I Letter from François Robardet

At the forefront of more responsible European aviation, we bring people together to build the world of tomorrow.
(Raison d'être of the Air France-KLM group)

Air transport in France, Europe and the rest of the world

N°992, November 25, 2024

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I share the Air France-KLM Group's raison d'être:
At the forefront of more responsible European aviation, we bring people together to build tomorrow's world.

Monday's letter

Contents :

> Airline surcharge: Ryanair gives government ultimatum

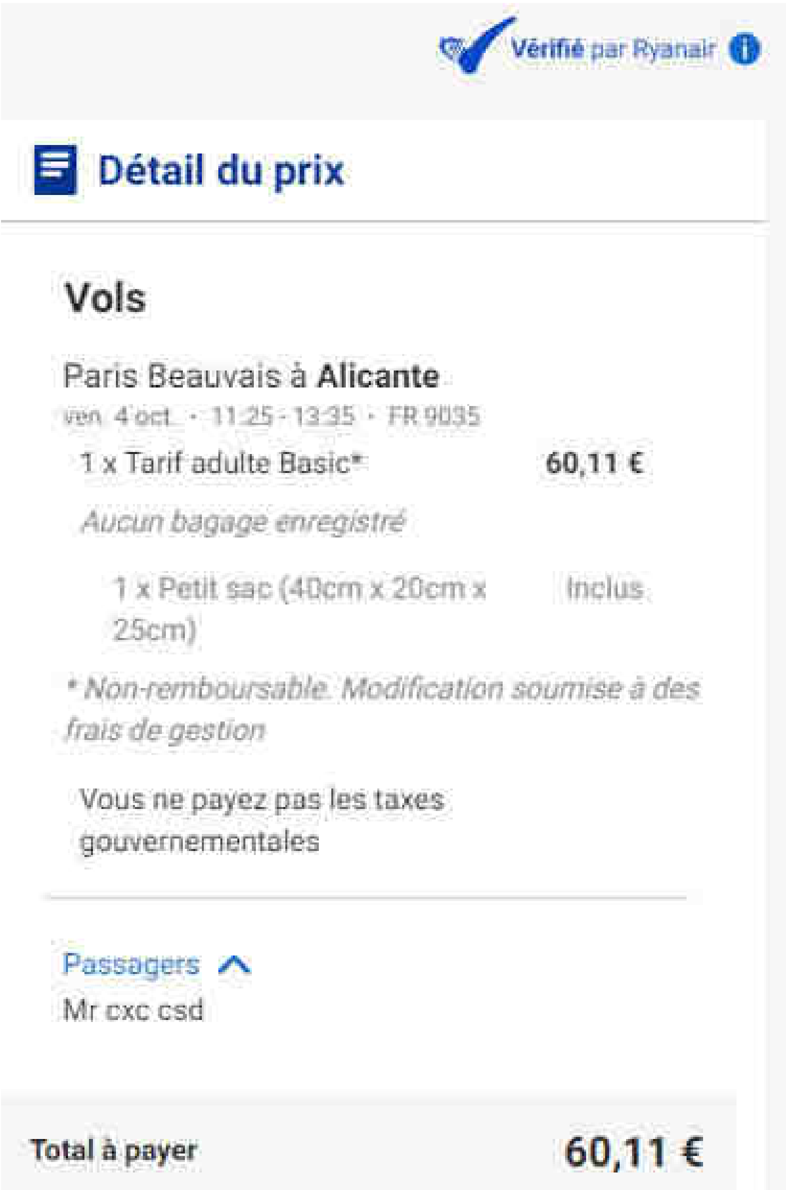
(source Les Echos) November 20, 2024

My comment: *The art of shooting yourself in both feet!*

In the left foot:
Ryanair acknowledges that its model is partly based on total or partial tax exemptions.

On this subject, the Cour des Comptes (French Court of Auditors) is constantly denouncing the relations between Ryanair and local authorities, without any follow-up.

The latest example is reported in my letter n°984; at Beauvais, Ryanair does not charge passengers government taxes. It says in full:



In the right foot:
Ryanair indicates that a 6-euro increase in the price of a ticket will lead it to close dozens of routes .

