**Tempus**

*Buy, sell or hold: today's best share tips*

**Few reasons to join this bumpy ride**

<table>
<thead>
<tr>
<th>EASYJET</th>
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<tr>
<td>Number of aircraft</td>
<td>331</td>
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<td>Number of routes</td>
<td>1,051</td>
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What will it take to get people back through an airport and on to an aircraft during this pandemic? Compulsory masks, socially distanced seating, mandatory Covid-19 testing, wild horses, or none of the above (Robert Lea writes)?

Research commissioned by the independent aviation analyst Chris Terrry reveals that 66 per cent of people want a test for the virus at the airport and that they would expect the result within 30 minutes.

About half reckon the government should pay for the test and of those willing to pay, about two thirds said they would be prepared to pay somewhere up to £20.

On quarantining — that returning passengers should put themselves into 14 days of isolation — about a quarter of travellers would still be prepared to make their trip.

That we, and researchers, are having to ask so many questions about if and when we start flying again suggests a reluctance to board an aircraft any time soon. With companies in general and airlines in particular refusing to give any guidance on future earnings, investment decisions are a little difficult.

Yet in the days after announcing its job cuts Easyjet shares began to rally hard, until yesterday’s reverse to 844p, putting on 30 per cent over a six-day trading period. They had previously slumped during the crisis from a high of more than £15 to below £5, prompting the carrier to be ejected from the elite FTSE 100 index.

This would indicate that some believe Easyjet will be one of the winners in the industry’s structural changes ahead. Or, put another way, when we count the last folk standing in European aviation Easyjet will be one of them.

It is being taken as a given that Ryanair and Easyjet, the two short-haul airlines which have revolutionised European air travel, are long-term winners from the revolution they started.

Yet in no particular order Easyjet has a number of issues piling up. It has an irritable 34 per cent shareholder in its founder Sir Stelios Haji-Ioannou, who seems intent on destabilising the board.

As the impact of the crisis began to dawn in early March, Tempus suggested avoiding the airline sector because of the depth of uncertainty.

Three months on and the only certainty is that uncertainty will remain for a long time yet.

**ADVICE** Avoid

**WHY** Not even management can give any cogent outlook for the next few years

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At the moment it isn’t flying any passengers as its entire fleet is grounded until at least next week. Within weeks it will cut 4,500 employees, or 30 per cent of its workforce, and it does not expect business to return to 2019 levels, when it made £430 million profit from £6.3 billion of revenue, until 2023. The prospect of a recovery taking three years would indicate that this is not a sector and Easyjet is not a company worth investing in any time soon. With companies in general and airlines in particular refusing to give any guidance on future earnings, investment decisions are a little difficult.

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How Easyjet makes its money* from carrying 96m passengers

Revenues: £6.3bn
Add-on charges 21%
Fares 79%
Costs and profit: £6.3bn
Operating margin 6%
Airport charges 29%
Fuel 22%
Traffic control 7%
Flight crew 14%
Other costs 6%
Marketing 3%
Maintenance 5%
Depreciation 7%

*In normal times

Source: Refinitiv

Hard landing
Share price
2020
J F M A M J
£16
14
12
10
8
6
4