2026, April 1st

Impact of the conflict in the Middle East on air transport

Key points

The conflict in the Middle East is causing a severe regional disruption to air traffic. Global repercussions, particularly in relation to energy, are being observed.

In week 12, **air transport in the Middle East fell to 50% of the level recorded in the same week of 2025**. In this third week of the conflict, the major Gulf hubs have been particularly hard hit, with a **sharp decline in Doha (-85%) and a more moderate one in Dubai (-65%).**

Intra-Middle East traffic is the hardest hit, at just 35% of 2025 levels. Flows between the Middle East and Europe are also severely reduced, at 42% of 2025 levels. Connections between the Middle East and Asia stand at 48% of 2025 levels, confirming the widespread impact of the crisis.

Some airlines are more exposed than others, particularly local operators heavily reliant on their regional hubs. **Qatar Airways is operating at just under 15% of its 2025 level**. European airlines, meanwhile, are drastically scaling back their presence in the region.

Beyond passenger numbers, the key issue in this crisis is the price of energy. The price of jet fuel has already doubled after three weeks of conflict, which has come as a severe blow to airlines and is affecting global air traffic as a whole. This rise is particularly significant as fuel accounts for around 25% of an airline's operating costs. If this tension were to persist, carriers would be forced to squeeze their margins or pass on the increase to ticket prices, representing **a rise of around 10% without oil price hedging.**

From an industrial perspective, **the Middle East is not considered a major hub for the manufacture of aircraft components.** Manufacturers are, however, already initiating discussions with their suppliers to assess the impact on their order books.

The conflict in the Middle East has led to a 50% drop in air traffic

-50 %

traffic from the Middle East in the third week of the conflict compared with 2025 (a 65% drop from 2025 to Dubai and an 85% drop to Doha)

This has also led to a doubling of the price of kerosene worldwide

x2

jet fuel prices have doubled

Slowing down global air traffic, which nevertheless remains above its 2025 level

+2 %

compared with its 2025 level in the third week of the conflict (Week 12), but at a slower pace than before the conflict began (+5% in Week 9)

Energy crisis: a risk of stagflation if the conflict in the Middle East drags on

Global growth is slowing and being directly affected
Global growth is expected to reach 3% in 2026 but could slow further due to rising prices resulting from the war in Iran. The impact is likely to remain limited if the conflict and the blockade of the Strait of Hormuz do not persist. The duration of the war is the key factor in assessing the macroeconomic impact. The United States could withdraw from the conflict due to the mid-term elections on 3 November 2026. In the event of a short conflict, the inflation rate is expected to rise in March and April before slowing down. Consequently, central banks are unlikely to intervene.

The real risk is a lasting shock, not just a temporary one
The conflict becomes structural if it lasts several weeks, particularly beyond the end of April 2026, with a prolonged blockade of the Strait of Hormuz and an escalation of attacks.

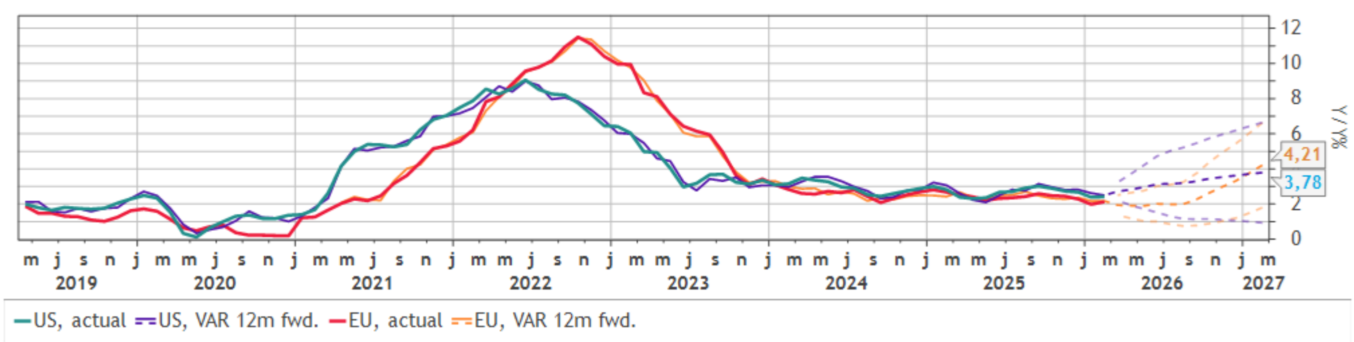
Energy is the key indicator
As long as prices remain contained, the crisis remains manageable. However, oil prices exceeding $120-$150 and very high gas prices would tip the economy into a deep crisis.

