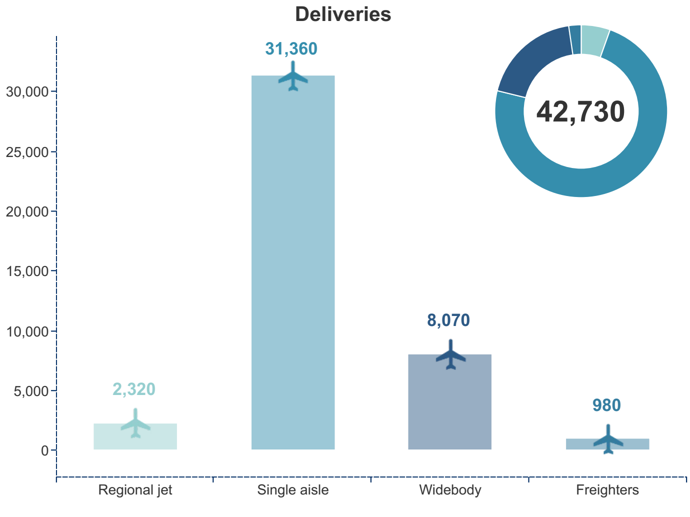
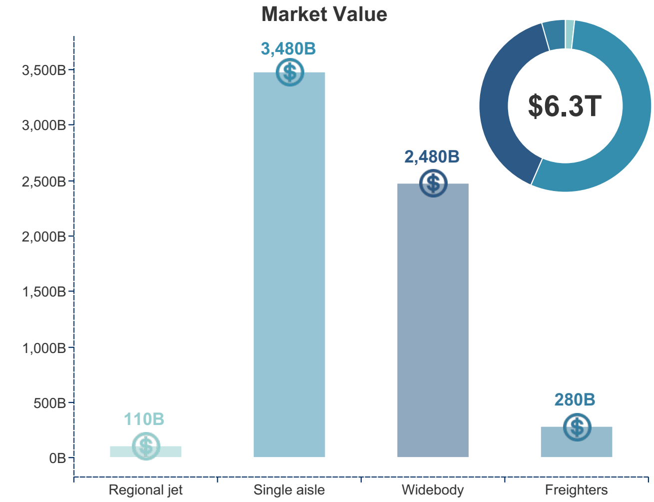
Global Market Overview

42,730	**2.8%**	**4.7%**	**3.5%**	**$6.3T**
DELIVERIES	GDP	TRAFFIC	FLEET	MARKET VALUE

Air travel today remains a vibrant market following the trend of the last several decades. Robust demand is expected the next 20 years as strong economic growth, growing middle classes, increasing consumer spending on services, and evolving airline business models bring more value to passengers and support the long-term outlook. As a result, the industry will require more than 42,000 new airplanes by 2037 with almost 74% in the single-aisle category. Widebody passenger airplane and freighter deliveries make up over 43% of the market value as the passenger market continues to see fragmentation and the freighter market benefits from improvements in world trade.



