



Lufthansa Cargo

D-ALFA

## Air and Ocean Freight Outlook

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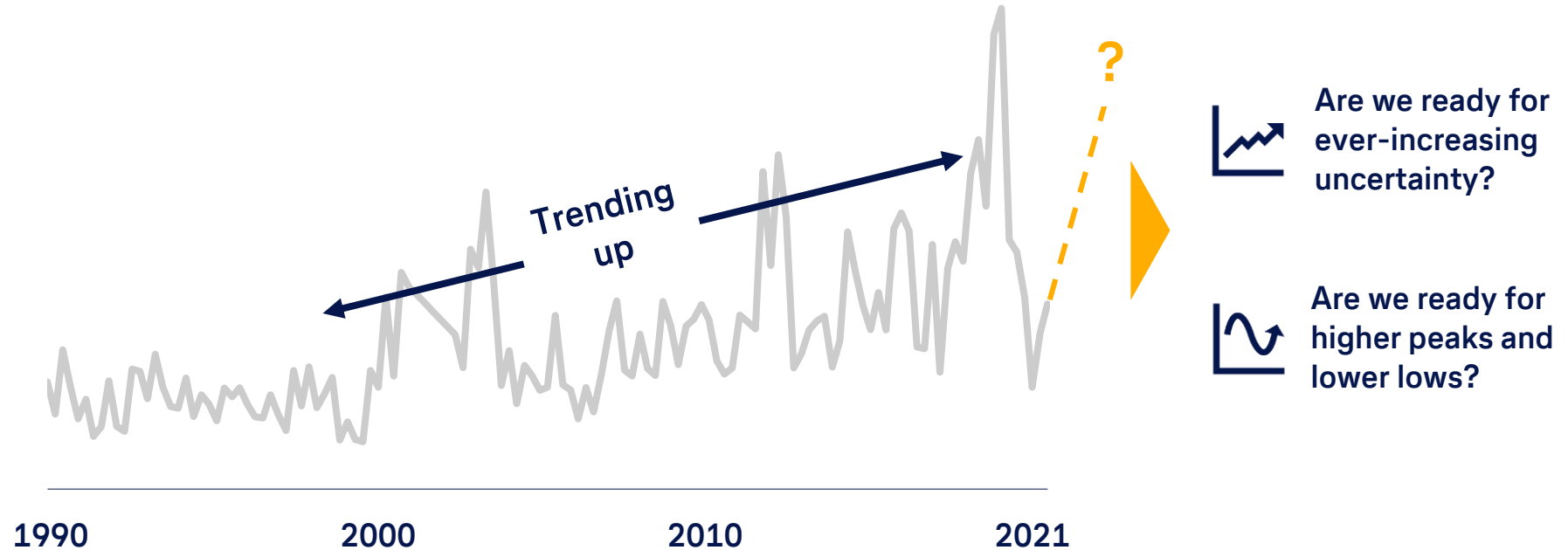