The main danger is a physical shortage
The problem would not be merely rising prices, but an actual disruption to supplies of oil, gas, fertilizers or petrochemicals, with a high risk of recession.

Europe would be particularly vulnerable
Economists warn of a risk of stagflation (high inflation and low growth), a loss of industrial competitiveness and even accelerated deindustrialization if energy prices remain high for a prolonged period.

The crisis could accelerate the restructuring of global trade
It would reinforce trends already underway: the regionalization of supply chains, diversification of energy suppliers, new trade routes and the reconfiguration of economic alliances.

CPI in the United States and the European Union

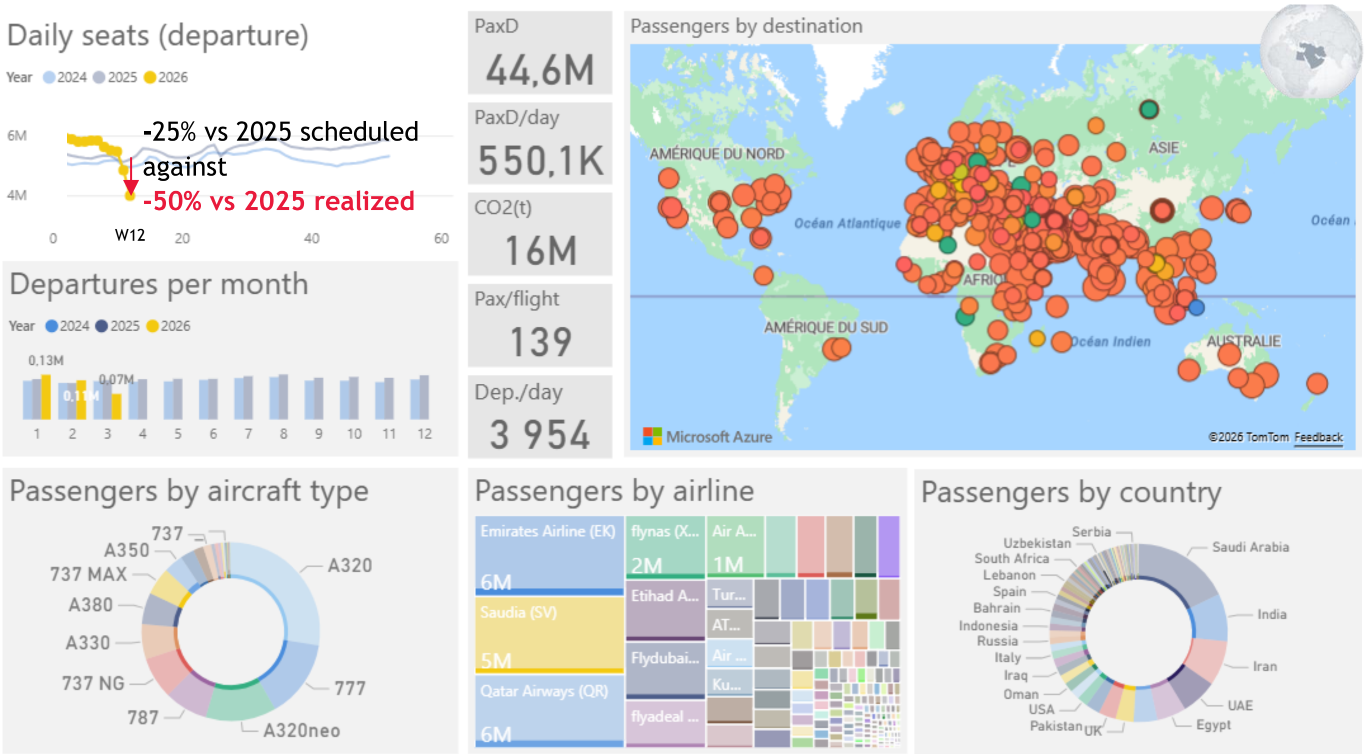


Source : Eurostat, BLS, BDO Advisory

Inflation expectations are rising in both the US and the EU. Escalating tensions in the Middle East risk reigniting pressure on energy prices, which could halt the recent trend of slowing inflation.