This threat lends credence to those who advocate higher taxes as a means of limiting air travel.

I'll be coming back to the subject of sobriety shortly, based on studies produced by the Académie de l'Air et de l'Espace. For the impatient, you'll find them on my website in the Sustainable Aviation  *section .*

Read the article:

Ryanair is raising its voice against plans to increase taxes on airline tickets in France. The low-cost airline is **threatening to stop serving ten regional airports in France from January 1, if the government does not abandon the increase in the so-called solidarity tax on airline tickets planned in the 2025 budget**.

"Ryanair is currently reviewing its French programs and expects to reduce capacity to and from French regional airports by up to 50% from January 2025, if the French government pursues its short-sighted plan to triple passenger taxes," warns its commercial director, Jason McGuinness, in a statement.

Ryanair did not specify which of the 22 French airports it currently serves would be affected. But the warning is no idle threat, given Ryanair's track record. In May, the airline announced the closure of its Bordeaux base and the departure of its three aircraft following a dispute with airport management over increased charges.

In the past, Ryanair had also packed up and left Marseille, only to return a few years later. The low-cost airline has also made similar threats in Belgium, Ireland, Italy and Spain, which were generally followed by action. In Germany, where the government has also raised taxes on air transport despite traffic levels still being lower than before Covid, Ryanair has already reduced its offer by 12% for next summer, closing 22 routes.
(...)
This ultimatum may come as a surprise, given that the planned increase is designed to raise the TSBA on medium-haul flights from 2.63 to 9.5 euros on European destinations (and up to 15 euros for medium-haul international flights). But according to Ryanair, France is already the European destination where air tickets are the most heavily taxed, with a levy of 24.09 euros once the

increase is ratified, "compared with zero euros in Spain, Italy, Poland and Ireland", the company assures. **For Ryanair, which is short of aircraft due to Boeing delivery delays, this new levy is an incentive to place its planes elsewhere, in more dynamic, less-taxed markets.**

> Ryanair, EasyJet... Heavy fines for five low-cost airlines in Spain

(source La Tribune) November 22, 2024

My comment: *Non-compliance with regulations is a common practice among European low-cost airlines.*

Here, we're talking about non-compliance with cabin baggage fees.

The previous article dealt with the non-payment of government taxes.

In the past, Ryanair has been ordered on several occasions to repay subsidies wrongly paid by French local authorities.

The failure of low-cost airlines to display tax details is also regularly highlighted.

The lack of control and the slowness of procedures encourage these airlines to pursue what appears to be fraud.

Read the article:

Will Spain's decision inspire other countries? **To combat certain commercial practices by low-cost airlines, Spain's Minister of Consumer Affairs**, Pablo Bustinduy, **has announced sanctions against five companies for abusive practices. Ryanair, Vueling, EasyJet, Norwegian and Volotea are concerned. The fines total 178,933,631.99** euros, according to a statement issued by the Ministry on Friday.

"The commitment of the Ministry of Consumer Affairs is clear: there can be no business models based on the violation of citizenship rights," asserts the minister on social network X.

More specifically, **these airlines are accused of charging extra for hand luggage or for choosing a seat on the plane when one of the passengers has to accompany a dependent person (disabled, children, for example).**

The fines come at the end of an investigation launched by the Directorate

General for Consumer Affairs in 2023, according to the Spanish ministry. On May 31, the consumer association Facua reported that it had lodged a complaint against these abusive practices, and that four airlines had been fined over 150 million euros. Following an appeal by the companies concerned, the Ministry of Consumer Affairs "rejected the appeals lodged by these airlines".

In detail, Ryanair was fined the highest amount, 107 million euros, followed by Vueling with 39 million euros, EasyJet (29 million euros), Norwegian (1.6 million euros), and finally, Volotea (1.1 million euros). The fines were awarded "on the basis of the profits obtained by the companies" thanks to these abusive practices, justifies the Ministry.