**Lufthansa Cargo**

# Uncertainty, complexity and speed of change has increased



 | World Uncertainty Index

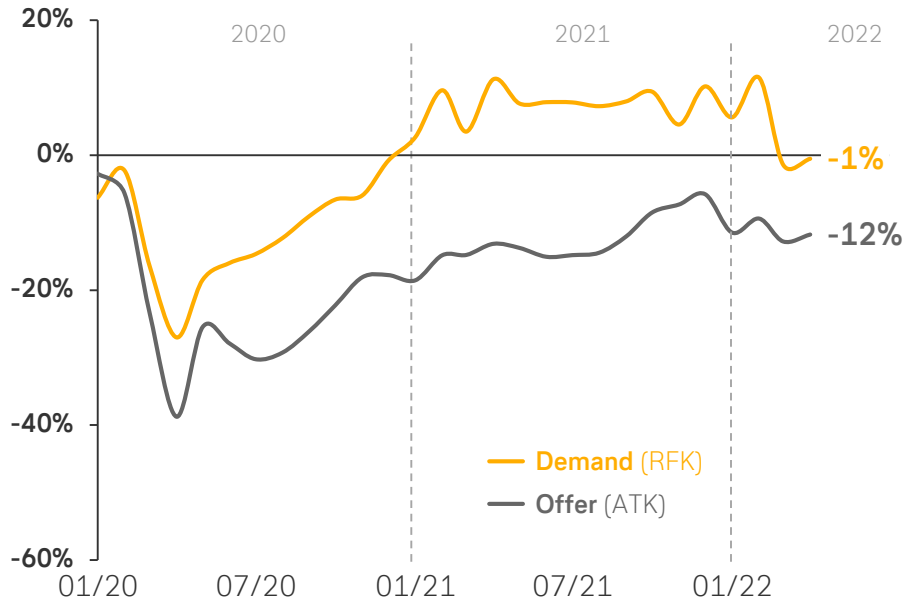


# Demand well above pre-crisis levels, capacity not yet recovered



## Global air cargo market

Change vs. same month 2019, in %

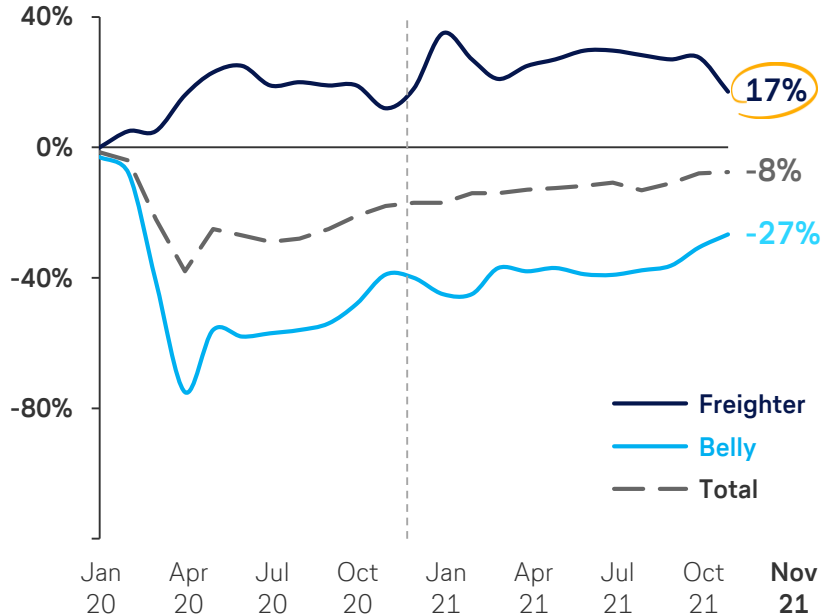


# Restart of global belly capacities affected by new corona wave



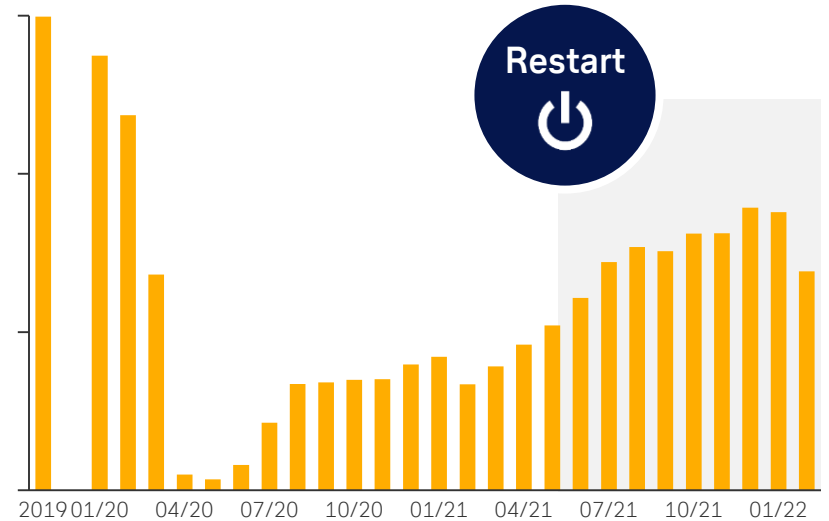
## ✈ Capacity development

Change vs. same month 2019, in %



## 🌐 Lufthansa Cargo managed belly flights

Intercont-flights, per month

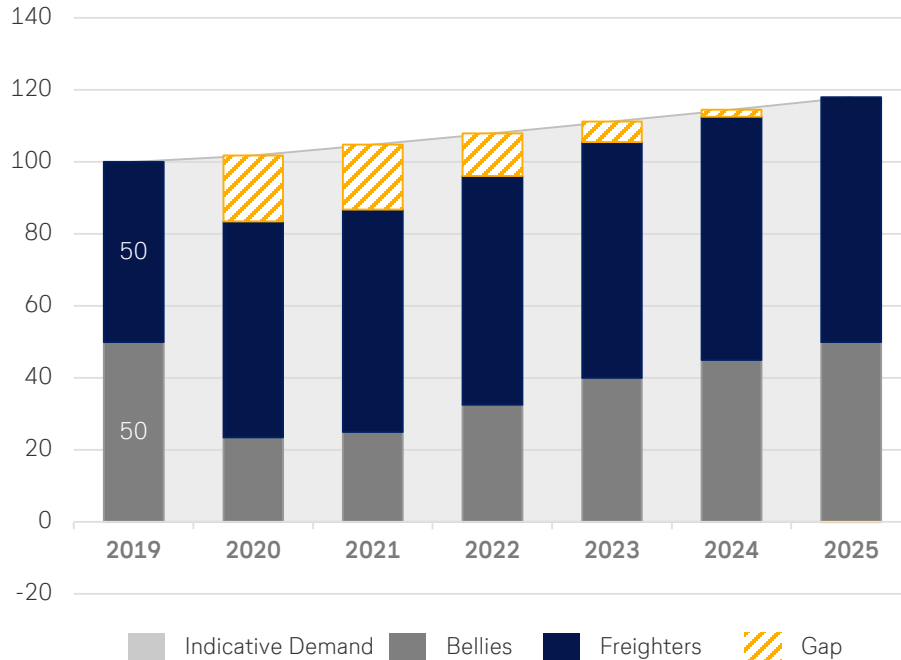


# Capacity gap expected until 2025 due to missing belly capacities



## ✈️ Air cargo capacity projection

Index (2019 = 100%)



Further supply chain **disruptions** due to missing parts and materials



**Port congestion** continue as fewer ships waiting, but huge delays remain



**eCommerce** is becoming an important driver for air cargo



# No lasting negative impact foreseen on the air cargo market from the pandemic



## 5 fundamental reasons for continued growth

### 1 Global economies will recover

by end of 2022, global GDP is projected to be 7% above Q4 2019 levels (OECD).



### 3 Air Cargo continues to transport high value goods

Ocean and rail transport are not yet able to offer the USPs of air transport - **speed**, **reliability** and **safety**.



### 5 Air Cargo continues to solve problems

Unscheduled cargo will continue to be a significant part of air cargo demand, as there will **"always be something"** that can't be predicted...



### 2 Global trade will continue.

Specialization and economies of scale, wage arbitrage and raw material availability are still reasons for global trade



### 4 Increasing customer demands for speed

Hedonism will continue, driving demand for even faster product cycles and instant service. **eCommerce** is a significant demand driver, with cross-border trade growing at double-digit annual rates.