The Middle East, a growing air transport market which, to date, is down by 50% vs25

Scheduled flights __from the Middle East__ from 1 January 2026 to 22 March 2026*



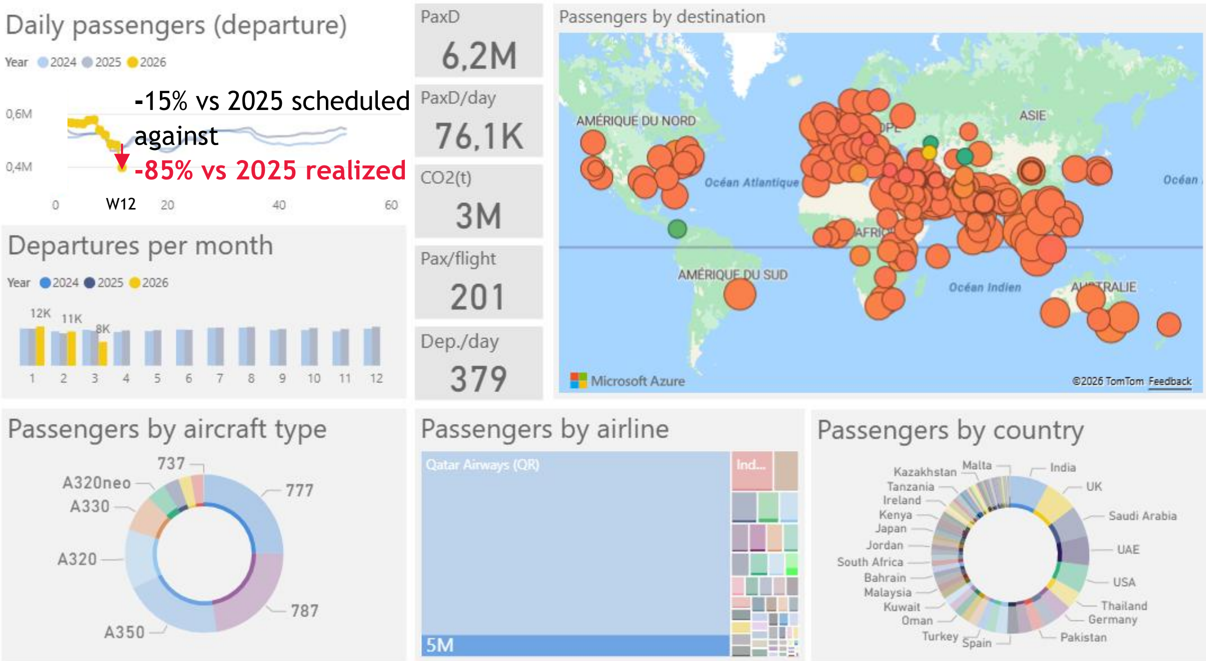
**These charts show scheduled traffic (as published by the airlines). However, in times of crisis, many scheduled flights are not operated, and actual traffic is significantly lower. Airlines are slow to adjust their flight schedules to the situation.*

With the main hubs in the ME at a standstill, passengers in Doha have fallen by nearly 85%

