

Bloomberg: The Covid-19 epidemic could cause most airlines to go bankrupt until May

Airlines are running out of cash reserves quickly because the planes are mostly idle.

"The Covid-19 pandemic will bring most airlines worldwide to bankruptcy by the end of May this year if the government and the industry do not take the necessary coordinated moves to avoid a situation. like that ", an aviation consultant just issued a warning in Bloomberg.

Many airlines could fall into technical bankruptcy or violate debt agreements - the Sydney-based aviation advisory center said in a statement on Monday. The cash reserves were quickly saved because the planes were virtually idle and could not fly with more than half the space.



"Collective action is needed between the government and the industry itself - right now - to avoid a disaster." Otherwise, the crisis will emerge like stepping into a cruel battlefield, full of casualties ".

Most of the largest shipping lines in the US, China and the Middle East survived on government assistance or support from their owners.

Airlines are among the biggest victims of the Covid-19 epidemic due to a sharp decline in flight numbers. Many firms from America Airlines to Qantas Airways of Australia have reduced their capacity, while some units such as SAS Ab of Sweden temporarily fired most employees. Flybe - the largest airline in Europe has collapsed.

Airlines could face revenue losses of up to \$ 113 billion this year, according to the International Air Transport Association estimates.

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