Boeing Forecasts Resilient Aviation Market for Latin America and Caribbean Despite Near-term Challenges

Airlines expected to buy 2,610 airplanes, valued at $365 billion, through 2039

Travel within South America projected to overtake passenger volume between Central and North America

SEATTLE, Feb. 24, 2021 – Boeing [NYSE: BA] projects demand for 2,610 new airplanes in Latin America and the Caribbean over the next two decades. The new forecast reflects the near-term impact of the COVID-19 pandemic along with the long-term fundamentals for air travel. Single-aisle commercial models will comprise 90% of this airplane demand, reflecting the expansion of affordable travel opportunities across and within the region.

This 20-year market for commercial aircraft is valued at $365 billion, according to Boeing's 2020 Commercial Market Outlook (CMO), an annual forecast of demand for commercial airplanes and services and Boeing's view of near-, medium- and long-term market dynamics.

"While the aviation industry across Latin America and the Caribbean has been hard hit by the pandemic, fundamental growth drivers in the region remain strong," said Ricardo Cavero, vice president of sales for Latin America and the Caribbean, "South America, in particular, has considerable untapped market potential for air travel expansion driven by economic expansion and a large geographic area best served by air travel."

Through 2039, passenger traffic across the region is projected to grow 5.1% annually, with airplane fleet expanding 3.5% annually as airlines improve utilization and manage higher load factors. Boeing projects that the number of people traveling within South America will overtake the traffic flows between Central and North America during the forecast period.

Over the 20-year forecast period, Boeing's Latin America CMO forecast includes:

- Annual passenger traffic growth of 5.1%
- Demand for more than 2,360 new single-aisle airplanes valued at $290 billion
- Single-aisle airplanes, such as the 737 family, will continue to be the main driver of capacity growth in this region.
- Demand for 220 widebody passenger airplanes and 20 purpose-built widebody freighters, representing a total delivery value of $75 billion
- A 12% reduction in projected aircraft demand from prior year's forecast, a revision resulting from the impacts of the COVID-19 pandemic.
- Aftermarket Commercial Services worth $480 billion including; modifications such as Boeing Converted Freighter airplanes, parts and supply chain services, and analytics powered digital solutions that support flight and maintenance operations.
- Demand for 117,000 commercial pilots, cabin crew members, and aviation technicians to fly and to maintain the airplane fleet

Globally, Boeing projects the need for 43,110 new commercial airplanes and the demand for aftermarket services to be equivalent to $9 trillion over the next two decades. Air cargo traffic is projected to grow at an annual rate of 4% over 20 years due to expected solid industrial production and world trade. Freighters will remain the backbone of the cargo industry with the need for 930 new and 1,500 converted freighters over the next 20 years.

The complete forecast is available at http://www.boeing.com/commercial/market/commercial-market-outlook/.

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