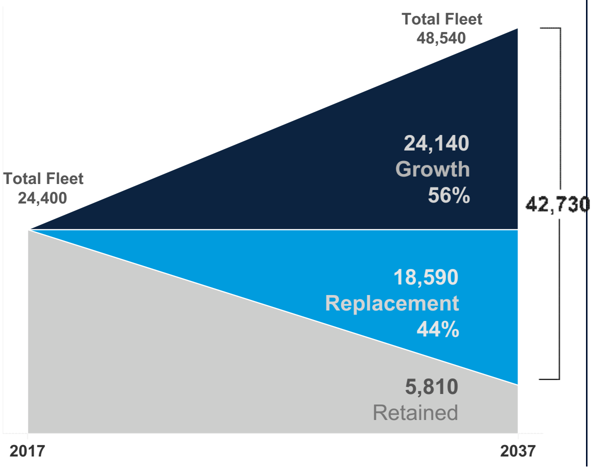


Global Market Overview

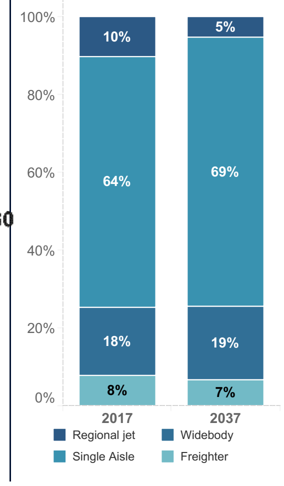
42,730	2.8%	4.7%	3.5%	$6.3T
DELIVERIES	GDP	TRAFFIC	FLEET	MARKET VALUE

The industry has now recorded eight straight years of steady and above-trend growth. Operational efficiency has improved as load factors climbed to a record high of 81 percent last year. Airlines are delivering strong financial results, generating more than $30 billion of profits, unprecedented levels for our industry. The air travel market is projected to be 2.5 times larger in 20 years and the global commercial jet fleet will grow to accommodate, doubling in size by 2037. Of all deliveries, 56% are needed to accommodate growth in the market. The remaining demand will replace more than three-quarters of the existing fleet with almost 19,000 commercial jet deliveries estimated as replacement over the next 20 years.

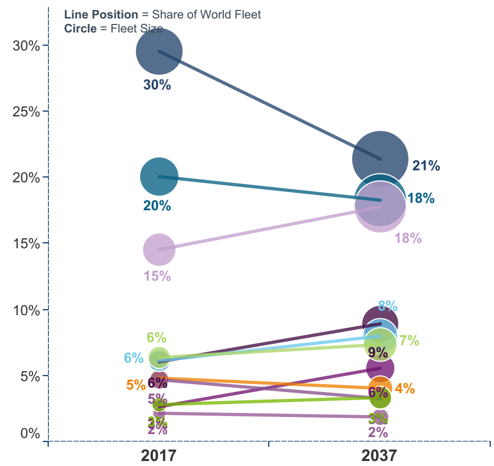
Majority of deliveries will provide capacity for industry growth



Composition of fleet



Regional contribution to the size and share of the world fleet

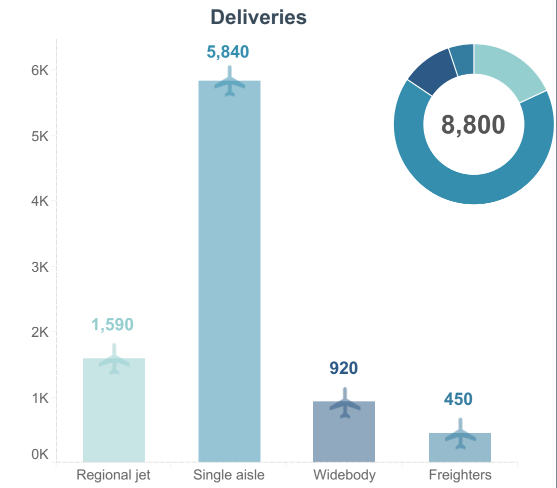


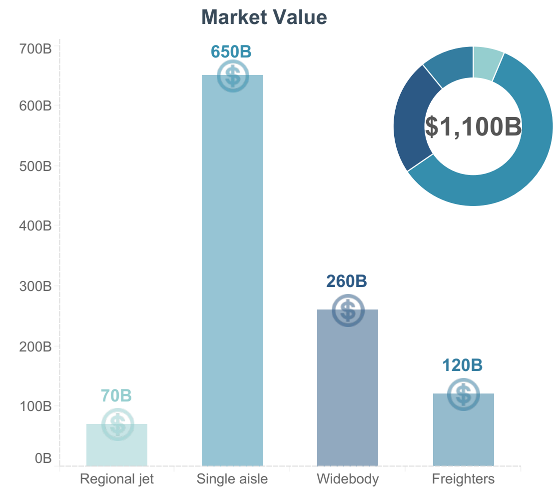
North America Market Outlook

CLICK a region to filter data

8,800	2.0%	3.1%	1.8%	$1,100B
DELIVERIES	GDP	TRAFFIC	FLEET	MARKET VALUE

North America remains a dynamic market as the region has evolved after a period of bankruptcy, consolidation, and economic recession. Stronger operators have emerged with increased focus on improved productivity and cost reduction. Aircraft utilization has improved and load factors remain at or near record highs. The region consists of a mature market with 64% of the deliveries forecasted for replacement of existing airplanes. Single-aisle airplanes make up two-thirds of the deliveries forecasted with growth in all sectors. The widebody segment shows strong growth with a preference for smaller twin-aisle aircraft, despite a 2.5-fold increase in widebody deliveries during the last five years compared to the previous five-year period.





