

An aerial photograph of an airport and surrounding city. The airport runways and taxiways are visible in the center-left. To the right, a city is shown with a river. A curved, multi-colored band (green, yellow, orange, red, purple, blue) follows the river and city edge. The text is overlaid on the left side of the image.

# Lifting the lid on the Global Market Forecast

Cities, Airports & Aircraft

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SVP Business Analysis and Market Forecast

**AIRBUS**

# The Global Market Forecast answers three questions



# The Global Market Forecast in numbers

Major traffic flows

~100

Cities

~3,200

Airports

~3,300

City pairs  
(Origin - Destination)

~600,000

Airlines

~800

# Traffic forecast: we consider many variables

## Airlines Business models & strategy

Jet fuel price

Air fares

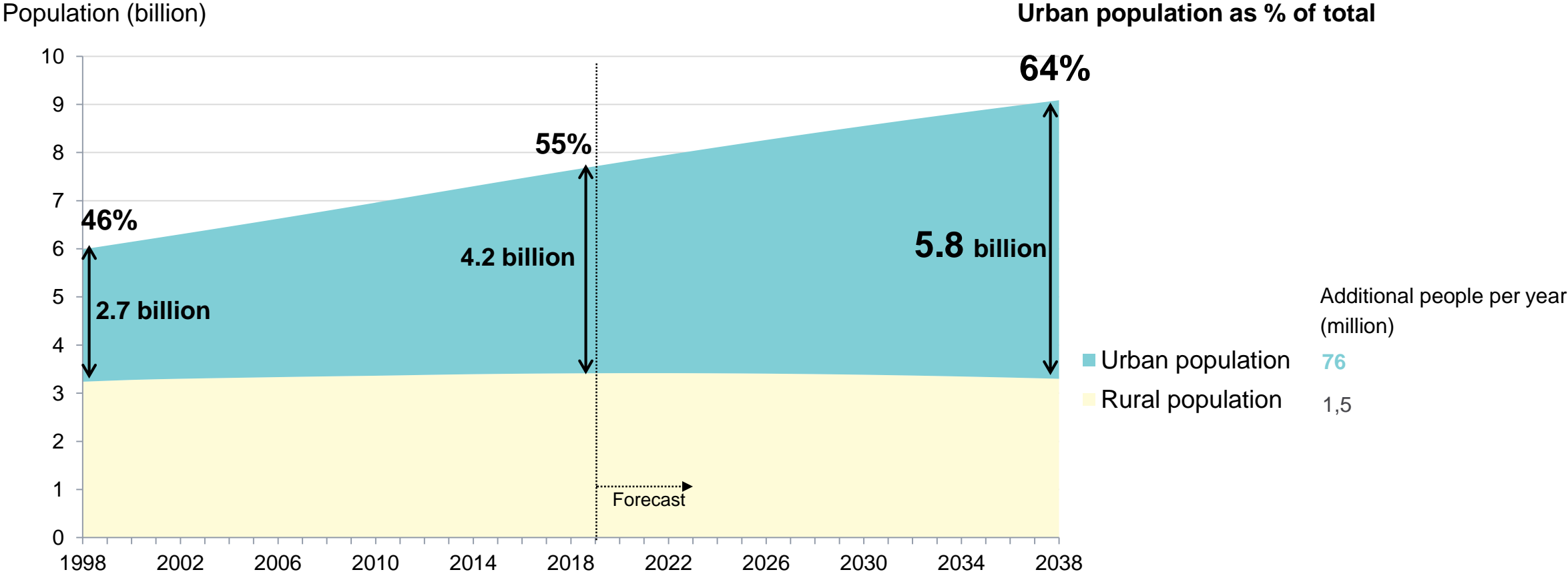


## Liberalisation

Tourism trends