In a press release, the Facua association hailed the decision as "historic". "These sanctions are the highest ever applied by a consumer protection authority", it stressed, pointing out that "**users" could now "claim reimbursement of these charges**".

Ryanair boss Michael O'Leary reacted: "These illegal and unfounded fines were decided (...) for political reasons and are clearly contrary to European law", announcing that he would appeal.

They "will be overturned by the European courts, which have repeatedly upheld the right of European airlines to set their prices and policies without government interference", he added, quoted in a press release.

These financial sanctions are accompanied by new bans. In addition to the above-mentioned surcharges, which will be outlawed, airlines are also prohibited from imposing surcharges on passengers who print out their boarding passes at the airport. In addition, companies must be clear about the prices displayed on their websites, and can no longer prohibit cash payment at airports.

Airlines now have two months in which to lodge an appeal with the Administrative Litigation Chamber of the National Court. After this period, "the order will be effective", says the Spanish government. For its part, the Spanish Airline Association (ALA) has described the sanctions imposed on the companies as "absurd" and "illegal", reports the daily La Vanguardia. Spain would become the only country in the European Union where the charging of cabin baggage would be prohibited, according to the ALA, still according to the Spanish media.

> KLM's CEO doesn't understand the firm's yo-yo policy: "You can't run

a company like that".

(source Luchtvaartnieuws) November 19, 2024

My comment: *Although I risk repeating myself, the attitude of the Dutch government, Air France-KLM's second-largest shareholder, remains difficult to interpret.*

However, it is important to note that environmental pressure is more intense in the Netherlands than in France.

Any decisions taken by this government will merit particular attention, as they could herald a strategy geared towards sobriety, or even a gradual reduction in intra-European air transport.

Read the article:

KLM CEO Marjan Rintel is at a loss to understand the Dutch firm's aviation plans. Schiphol could be reduced to a maximum of 466,000 flight movements per year. According to Marjan Rintel, this affects millions of Dutch people who fly every year on vacation or business.

"For over a century, KLM has been serving many places to connect the Dutch with the rest of the world and vice versa. It's a promise we're proud to keep every day. But if the signals about the firm's plans are to be believed, we will soon no longer be able to keep that promise," worries Ms. Rintel in a message posted on LinkedIn.

"The Minister was right to say that degrowth is not an end in itself. He was also right to ask us to commit to investing to fly cleaner, quieter and more economically. Today, the government is telling us: it's good that you're investing in these planes, but we're not counting the profits. No one can run a company this way.

She continues: "We're meeting noise reduction targets by investing billions in new aircraft, among other things. At the same time, Schiphol and KLM are put in an impossible position to do their job: Connecting the Netherlands to the rest of the world as an international trading country".

While the Ministry is banking on 466,000 aircraft movements, Mr. Rintel believes this is very worrying. "This goes against international agreements. The risk of reprisals from other countries is real. First more, then less, then even less aircraft movements. The Dutch economy and the millions of Dutch people who travel every year with KLM and Transavia will suffer from this yo-yo policy.

A prosperous Netherlands needs aviation.

> Air France Industries innovates and diversifies its profiles

(source Journal de l'Aviation) November 22, 2024

My comment: *Air France Industries, and more generally AFI KLM E&M (the maintenance division of the Air France-KLM Group), is experiencing the same difficulties as its competitors in recruiting staff.*

The Covid crisis has not only led to a hiring freeze, but also to numerous layoffs at subcontractors.

These companies are struggling to catch up with the backlog accumulated during this period, not least because of the lengthy training courses required.

