Boeing Projects Asia Pacific Will Be Largest Aviation Market in World

Region will invest $1.1 trillion in new airplanes, 35 percent of world value

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HONG KONG, Sept. 9 /PRNewswire-FirstCall/ -- Boeing (NYSE: BA) forecasts that the Asia Pacific region will rank as the world's largest aviation market over the next 20 years, requiring 8,960 new commercial jets valued at approximately $1.1 trillion. Asia Pacific is the largest market in the forecast for new airplanes in terms of both units required and market value.

"Twenty years from now more than 40 percent of the world's airline traffic will begin, end or take place within the Asia Pacific region," said Boeing Commercial Airplanes Vice President - Marketing, Randy Tinseth. "That's a big leap for a region that was not even mentioned in our earliest Boeing market forecasts back in the 1950s."

Tinseth said between now and 2028, Asia Pacific air travel will grow from 32 percent of the world market to 41 percent.

The Asia Pacific region covers a broad area including Japan, Korea, China, Australia and India and currently accounts for more than 8,300 flights and 1.2 million travelers daily. In less than 10 years, it will be the largest air travel market in the world, according to the Boeing outlook released today in Hong Kong. Travel in the region is expected to grow at an average annual rate of 6.5 percent over the next 20 years.

"This is clearly a difficult time in the aviation market, and today's challenges are reflected in the Boeing forecast, but we do expect the growing Asia markets to lead the industry into recovery," said Tinseth.

Strong domestic growth in China, India and other emerging Asian nations will contribute to high demand for single-aisle airplanes. Over the 20-year forecast period, more than half of the deliveries, some 5,600, will be single-aisles. With just 330 deliveries, the percentage of the fleet's large category will decrease from 10 to 4 percent as airlines switch to more efficient mid-size twins and even larger single-aisle jets. Airlines in the Asia Pacific region will take delivery of 2,590 twin-aisle airplanes. Regional jet deliveries will total 440.

The Asia Pacific fleet will nearly triple from 3,910 to a total of 11,170 airplanes. More than 80 percent of this demand will be for growth. Delivery of new, more fuel-efficient airplanes ensures the region's fleets will remain among the youngest in the world.

Boeing's projection also shows the Asia Pacific region as a growth leader in the long-term global air cargo market, with routes within China, within Asia and those connecting Asia to other regions outpacing the global average growth annual rate of 5.4 percent over the next 20 years.

"Despite an unprecedented contraction during 2008 and 2009, we remain confident in the strength of the global air cargo market over the long haul," said Jim Edgar, regional director, Cargo Marketing, Boeing Commercial Airplanes. "The air cargo industry is supported by sound fundamentals -- the imperative for speed, consumer product innovation and global industrial interdependence are key drivers -- as well as global GDP projections of about 3 percent annual growth."

Asian carriers will add about 750 freighters to the region's fleet to accommodate growth and airplane retirements, about 27 percent of the world requirement - second only to the more mature, but slower growing, North America market.

More information on the Asia Pacific market forecast can be found at:www.boeing.com/cmo

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