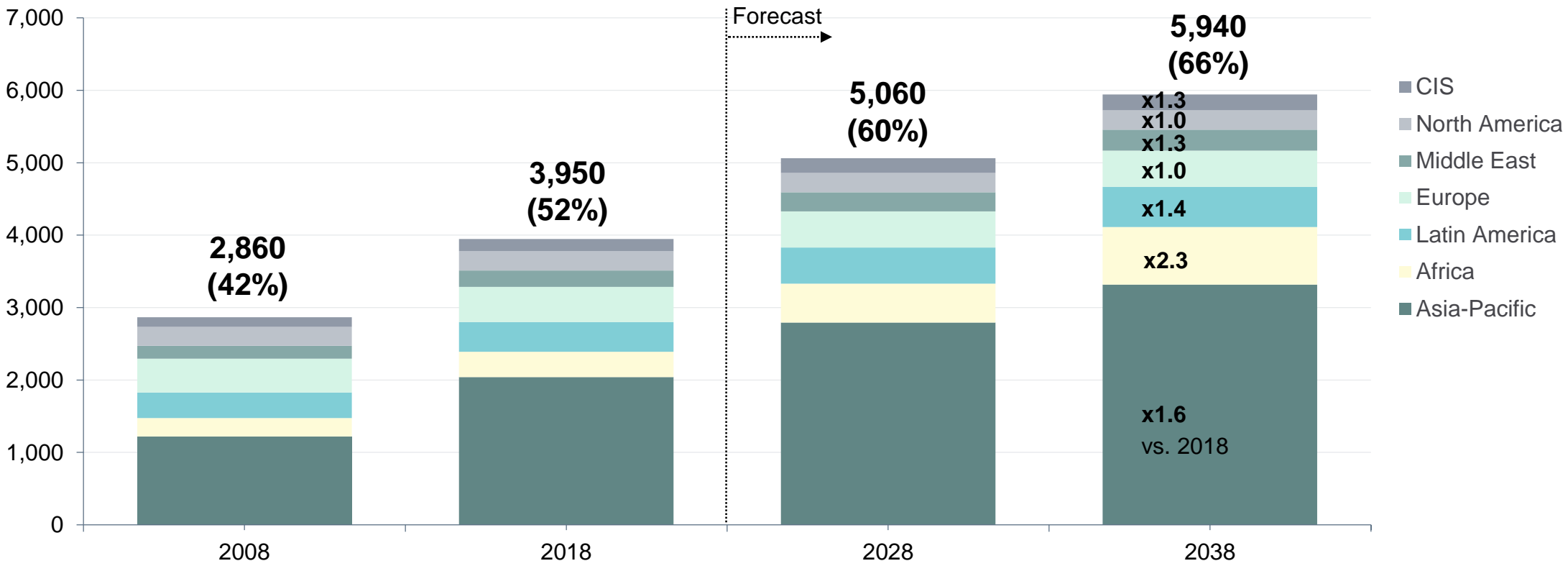
Geopolitics

# By 2038, 5.8 billion people will live in cities or other urban centres



# The “Middle Class” will grow fastest in the emerging countries

Middle Class (millions) & Percentage of World population

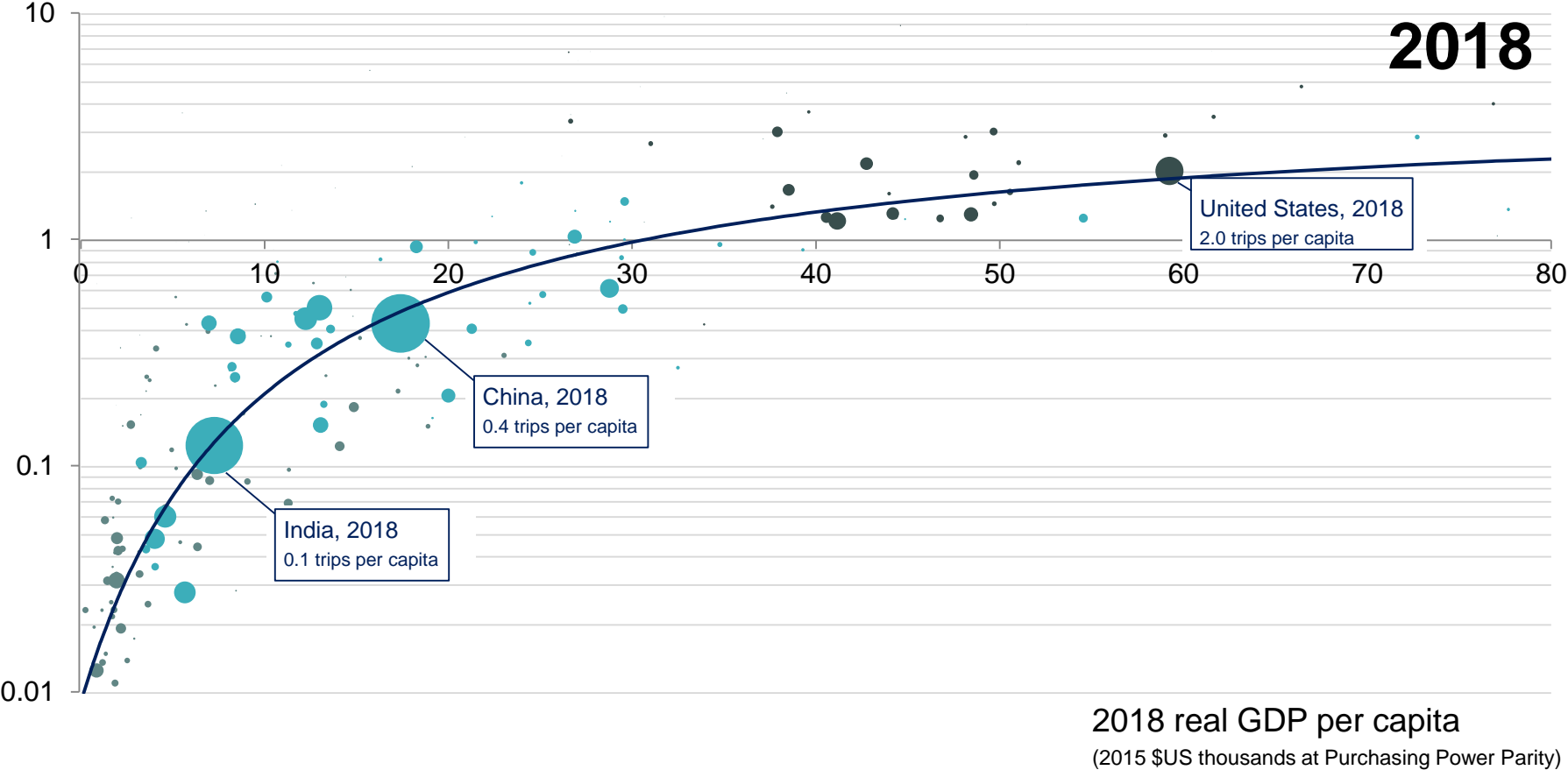


Note: Middle-class: Households with yearly income between \$20,000 and \$150,000 at PPP in constant 2015 prices  
 Source: Oxford Economics, Airbus GMF 2019