Read the article:

The return of air traffic to pre-Covid levels, the introduction of new-generation aircraft that are more fuel-efficient and quieter, and supply chain problems affecting all airlines, have led to strong growth in the aircraft maintenance sector for several months now. **The sector must both adapt to the latest technologies and equip itself with the human resources to meet aircraft maintenance needs**. Air France Industries, like other players in the sector, is buoyed by these trends. **Air France's fast-growing technical division is also set to increase its workforce in all areas of its activity, particularly but not exclusively in the field of mechanics, at a time when the job market is under pressure.**

AFI KLM E&M (the maintenance division of the Air France-KLM Group) currently has 13,000 employees, including 8,000 in France - at Air France Industries (AFI) and CRMA. By 2024, AFI had estimated its recruitment needs at between 450 and 500 people, including 150 executive profiles. The company continues to enjoy a high level of attractiveness, and should close the year with 460 new permanent contracts, a number that will be increased by internal transfers. Géry Mortreux, Executive Vice President, Air France Maintenance, points out that half of the new recruits are to replace people retiring, and the other half will fuel growth in the business, which is currently exceeding its pre-Covid level in volume terms, and should generate sales of around 3 billion euros this year.

High demand for mechanics and technicians

Of the 350 or so non-managerial positions on offer this year, 80% are for mechanics and technicians - the remaining 20% are in logistics, another sector in which AFI is concentrating its efforts. "We're looking for all types of aeronautical maintenance mechanics and technicians: aircraft mechanics, engine mechanics, equipment mechanics, structural mechanics, etc.," says Géry Mortreux. He adds that particular attention is paid to certain fields, such as "skills in composite materials", but also "profiles such as electrical engineers, electricians" and "specialists such as welders, machinists, tooling technicians", etc.

"The difficulty we're encountering today is that this growth is affecting industry in the broadest sense, and the needs are very great. The whole industry is under-capacitated and recruiting a lot," notes Géry Mortreux. He does, however, have one very positive point: "These professions are still very attractive. People are still interested in technical subjects, but they want their activities to be responsible. So we're putting a lot of emphasis on the Air France group's decarbonization ambitions."
(...)
But for this to happen, candidates have to be found. **AFI has long relied on work-study programs to meet part of its need for mechanics, and will welcome another 360 work-study students in 2025**. However, of the 350 or so non-managerial staff recruited this year, almost 280 were recruited externally and around 60 through the alternance system. "**One of the difficulties we face today is that we take on a lot of apprentices, but many of them decide to continue their studies when they finish their bac pro. So we're putting a lot of effort into training, but we're not succeeding in recruiting afterwards**. We've decided to continue to do a lot for apprenticeships, but our reflections are leading us to broaden our capacity to take on teams, because on its own it's not enough to meet our needs," explains Géry Mortreux. "We are therefore refining our sourcing strategy."

In certain trades, such as fitters or welders, schools do not supply enough profiles. **AFI is therefore turning to other industries, notably the automotive industry**, which requires the same qualities of dexterity and skill. "We can offer mechanics in these industries the opportunity to obtain a CQPM (certificat de qualification paritaire de la métallurgie) after in-house training, enabling them to work on engines or aircraft equipment.

AFI is also working with France Travail on a new simulation-based recruitment method. This involves offering candidates workshops in which recruiters can assess their dexterity in mechanical movements. At the end of these workshops, recruiters will look at the professional experience of suitably qualified candidates to determine whether they can be recruited into the workshop, or whether they should be offered a CQPM. The length of training then depends on the candidate's level of experience and the field in which he or she will be working - it will be longer for an aircraft mechanic than for an equipment mechanic, for example.

"These are concepts we started testing in 2023, but we really turned the corner on increased sourcing diversification in 2024," explains Géry Mortreux.

A new feature will also be introduced in 2025: trade schools. These are designed to support newcomers to AFI with limited professional or aviation experience. "We have created three schools: the engine school, the equipment school and the aircraft school. These are in-house resources," says Géry Mortreux, adding that the schools are located at the heart of AFI's facilities. Until now, an apprentice master was accompanied by an apprentice during his maintenance shift: he then had to carry out his maintenance tasks on the aircraft and look after his apprentice to support him, develop his skills and so on. "Given the high volume of apprentices we receive, this is no longer the best way to train them. We prefer to give them specialized training for a few months, in which they learn basic gestures and the environment, before working on aircraft, engines or equipment."
(...)
AFI also points out that not all its professions are technical, and that it is not necessarily necessary to be a mechanic to join our teams. Other profiles are essential to the company, particularly in the logistics sector.
(...)
Another different type of profile is sought, this time more in the technical offices: people capable of writing procedures, making the method for operations, writing maintenance prescriptions for engines, equipment, and the aircraft itself, based on manufacturers' documentation.