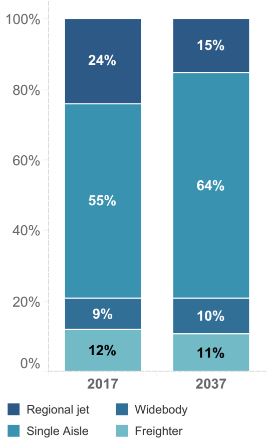
North America Market Outlook

CLICK a region to filter data

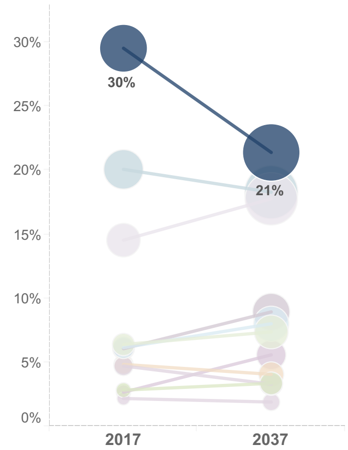
8,800	2.0%	3.1%	1.8%	$1,100B
DELIVERIES	GDP	TRAFFIC	FLEET	MARKET VALUE

North America operators are experiencing a period of unprecedented financial prosperity, accruing more than 56% of global industry profitability in the last five years. Airlines are making more equity investments to acquire stakes in other operators and are considering their alliance and joint venture partners when making strategic fleet decisions. The region has modest fleet growth rates in comparison, yet the total fleet will increase 44% the next 20 years. Overall, capacity growth is outpacing fleet growth, in part due to single-aisle aircraft cabin densification and upgauging. Single-aisle share of the fleet will expand 9 percent as single-aisle unit growth exceeds 67% over the forecast period.