# In 2018, ~0.35 trips per capita in Emerging countries

2018 trips per capita

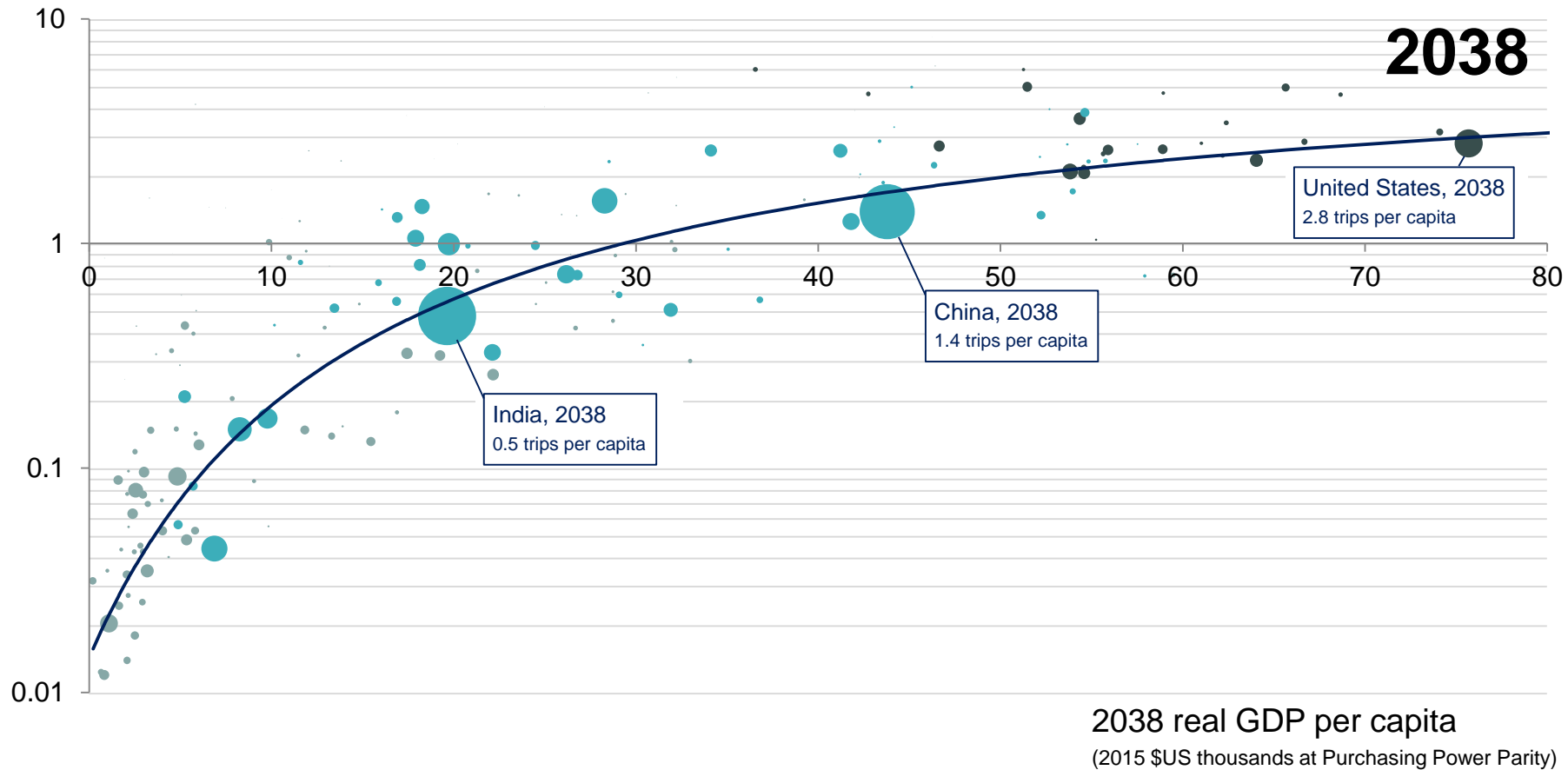


Bubble size proportional to population

- Advanced Economies
- Developing Economies
- Emerging Economies

# ...and in 2038, ~0.95 trips per capita in Emerging countries

2038 trips per capita

