



## Monthly Statistical Report

To: Russell J. Handy, Aviation Director  
From: Brian Pratte, Air Service Administrator  
Copies: San Antonio Regional Stakeholders  
Subject: July 2018 Monthly Statistics  
Date: August 23, 2018

### ALL-TIME PASSENGER RECORD SET AGAIN IN JULY 2018

#### SUMMARY

It was a month of firsts at San Antonio International Airport (SAT) which again climbed to new heights with all-time record passenger growth during the month of July, a record that was only broken in June. A total 933,290 passengers –a remarkable increase of 10% or over 84,000 passengers- flew through the airport during the month, the most of any on record and first time an excess of 900,000 passengers flew through the airport in a single month. Furthermore, July's growth continued to boost calendar year-to-date totals at 9.5% which is expected to climb with the 11 new flights that began in August. The recent growth at SAT reflects an ongoing trend of progress at the airport in its effort to attain and retain air service with multiple new routes added in the past two years and record passengers for the past two consecutive years (25 months).

Domestic traffic for the month rose over 9% compared to July 2017 driven largely by capacity increases by many of the domestic carriers and new routes on American, Frontier and Southwest. International traffic soared over 16%, or 53,194 passengers, the first time to reach that level since July 2015 and the second highest monthly level on record.

Additionally, a total of 22,022,964 pounds of air cargo moved through SAT in July 2018 representing an extraordinary 15% increase YOY, the fourth month this year to have a double-digit increase, making it the 12th consecutive month of growth.

(Please see Exhibit A for a detailed breakdown)

Since 2016, 33 new flights have either been added or announced at SAT contributing to the recent passenger growth at the airport. These additions, along with extraordinary population growth, are telling indicators of a flourishing economy in the San Antonio area. According to the Bureau of Labor Statistics, unemployment rates continue to fall year after year and are consistently below the national average. From May 2017 to May 2018, over 29,000 jobs were added in the Alamo City with significant growth in the tech, cybersecurity, bioscience and manufacturing sectors. The visitor and tourism industry continues to outpace their hotel occupancy targets set for the next several years and below national average cost of living continues to make San Antonio an increasingly attractive place to live, work and do business.

(Sources: U.S. Census Bureau, San Antonio Economic Development Foundation and Visit San Antonio)

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## DOMESTIC PASSENGERS

Scheduled domestic capacity, or seats, increased 5.8% or 28,054 seats in July 2018 vs. July 2017 with a total of 511,175 monthly departure seats. Airlines routinely make monthly or seasonal adjustments to the number of flights and seats available to match market demand trends.

Since fall 2017, Frontier Airlines has launched new nonstop service to 10 markets which contributed to a 100% surge in capacity for the airline in July. Furthermore, American Airlines grew their capacity by nearly 10% with the launch of Philadelphia in February and deploying larger aircraft and/or increasing frequency to Chicago O'Hare and Phoenix while Southwest grew capacity by 3% with the launch of Fort Lauderdale and Oakland. United reduced capacity by 2% in July with adjustments to San Francisco and Chicago O'Hare while Allegiant reduced capacity with the ending of Fort Lauderdale service.

Airline	Seat Capacity Change	Passenger Change
Alaska Airlines	(0.6%)	4.0%
Allegiant Air	(45.9%)	(43.8%)
American Airlines	9.8%	12.5%
Delta Air Lines	2.9%	4.0%
Frontier Airlines	100.0%	106.4%
Southwest Airlines	3.1%	6.1%
United Airlines	(2.0%)	6.7%

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

- American Airlines: began daily nonstop service to Philadelphia in February 2018 and increased aircraft gauge to Chicago O'Hare and Phoenix in spring 2018
- Frontier Airlines: began service to New Orleans, Ontario, CA, Phoenix, San Diego and Washington-Dulles in fall 2017 and launched service to Cincinnati, Colorado Springs, Orlando, Raleigh-Durham and San José, CA in April 2018
- Southwest Airlines: launched new daily service to Fort Lauderdale and Oakland and added capacity to several markets while reducing frequency to Nashville in July 2018
- United Airlines: increased aircraft gauge and/or frequency to Denver in June 2018 as well as to Washington-Dulles in fall 2017



## INTERNATIONAL PASSENGERS

Scheduled international capacity grew considerably in July 2018 at 34,543 monthly departure seats or 32.2%. This was primarily driven by added seats on Interjet to Guadalajara, Mexico City and Monterrey and Volaris to Mexico City. Of note, SAT was among the top five U.S. airports with the most added seats to Mexico in July.

Overall, total international passengers increased significantly by 16.3% YOY in July, the most since the same month in 2015. This was due, as noted earlier, by capacity increases by both Interjet and Volaris. However, current macro-level economic and political uncertainties continue to suppress demand between Mexico, SAT and the United States as a whole. The valuation of the Peso to the U.S. Dollar continues to struggle to gain significant improvement since its collapse in 2015. SAT's air service team continues to monitor this closely and any effect it may have on service levels to/from Mexico.