Air France Industries stresses that it is not essential to come from the aeronautics industry to join its teams. While the search for experienced mechanics is particularly important for Air France Industries, it does not exclude talent from other industrial sectors, which can be quickly operational and bring new wealth to the business by broadening its horizons, just as it is ready to train younger people. And pure maintenance operations could not function optimally without the support of other varied professions, who work behind the scenes to orchestrate the whole activity.

> Portuguese airline TAP's profits fall due to currency losses and higher wage costs

(source Reuters) November 18, 2024

My comment: *The trend is downward for TAP, as for most European airlines.*

Read the article:

Portuguese airline **TAP announced on Monday a 35% drop in third-quarter net profit** to 118 million euros, due to currency losses and a sharp rise in wage costs.

Operating costs rose by 6.5% to 1.05 billion euros for the airline, which is about to be privatized. This rise was due to a 26% increase in wage costs, following the cancellation of salary cuts imposed as part of a severe restructuring plan following a pandemic bailout.

The airline's operating income rose by 2% to 1.284 billion euros, thanks to a 0.5% increase in passenger revenues. Passenger numbers rose by 1.3% to around 4.6 million during the quarter, and TAP reported that bookings for the fourth quarter were slightly ahead of the previous year.

CEO Luis Rodrigues said management was satisfied with the performance, "despite the two main challenges we faced : the difficult situation of European airspace management and significant currency devaluations".
(...)
Portugal's new center-right government plans to resume privatization of TAP in 2025, and says it has received interest from more than a dozen potential buyers, including Lufthansa, Air France-KLM and IAG, owner of British Airways.

> The world's aviation giants prepare for international cooperation

(source ChinaNews) November 19, 2024

My comment: *Airline partners are making no mistake in investing in China.*

By 2050, traffic there could increase 7-fold (source: OECD, presented in my newsletter no. 969).

How can we reconcile the growth of air transport with its decarbonization?

This is the difficult equation facing China.

Sustainable aviation fuels are the preferred solution. But manufacturing them will require a lot of energy.

While China is the country that installs the most solar panels, it is also the country that builds the most coal-fired power plants.

In 2022, it validated a plan to create two large coal-fired power plants a week.

It has drawn the consequences of this by announcing that it will push back the carbon neutrality target to 2060, the target set for 2050 by the Paris agreements.

Read the article:

Honeywell, a Fortune 500 company headquartered in the USA, **signed numerous cooperation agreements with several Chinese aircraft maintenance, repair and overhaul companies at the recent 15th China Air Show.**

The signatories hope to work together to provide more efficient repair and maintenance services to support the sustainable future of aviation.

Like Honeywell, many international companies signed new partnerships at the recently concluded air show, with 1,022 companies from 47 countries and regions taking part.
(...)
During the show, French aviation giant Thales renewed its maintenance partnership agreement with China Eastern Technics for a further five years. Under this agreement, Thales will provide avionics maintenance, repair and overhaul services for China Eastern Airlines' A320, A330 and B737 fleets.

Thales also presented its Level D flight simulator, certified by the Civil Aviation Administration of China (CAAC). Capable of faithfully reproducing challenging real-life mission scenarios in a variety of weather conditions, the simulator offers Chinese helicopter pilots the highest level of training experience in the world.
(...)
According to Airbus market forecasts published at the event, China will need more than 9,500 new passenger and cargo aircraft over the next two decades, due to strong growth in demand for air transport and freight. **The number of flights per person in China is expected to rise from 0.5 in 2023 to 1.7 in 2043**.

China has become Airbus' largest single-country market, with 2,233 Airbus aircraft in service with mainland airlines from October 2024. In July, Airbus celebrated the delivery of its 700th A320 Family aircraft assembled on its Final Assembly Line Asia (FALA) in Tianjin Municipality, northern China.