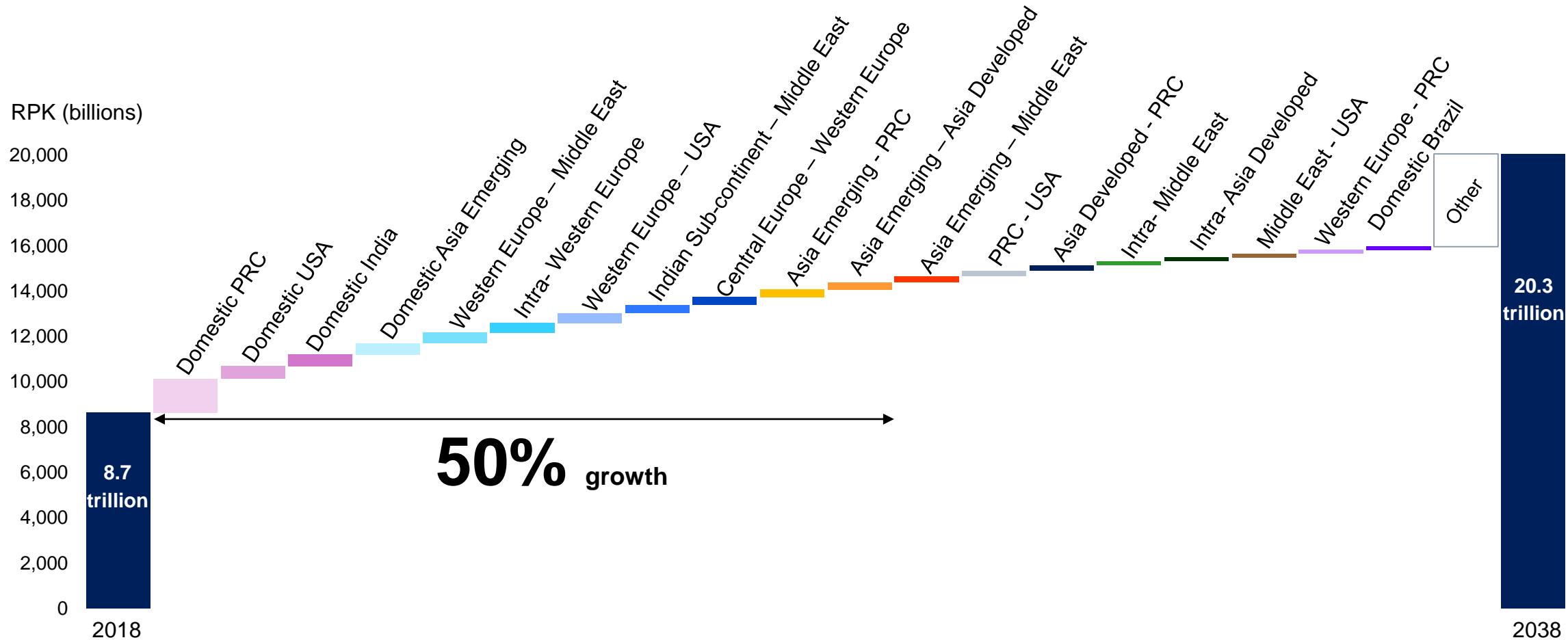


- Bubble size proportional to population
- Advanced Economies
  - Developing Economies
  - Emerging Economies



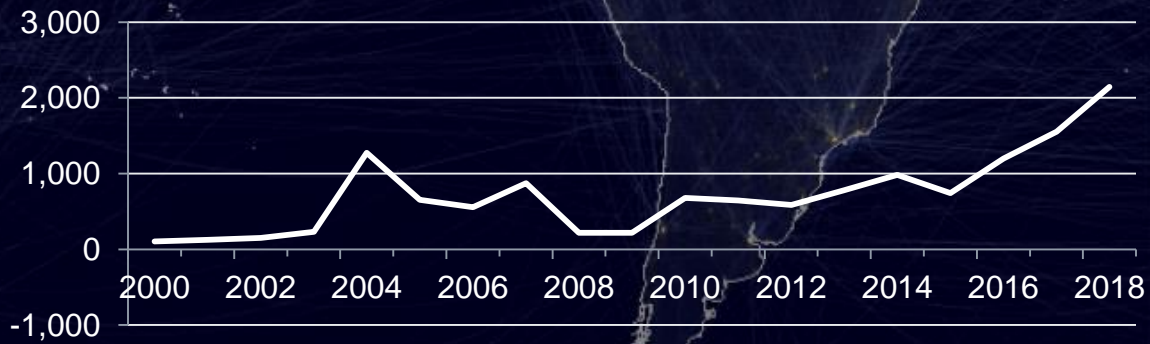
# Traffic is forecast to grow at 4.3% p.a.

