.86	(6.8)	(22.6)
February	54.86	(3.5)	(24.4)	58.94	(6.2)	(25.2)
March	51.14	(6.8)	(21.7)	55.80	(5.3)	(21.3)
April	51.20	0.1	(17.9)	54.50	(2.3)	(18.7)
May	50.50	(1.4)	(16.8)	55.09	1.1	(17.0)
June	48.60	(3.8)	(18.7)	53.90	(2.1)	(18.2)
July	48.85	0.5	(16.8)	52.07	(3.4)	(18.8)
August	48.33	(1.1)	(22.6)	51.06	(1.9)	(20.6)
September	48.63	0.6	(18.2)	50.72	(0.7)	(20.1)
AVG. FY 1998	53.48		(18.6)	57.88		(18.7)
FY 1999						
October	49.97	2.8	(18.3)	53.85	6.2	(18.5)
November	50.10	0.3	(20.0)	53.99	0.3	(21.0)
December	44.49	(11.2)	(25.5)	48.15	(10.8)	(28.6)
January	44.34	(0.3)	(22.0)	47.57	(1.2)	(24.3)
February	43.89	(1.0)	(20.0)	48.74	2.5	(17.3)
March	43.83	(0.1)	(14.3)	46.61	(4.4)	(16.5)
April	47.27	7.8	(7.7)	51.11	9.7	(6.2)
May	47.11	(0.3)	(6.7)	52.37	2.5	(4.9)
June	49.47	5.0	1.8	51.91	(0.9)	(3.7)
July	50.82	2.7	4.0	54.68	5.3	5.0
August	54.23	6.7	12.2	60.58	10.8	18.6
September	55.76	2.8	14.7	63.00	4.0	24.2
AVG. FY 1999	48.53		(9.3)	52.88		(8.6)

Domestic jet fuel averaged 48.5 cents and international jet fuel 52.9 cents per gallon during FY 1999. This represents a decrease of 9.3 and 8.6 percent respectively from average domestic and international fuel prices paid during FY 1998. Air carrier jet fuel consumption increased 3.9 percent during FY 1999--up 3.6 percent in domestic markets and 1.1 percent in international markets.

THE FUEL DATA ON THIS PAGE ARE BASED ON DOT FORM 41 FILINGS.