Construction of Airbus' second final assembly line in Tianjin, launched in September 2023, is progressing rapidly and should be operational by early 2026, according to Xu Gang, CEO of Airbus China, at a press conference at the air show.

During the show, **Brazilian aviation company Embraer presented its outlook for the Chinese aviation market. Its report forecasts that the Asia-Pacific region will dominate the global aviation industry by 2043, accounting for 38% of the global market - equivalent to the combined share of the European and North American markets.**
(...)

> China: Shanghai Pudong Airport launches construction of Terminal 3

(source Journal de l'Aviation) November 20, 2024

My comment: *How can we reconcile the growth of air transport with its decarbonization (bis)?*

The equation seems insoluble.

For several years now, airport expansion or construction projects in democracies have been failing (France, Great Britain, Netherlands, Germany, etc.), but succeeding in dictatorships (Turkey, Gulf States, China, etc.).

Read the article:

Shanghai Pudong International Airport will soon be able to handle up to 50 million additional passengers. Construction work on the new terminal officially began today, November 20, marking an important milestone in the Phase IV expansion plan for Shanghai's main airport hub. Completion is scheduled for the end of 2027.

Terminal 3 will comprise twin terminal buildings dedicated to international and domestic flights, with a total surface area of some 1.19 million square metres - the largest on the platform.

The new terminal will include 90 aircraft contact parking stands. It will be located to the south of the existing terminals, namely Terminals 1 (opened in 1999) and 2 (2008), as well as the satellite terminal (2019).

Terminal 3 will also be accompanied by a building dedicated to transport, whether to the other two terminals, to the metro lines or to the future Shanghai East station, a major future hub for intermodal passenger transport.

The airport will thus reach a maximum capacity of 130 million passengers a year by 2028, reinforcing Shanghai's status as one of the world's leading airport hubs.

> Saudi airlines seek pilots

(source Corriere della sera) November 20, 2024

My comment: *The recruitment of experienced pilots by Gulf airlines is nothing new, and even more so for companies just starting out.*

The most interesting aspect of this article concerns the expansion plans for Riyadh's King Khalid airport. According to my sources, it currently has two runways, but plans to gradually expand to six.

The expansion is designed to handle almost 200 million passengers a year, equivalent to a full Boeing 777 every minute!

But will air traffic control be able to handle so many planes?

Here's what I wrote in 2021:

The three main Gulf carriers (Emirates, Etihad and Qatar Airways) have their hubs within a 200km radius. The expected medium-term growth in air traffic in this region is such that experts predict airspace saturation before the three airports of Dubai, Abu Dhabi and Doha are full.

Riyadh airport, not mentioned by the experts, is close to these three hubs. It is barely 200 km to the west.

Read the article:

Saudia's expansion plans and the start-up of Riyadh Air in 2025 are impacting the "market" for commanders and first officers with unprecedented offers. This is how pilots are leaving Western (and other) airlines.

(...)
Saudia Airlines, the kingdom's historic carrier, and Riyadh Air, which will make its first flights next year after months of announcements and orders, are particularly "aggressive" in the pilots' market. To the point of reversing a dynamic that for years had seen Gulf airlines - such as Emirates, Qatar Airways and Etihad - attract professionals from Europe, North America, Australia and parts of Asia. "There are now commanders and first officers leaving Doha, Dubai and Abu Dhabi to work in Jeddah and Riyadh," officials explain.

Lately**, Saudi Arabia has been attracting attention for its multi-billion-dollar investments as part of "Vision 2030"**, the economic program that aims to make the country a global aviation hub, tripling passenger numbers to 330 million by 2030. **The "aviation" package** amounts to $100 billion (although this has recently been revised downwards) and also **includes the expansion of Riyadh's "King Khalid" airport, which will be called "King Salman", will have six parallel runways and forecasts 120 million transit passengers in just over five years' time and 185 million in 2050.**
(...)
Riyadh Air and Saudia did not respond to Corriere's requests at the time of publication. **In a few weeks' time, Saudi Arabia will find itself with several airlines**. The "traditional" ones: Saudia (based in Jeddah) and Riyadh Air (Riyadh). The local low-cost carriers: Flynas (operating mainly to Riyadh) and Flyadeal (based in Jeddah, a division of Saudia). The budget review, with cuts across the board, has led to the mothballing of Neom Airlines, another Saudi company due to start operations this year and linked to the city of Neom's maxi-urban project.