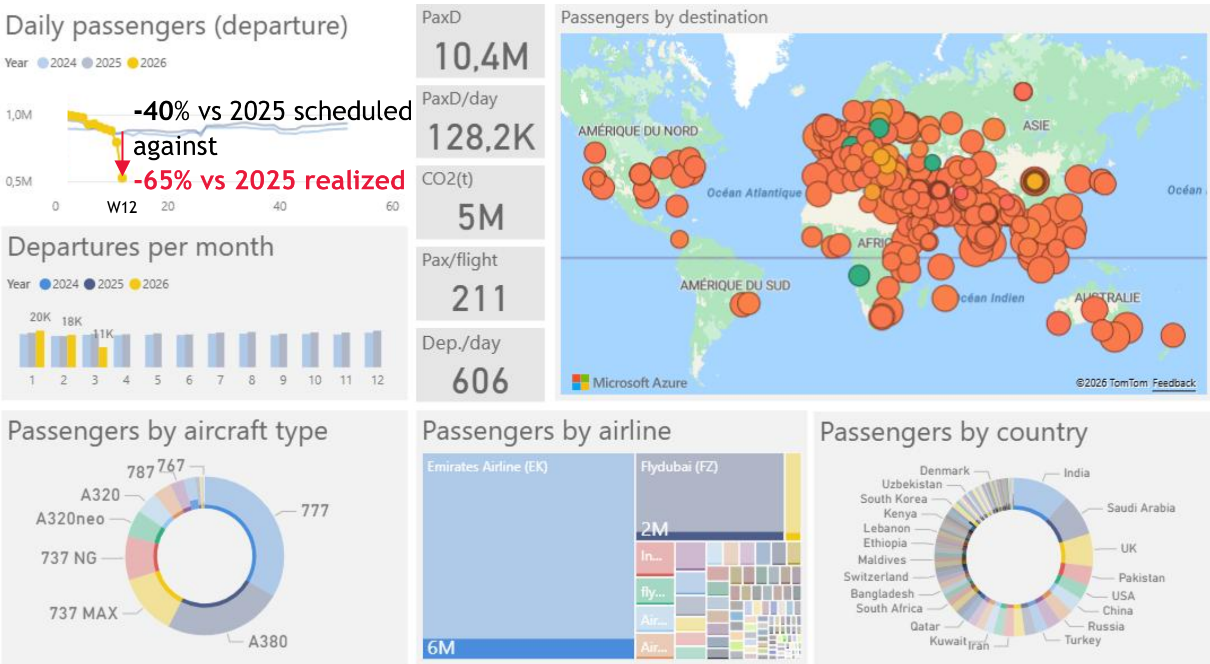
At the heart of the conflict, the Middle East's largest hubs are bearing the full brunt of the war. Having come to a complete standstill on 1 March 2026, traffic remains severely restricted and has been temporarily suspended during certain time slots to ensure flight safety.

After a record start to the year, Dubai and Doha are reporting a drop in traffic of nearly **65%** and **85%** respectively.

Scheduled flights **from Doha** from 1 January 2026 to 22 March 2026*



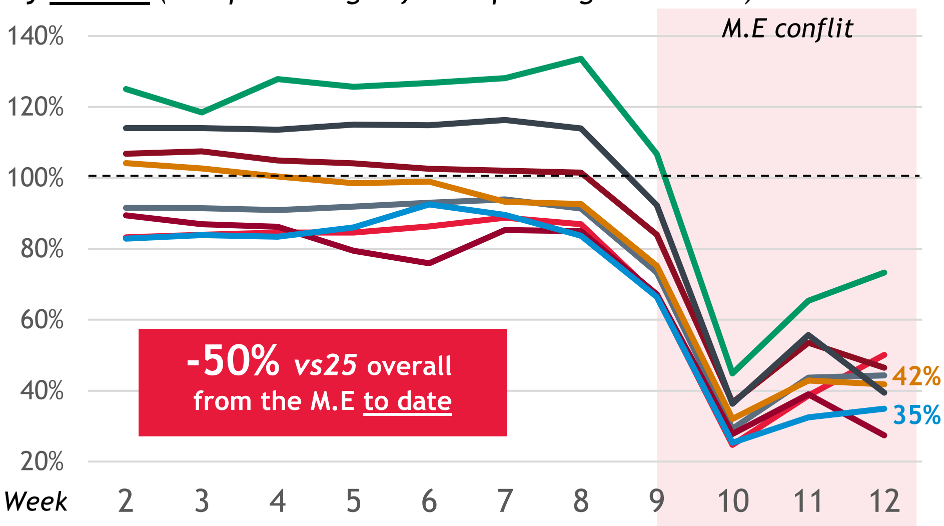
Scheduled flights **from Dubai** from 1 January 2026 to 22 March 2026*