Composition of fleet

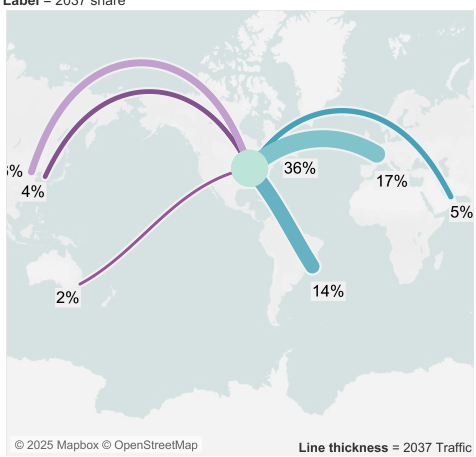


Share of world fleet

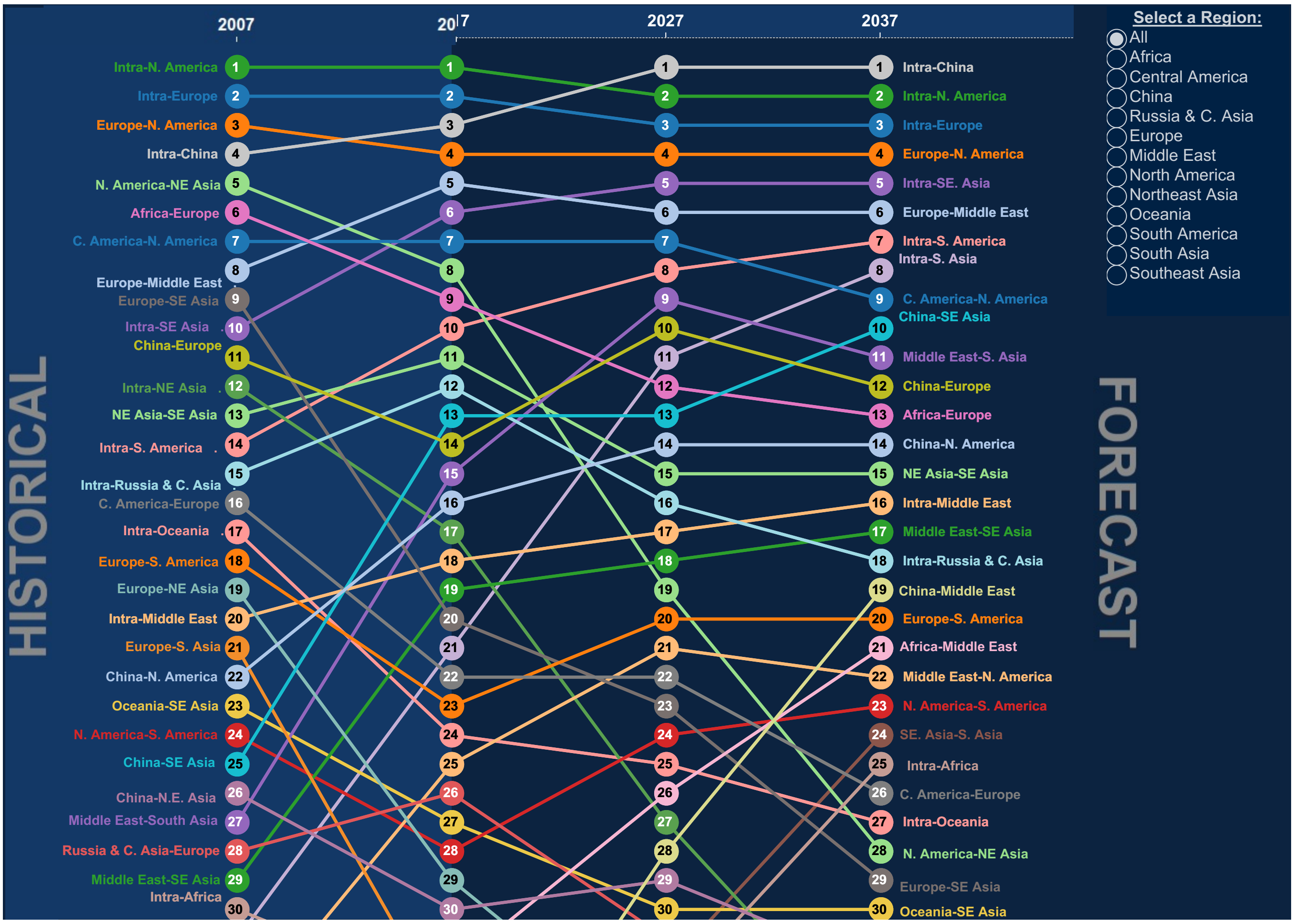


Traffic flows to/from/within

Label = 2037 share



Global Deliveries	Global Fleet	Regional Deliveries	Regional Fleet	Passenger Traffic Flow Rank	Passenger Traffic Growth	Air Cargo Outlook	Airplane Market Sectors