The projects
Riyadh Air is owned by the Public Investment Fund (Pif), one of the world's richest sovereign wealth funds, whose governor Yasir Al-Rumayyan is also the carrier's chairman. The CEO is Tony Douglas, former number one at Etihad Airways, while the COO is Peter Bellew, former CEO of Malaysia Airlines and former COO of Ryanair and easyJet. According to data provided to Corriere by specialist platform ch-aviation, Riyadh Air currently has 60 Airbus A321neo and 39 Boeing 787-9 Dreamliner aircraft on order. The Saudia group (which also includes Flyadeal) ordered 12 A320neo and 93 A321neo aircraft last May.

Stock market press review

> Why Air France-KLM's share price plummets, while IAG's takes off

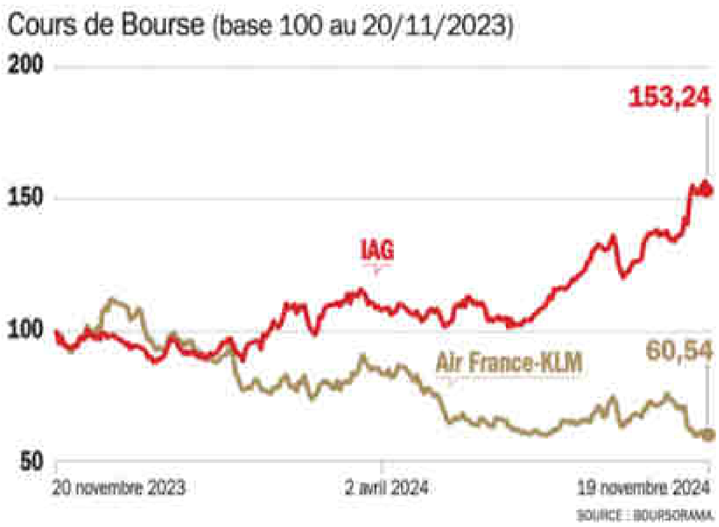
(source Capital) November 26, 2024

My comment: *Air France-KLM's share price has never been so low. But fingers crossed, analysts say the worst is over.*

Read the article:

Less than 2 billion euros. That's what Air France-KLM, Europe's fourth-largest airline, is worth on the stock market at the time of writing, with its 76,000 employees, 506 aircraft and 94 million passengers carried last year. Total capitalization had already fallen even further, in June 2012, below the billion mark. That was just before the then new CEO, Alexandre de Juniac, launched his "Transform 2015" turnaround plan. **The situation is once again critical. Over the past year, Air France KLM has seen its capitalization shrink by 40%.** And since CEO Benjamin Smith took the helm in September 2018, it has been almost halved.

How can this plummet be explained? The question arises all the more when, at the same time, the Spanish-British group IAG, number three in Europe, is experiencing a diametrically opposed trajectory: over twelve months, its share price has surged by 53%. In the third quarter, the group behind Spain's Vueling and Iberia, Britain's British Airways and Ireland's Aer Lingus, even managed to overtake Air France KLM in terms of sales.



Air France KLM impacted by the Olympic Games

The main explanation for this inverted mirror effect lies in a significant difference in unit cost excluding fuel, an indicator that is closely scrutinized in the sector. **Unit costs rose by 3.4% over the quarter, whereas analysts were forecasting a 2% increase, and at IAG the figure was just 2%**. A disappointing result, despite the post-Covid recovery in air traffic, lower oil prices and Benjamin Smith's pledge to achieve an 8% margin by 2026-2028.

The causes of this rising unit cost are manifold. The Olympic Games reduced earnings by 160 million euros, due to a drop in tourist traffic and the bonus paid to employees, and, more generally, high personnel costs. Since his arrival, Benjamin Smith has prioritized labor peace, and on several occasions has given pilots a raise. Add to this the burden of debt and the difficulties of the Dutch airline KLM, penalized since the end of the pandemic by problems of maintenance, pilot training, recruitment and under-capacity. It has just announced a savings plan.