**These charts show scheduled traffic (as published by the airlines). However, in times of crisis, many scheduled flights are not operated and actual traffic is significantly lower. Airlines are slow to adjust their flight schedules to the situation.*

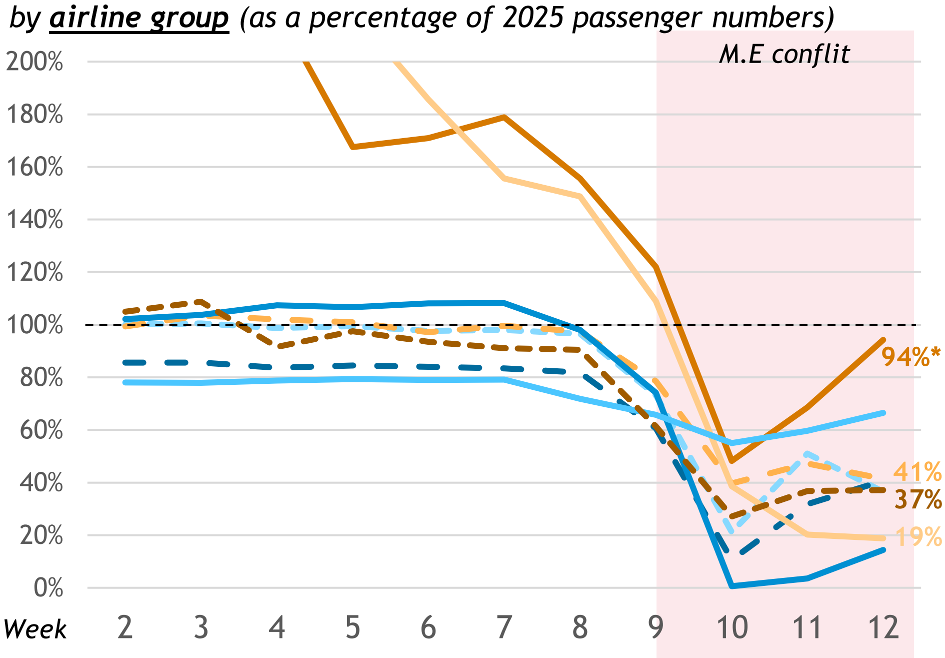
European airlines are significantly scaling back their services to the Gulf region

Passengers carried from the Middle East *from 1 January 2026 to 22 March 2026 by* ***market*** *(as a percentage of 2025 passenger numbers)*



Regions	*Pax 2025*
LATAM	0,5M
Africa	21,6M
N. America	5,4M
Asia	53,4M
Europe	46,1M
Oceania	2,5M
Intra M.E	107,0M
CIS	6,6M

Passengers carried from the Middle East *from 1 January 2026 to 22 March 2026 by* ***airline group*** *(as a percentage of 2025 passenger numbers)*



Airline group	*Pax 2025*
Air France - KLM	0,7M
Saudia	28,2M
IAG	0,8M
Etihad Airways	13,1M
Emirates Airline	29,4M
Turkish Airlines	3,8M
Lufthansa	0,8M
Qatar Airways	26,5M

**AF started the year at 220% of its 2025 level, carrying over 20,000 passengers a week compared with 10,000 the previous year.*

After three weeks of conflict, all routes out of the Middle East have been affected. **In week 12, intra-Middle East traffic fell by 65% below its 2025 level, whilst traffic to Europe fell by 58%.**

European airlines have drastically reduced their traffic in the region; the Lufthansa Group is operating at less than 20% of its 2025 levels. This is also the case for the major local carriers, with **Qatar Airways, Etihad Airways, Emirates and Saudia operating at around 14%, 37%, 41% and 66% of their 2025 traffic levels respectively, after being completely grounded on 1 March 2026.**

Flydubai (UAE) and Flyadeal (Saudi Arabia), airlines with a strong presence in the Gulf, fell to 25% and 75% respectively of their 2025 traffic levels in week 12 (the third week of the conflict).