**Air freight will continue to be a growing market**

# Important demands on a successful air cargo future



**A “Phygital” future:**  
combining a digital core with human expertise: real-time, connected and data-driven



**Societal responsibility:**  
investing and shaping a more sustainable future: fleet, sustainable aviation fuel

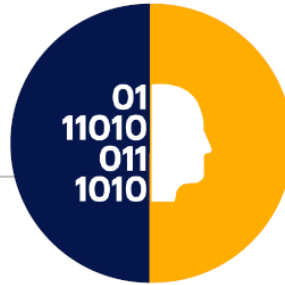


**Evolving customer demands:**  
Speed of change is pushing expectations to new levels: same day, eCommerce

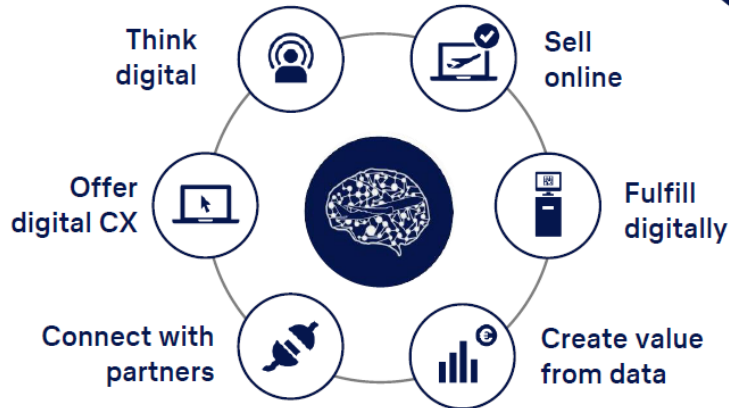
# A Phygital future: In an “AND” world, combining a digital core with human expertise



A digital core



Human expertise



## New Ways of Collaboration



- **“People’s business”**: Human interaction & collaboration remains key
- **Hybrid Work**: in a “borderless & inclusive” world
- **Winning talents** will be a differentiator
- Designing meaningful jobs: **develop and re-skill people**
- Focus on purpose to expand perspectives



# Customer focus: Finding solutions to constantly evolving customer demands



## Customer experience

- In a mobile-first world everything is available within a few clicks
- Ease of collaboration and use
- Transparency and reliability
- 24/7 availability and real-time problem-solving



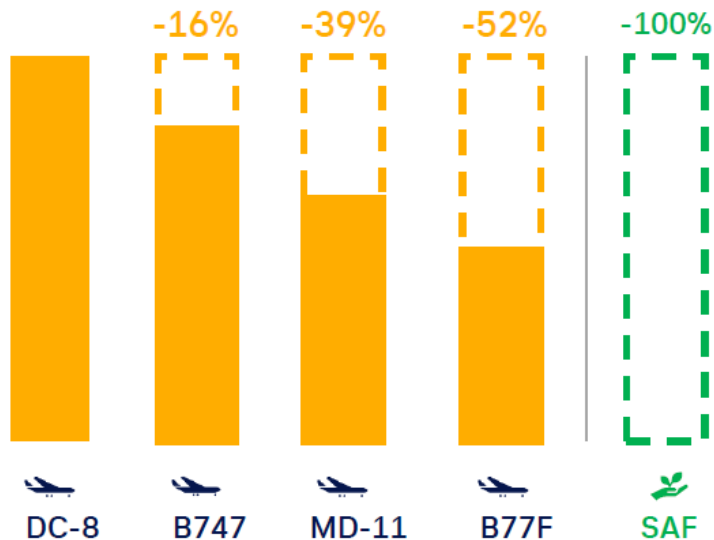
## From supply-chain to value-chain

- Corona showed air cargo's system relevance
- Creating value = finding new solutions
- More fluid collaboration among entire value chain

# Societal responsibility: Investing into and jointly shaping a sustainable future



## | Investments into a modern fleet Fleet CO<sub>2</sub> reduction within 25 years



## DESTINATION 2050

- Invest substantially into decarbonization, e.g. lightweight container, AeroShark, green Energy
- New energy-efficient aircrafts
- Support scale up of SAF production
- Implement latest innovations in ATM and flight planning
- Offer carbon neutral transportation products

## The future of Air Cargo –Starting into a new normal:



**“The illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn. ”**

**- Alvin Toffler**