And now, by 2025, the solidarity tax on airline tickets is set to rise, reducing operating income by between 90 and 170 million euros. Not to mention that in the Netherlands, too, taxes are being tightened.

On the other hand, the planets are aligned for IAG: the group unveiled better-than-expected unit costs this quarter and a share buyback plan to boost its share price. All its airlines are doing well, with margins of around 20%. Luis Gallego, CEO since 2020, is reaping the rewards of an in-depth cost-cutting program and a strong presence on the booming transatlantic route. All this with a favorable tax climate in Spain.

However, these findings need to be put into perspective. Paul Chiambaretto, an economist at Montpellier Business School, who heads the Chaire Pégase specializing in air transport, qualifies the picture: "**Air France is not the sector's bad pupil, but rather IAG is the exception that is outperforming**, and was already outperforming before the pandemic, with a better margin rate."

The proof? The German group **Lufthansa, number two in Europe, is also seeing its share price plummet**, due to rising costs (personnel, maintenance, etc.) and the increase in air traffic tax in Germany. Like KLM, its main airline Lufthansa Airlines has launched a turnaround program.

Yan Derocles, analyst at Oddo BHF, goes further: "**Air France-KLM is past the hardest part. In 2024, there were a number of specific factors, such as the Olympic Games, or problems with IT or spare parts suppliers, which generated an additional cost of 500 million and should normally no longer be visible in 2025**."

As a sign of his optimism, the analyst has just changed his recommendation on Air France-KLM shares from "sell" to "neutral".

End of press review

> Air France-KLM share price

Air France-KLM shares closed at **7.358 euros** on Friday November 22. Over the week, it is **down sharply (-4.44%).**

It was 12.53 euros on January 2, 2023, and 17.77 euros on June 19, 2023.

The analysts' 12-month average (consensus) for AF-KLM shares is 10.66 euros (it was 15.0 euros at the beginning of January 2023). The highest price target is 17.50 euros, the lowest 7.10 euros.

I only take into account analysts' opinions after July 1, 2023.

You can find [details of the analyst consensus]on my blog.

My comment: *Air France-KLM's share price has never been so low. But fingers crossed, analysts say the worst is over.*

> Fuel prices this week

The price of a barrel of Jet Fuel in Europe is down (-$3) to $89. It was $94 at the end of June 2023, and $79 before the outbreak of war in Ukraine.

Brent (North Sea) **oil is up ($1) to $74 a barrel.**

From mid-February 2022 to the end of July 2022, it was yo-yoing between $100 and $120. Since then, it has oscillated between $75 and $99.

My comment: *Over the past month, oil prices have shown little change.*

> Corporate Mutual Funds

When you invest in one of Air France's FCPE funds, you obtain shares in these funds. You do not hold shares directly.

It is the Supervisory Boards, which you elected in July 2021 for a five-year term, that manage the funds and make the decisions.

The Partners for the Future, Aeroactions, Majoractions and Concorde funds only hold Air France shares.

The Horizon Épargne Actions (HEA), Horizon Épargne Mixte (HEM) and Horizon Épargne Taux (HET) funds manage portfolios of various equities.

My comment: *If you'd like to find out more about how the various Air France FCPEs are managed, please visit the [Air France-KLM Employee Share Ownership section of my website](#).*

Details

This information does not constitute a solicitation to buy or sell Air France-KLM shares.

You can react to this press review or send me any information or thoughts that will help me to keep you better informed.

By return, you can ask me any questions you may have about the Air France-KLM group or employee share ownership...

See you soon.

To read my latest letters, [click here](#)

If you like this letter, please pass it on.

New readers can receive it by [sending me](#)an email address of their choice.

| François Robardet

I represented current and former Air France-KLM employees. You can find me on my twitter account @FrRobardet and on LinkedIn.

11,645 people receive this live press review