Boeing Projects $5.4 Trillion Market for New Airplanes and Services

Boeing [NYSE:BA] sees a $5.4 trillion market for new commercial airplanes and aviation services during the next 20 years, which will bring about a doubling of the world's airplane fleet by 2023 and accommodate a forecasted 5.2 percent annual increase in world air travel.

The company released its 2004 Current Market Outlook today during the Farnborough Air Show. The report, is widely regarded as the most comprehensive and respected analysis of the commercial aviation market.

"The long-term market outlook remains positive," said Boeing Commercial Airplanes Vice President of Marketing Randy Baseler. "Even severe downturns such as we've experienced during the past few years do not change the fundamentals of economic growth and the need for people to travel."

Boeing projects that operators will invest $2.0 trillion for approximately 25,000 new commercial airplanes during the next 20 years. Of that:

- 17 percent (4,290 airplanes) will be regional jets
- 59 percent (14,770 airplanes) will be single-aisle airplanes
- 21 percent (5,150 airplanes) will be for intermediate, twin-aisle airplanes
- and 3 percent (790 airplanes) will be for 747 and larger airplanes.

Those will help increase the world fleet to almost 35,000 airplanes.

"Passengers want the freedom to go where they want to go, when they want to go," Baseler said. "In the ever increasing competitive market, airlines will continue to meet passengers' demands for more nonstop, point-to-point flights and increased frequency choice, not larger airplanes."

In addition to being the world's premier airplane manufacturer, Boeing also offers unsurpassed support worldwide. Boeing estimates that the commercial aviation support services market will be $3.4 trillion over the next 20 years.

"Boeing's airplanes and services allow our customers to maximize their efficiency, increase profitability, and provide the nonstop service and frequency choices passengers want," Baseler said. "That's market leadership."

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