Passenger Traffic Growth

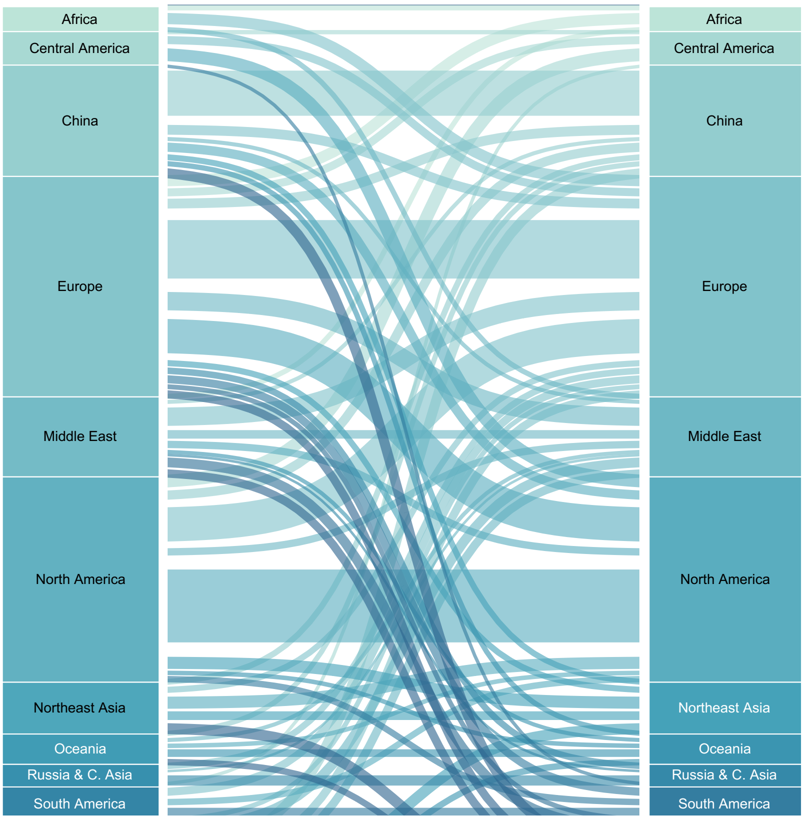
Traffic Flows: 2017

2017
2037

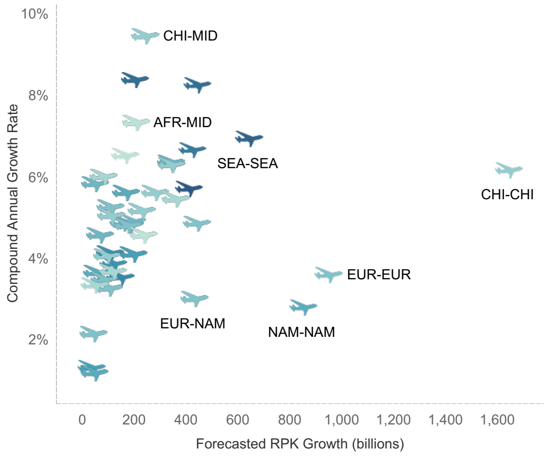
Select region for share of global traffic

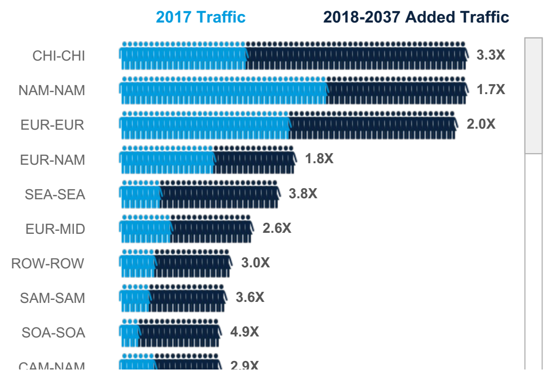
*NOTE: **Indicates traffic flow aggregated in Rest of World flow*