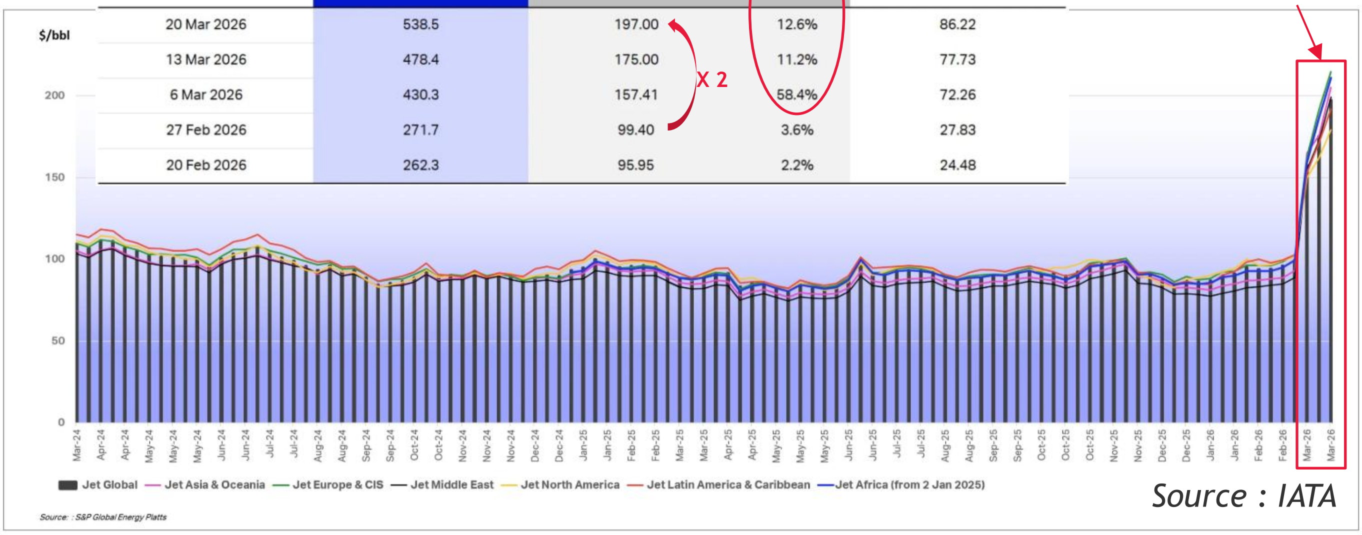
The rise in jet fuel prices is expected to push up airfares by 10-15%

Changes in jet fuel prices at regional and national level

The price of jet fuel has doubled in the three weeks since the conflict began

Week ending	Index Value (Year 2000 = 100)	Weekly Average Price $/bbl	Change vs prior week	Weekly Average Crack Spread $/bbl
20 Mar 2026	538.5	197.00	12.6%	86.22
13 Mar 2026	478.4	175.00	11.2%	77.73
6 Mar 2026	430.3	157.41	58.4%	72.26
27 Feb 2026	271.7	99.40	3.6%	27.83
20 Feb 2026	262.3	95.95	2.2%	24.48

X 2



Source : IATA

The conflict in the Middle East is having a direct impact on air traffic, as an entire region is now off-limits, or at the very least experiencing a sharp decline in traffic.

Airlines are already feeling the financial consequences: **longer flight routes**, due to the need to bypass Iranian airspace, are compounding **the rise in fuel prices**.

Flying around Iranian airspace

Bottleneck between Russia and Iran → Significant impact on flight scheduling for airlines on the Europe-Asia route

For airlines, this rise has been partially passed on to the price of airline tickets. It should be noted that for airlines, the relevant indicator is not Brent crude, but **Jet CIF** (the cost of refined kerosene including insurance and transport), **which has risen much more sharply (more than doubling)**. Fuel accounts for nearly a quarter of their operating costs.

What will happen in April? A rise of around 10-15% (without oil price hedging*) could occur.

Serious questions remain regarding changes in behaviour and travel intentions: faced with perceived risk and economic pressure on their budgets, passengers may choose to limit their travel or opt for destinations considered safer. **The current environment therefore remains highly uncertain.**

** Impact of rising fuel prices on ticket prices, excluding oil price hedging (a doubling of 25% of airlines' operating costs)*

FOR MORE INFORMATION

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