Airline	Seat Capacity Change	Passenger Change
Air Canada	4.1%	2.1%
Aeromexico	(6.2%)	(6.1%)
Interjet	20.7%	8.9%
Southwest*	5.8%	9.4%
United*	(10.4%)	(15.9%)
Volaris	366.7%	238.0%

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

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

- Air Canada: reduced daily service to 5-6X weekly during off-peak travel months (Nov-May)
- Interjet: increased capacity to Guadalajara and Monterrey during peak summer months (Jun-Aug)
- Southwest & United: offers service to Cancún on a seasonal basis
- Volaris: launched daily service to Mexico City in September 2017 which has since become seasonal, operating only during peak travel periods. Increased seasonal capacity to Guadalajara in June 2018 during peak months only



## RECENT SCHEDULE CHANGES

In July 2018, Southwest Airlines began **NEW** daily, year-round, nonstop service to Oakland (OAK) and Fort Lauderdale (FLL). Prior to launch, OAK was an unserved market and FLL was only served seasonally. Both markets bring much needed capacity to the Bay Area and Southeast Florida and are flown on 143/175-seat Boeing 737 aircraft. Southwest has also recently increased frequencies to multiple cities, mostly during the peak summer season.

In May and June 2018, Frontier announced weekly service to 11 **NEW** markets- all recently began this August. They include Albuquerque, Charlotte, Cleveland, Columbus, Jacksonville, Memphis, Oklahoma City, Omaha, Orange County, Salt Lake City and Tulsa with all but Charlotte and Salt Lake previously unserved markets. This is in addition to 10 additional routes launched within the last year bringing the total number of Frontier destinations either announced or served from SAT to 25, the largest amount of any carrier at SAT.

In March 2018, Mexican low-cost carrier Interjet, announced **NEW** daily nonstop service to León, Mexico (BJX), the fourth Mexican city served by the carrier and fifth from SAT. Service to BJJ was initially set to begin June 22, but has since been pushed back to November due to aircraft delivery delays. The flight will operate on a 93-seat Sukhoi Superjet 100 aircraft offering convenient central access to Mexico's thriving Bajío region.

In February 2018, American Airlines launched **NEW** daily, year-round, nonstop service to Philadelphia, a market previously served only seasonally by Frontier. The new service is operated on a 128-seat Airbus A319 aircraft and provides added capacity to the East Coast and American's primary transatlantic gateway.

At the beginning of 2018, Frontier and Volaris announced a first of its kind codeshare agreement between the two ultra-low-cost carriers. The codeshare is anticipated to begin implementation late summer 2018 and is expected to have a positive impact on passenger traffic between the two carriers at SAT, though specific flight details are not yet available.

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

Volaris recently launched **NEW** nonstop service to Mexico City in September 2017 flown on a 179-seat Airbus A320 aircraft which is operated seasonally during peak travel periods. With this added service, SAT now offers four peak-day nonstop flights to Mexico's capital city.

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



## EXHIBIT A

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

	July			Calendar Year-to-Date		
	2018	2017	% Change	2018	2017	% Change
<b>Passengers</b>						
Domestic Enplanements	441,070	401,029	10.0%	2,751,500	2,507,690	9.7%
Domestic Deplanements	439,026	402,199	9.2%	2,725,768	2,506,657	8.7%
<b>Total Domestic Passengers</b>	<b>880,096</b>	<b>803,228</b>	<b>9.6%</b>	<b>5,477,268</b>	<b>5,014,347</b>	<b>9.2%</b>
Intl Enplanements	25,550	22,611	13.0%	120,670	105,233	14.7%
Intl Deplanements	27,644	23,113	19.6%	118,593	101,674	16.6%
<b>Total Intl Passengers</b>	<b>53,194</b>	<b>45,724</b>	<b>16.3%</b>	<b>239,263</b>	<b>206,907</b>	<b>15.6%</b>
<b>Grand Total All Passengers</b>	<b>933,290</b>	<b>848,952</b>	<b>9.9%</b>	<b>5,716,531</b>	<b>5,221,254</b>	<b>9.5%</b>
<b>Air Cargo (in Pounds)</b>						
Domestic Freight Enplaned	6,615,577	5,236,519	26.3%	45,793,594	35,049,634	30.7%
Domestic Freight Deplaned	8,693,664	7,604,115	14.3%	59,791,991	55,921,522	6.9%
<b>Total Domestic Freight</b>	<b>15,309,241</b>	<b>12,840,634</b>	<b>19.2%</b>	<b>105,585,585</b>	<b>90,971,156</b>	<b>16.1%</b>
Intl Freight Enplaned	595,227	519,941	14.5%	3,712,401	4,064,007	-8.7%
Intl Freight Deplaned	258,817	176,427	46.7%	1,418,504	1,238,912	14.5%
<b>Total Intl Freight</b>	<b>854,044</b>	<b>696,368</b>	<b>22.6%</b>	<b>5,130,905</b>	<b>5,302,919</b>	<b>-3.2%</b>
<b>Total Freight</b>	<b>16,163,285</b>	<b>13,537,002</b>	<b>19.4%</b>	<b>110,716,490</b>	<b>96,274,075</b>	<b>15.0%</b>
Mail Enplaned	2,166,609	2,118,817	2.3%	16,211,184	15,937,553	1.7%
Mail Deplaned	3,693,070	3,584,084	3.0%	26,444,155	25,881,048	2.2%
<b>Total Mail</b>	<b>5,859,679</b>	<b>5,702,901</b>	<b>2.7%</b>	<b>42,655,339</b>	<b>41,818,601</b>	<b>2.0%</b>
<b>Grand Total All Air Cargo</b>	<b>22,022,964</b>	<b>19,239,903</b>	<b>14.5%</b>	<b>153,371,829</b>	<b>138,092,676</b>	<b>11.1%</b>