Share of traffic flow for selected region in left column to/from region below



2017-2037 Traffic Growth





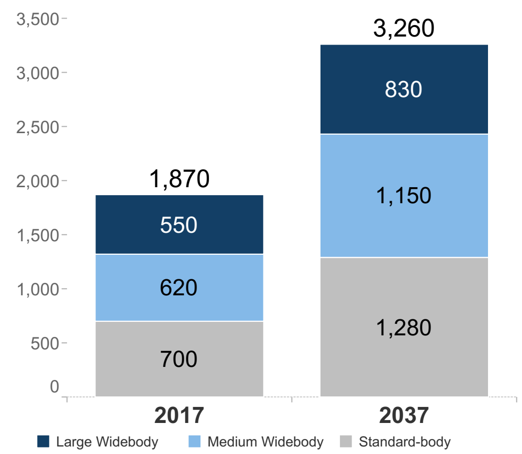
Air Cargo Outlook

980	1,670	4.2%	2.8%	3.4%
DELIVERIES	CONVERSIONS	AIR CARGO TRAFFIC	FREIGHTER FLEET	WORLD TRADE

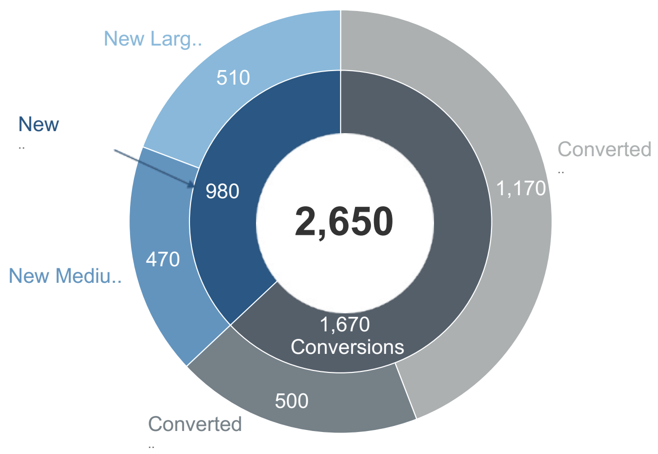
Air cargo finally recovered fully in 2017 after several years of lackluster performance. Year-over-year growth registered an impressive 10 percent, making it the best year since 2010. This follows a compound annual growth rate of less than 2 percent for 2011 through 2015. First quarter 2018 air cargo growth continued with an above-trend growth rate of 5.8 percent.

Air cargo's recovery has resulted from an improved world economy, in which all regions are participating in synchronized growth, industrial production is strong, and world trade has been robust. In addition, strong growth in e-commerce has been conducive to the vital role that air cargo plays in transporting goods, as consumers and cargo operators increasingly demand speed, reliability, and security.

Total Fleet



Delivery Units



Airplane Market Sectors

PASSENGER AIRPLANES

REGIONAL JETS

Antonov An-148, -158
AVIC ARJ-700
Avro RJ70, RJ85
BAe 146-100, -200
Bombardier CRJ
Dornier 328JET
Embraer ERJ-135/140/145
Embraer 170, 175, 175E2
Fokker 70, F28
Mitsubishi MRJ
Sukhoi Superjet 100
Yakovlev Yak-40

SINGLE AISLE AIRPLANES

Boeing 707
Boeing 717
Boeing 727
Boeing 737-100 through -600
Boeing 737-700, -800, -900ER
Boeing 737-MAX 7, MAX 8, MAX 9, MAX 10
Boeing 757
Boeing/MDC DC-9
Boeing/MDC MD-80, -90
Airbus A220, A318, **A319, A320, A321**
Airbus A319neo, A320neo, A321neo
BAe 146-300, Avro RJ100
Bombardier CRJ-1000
Embraer 190, 190E2, 195, 195E2
Comac C919
Fokker 100
UAC MS 21-200/300
Illyushin IL-62
Tupolev TU-154, -204, -214
Yakovlev Yak-42

WIDEBODY AIRPLANES

Boeing 747
Boeing 767
Boeing 777, 777X
Boeing 787
Boeing/MDC DC-10
Boeing/MDC MD-11
Airbus A300, A310
Airbus A330
Airbus A340
Airbus A350
Airbus A380
Lockheed L-1011
Illyushin IL

NOTE: Airplanes in bold are in production or launched

FREIGHTER AIRPLANES

STANDARD BODY
Less than 45 tonnes

Boeing 707
Boeing 727
Boeing 737
Boeing 757-200
Boeing/MDC MD-80
Boeing/MDC DC-8/9
Bombardier CRJ
Airbus A320, A321
BAe 146
Tupolev Tu-204

MEDIUM WIDEBODY
40 to 80 tonnes

Boeing 767
Boeing/MDC DC-10
Airbus A300
Airbus A310
Airbus A330
Lockheed L-1011SF
Illyushin IL-76TD

LARGE WIDEBODY
More than 80 tonnes

Boeing 747-100 through -400
Boeing 747-8F
Boeing 777
Boeing/ MDC MD-11
Airbus A350
Illyushin IL-96T
Antonov An-124

NOTE: Standard-body <45 tonnes, medium widebody 40-80 tonnes, large freighter >80 tonnes
Production and conversion (SF) models assumed for each type unless otherwise specified