Boeing projects Brazil will lead the aviation market in Latin America over the next 20 years

Boeing values Brazil's aviation market at $85 billion

SAO PAULO, April 28, 2011 -- Boeing (NYSE: BA) forecasts that air carriers in Latin America will require 2,180 new airplanes worth approximately $210 billion over the next 20 years as air travel in the region out paces the world average.

Latin American air travel is expected to grow approximately 6.9 percent over the next 20 years driven by an above average economic growth rate of approximately 4 percent per year. As the economy grows, airlines will need more airplanes to accommodate more people with access to air travel. In addition to passenger travel, cargo will grow at a rate of 6.4 percent resulting in approximately 75 cargo airplanes like Boeing's 767-300F, 777F, and passenger to freighter conversion airplanes.

"Much of the growth in Latin America will take place in Brazil as the region's largest aviation market," said Randy Tinseth, vice president of Marketing for Boeing Commercial Airplanes, today at a media briefing in Sao Paulo. "Brazil has seen a nearly 50-percent increase in the number of jet aircraft in the last 10 years and there are no signs of slowing over the next 20 years due to a strong economy, growing middle class, and more access to air travel due to the introduction of the low-cost carrier model in the region."

Brazil's aviation market will account for 40 percent of the value of airplanes ordered in all of Latin America over the next 20 years.

"New highly efficient airplanes, such as Boeing's Next-Generation 737, 787 Dreamliner and the 777 family will allow the region's carriers to meet growing demand," said Tinseth.

In South America, air travel is expected to grow approximately 7.4 percent over the next 20 years.

"New twin-aisle airplanes will better position the region's carriers for air travel to North America and Europe and to develop more extensive networks to Asia, Africa and Oceania and give South American airlines access to a large number of lucrative new international markets."

While the region will benefit from the new routes created by the twin-aisle airplanes, there will still be a strong demand for single-aisle airplanes such as Boeing's Next-Generation 737 family.

The single-aisle, Boeing 737 is the most widely flown jetliner in the world. To meet continued strong demand, Boeing announced a series of production increases for the 737.

The rate of growth throughout the region also supports an increased demand for larger airplanes such as Boeing's newest and largest airplane – the 747-8 Intercontinental. The 747-8 Intercontinental is a high-capacity airplane that offer airlines the lowest operating costs and best economics of any large passenger or freighter airplane in the world.

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