World annual traffic (RPK billion) with main growing flows



# Growing networks: most active new route creation 2017-2018

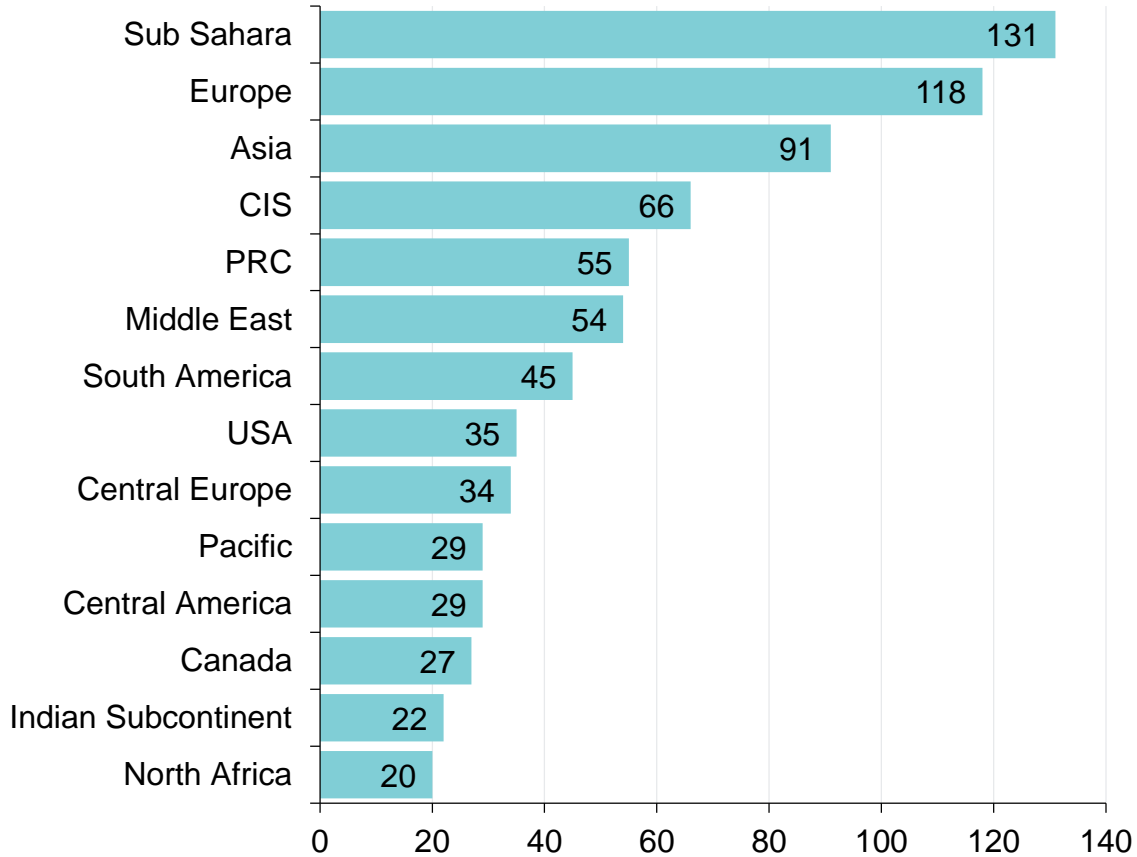
Net city-pairs



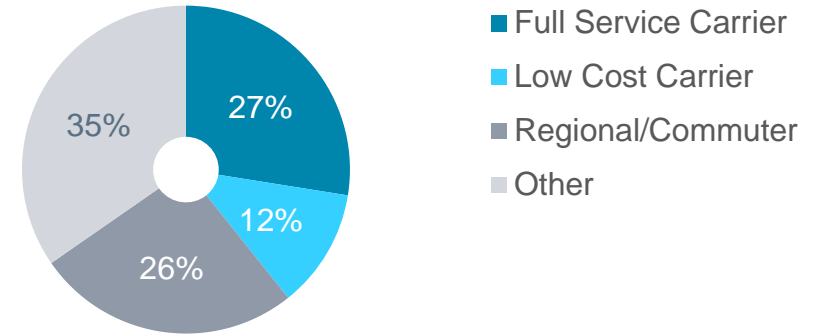
- Intra PRC
- Africa – Europe
- Transatlantic
- Short haul within Europe
- Long haul LCC

# ~800 airlines in our sample

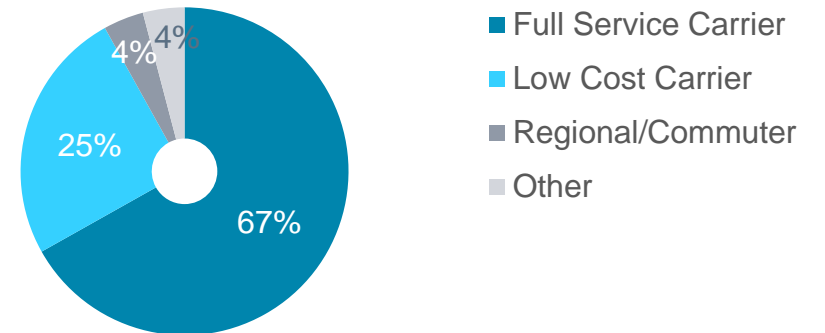
No. of airlines in GMF by region



Nb. of airlines in GMF in 2018



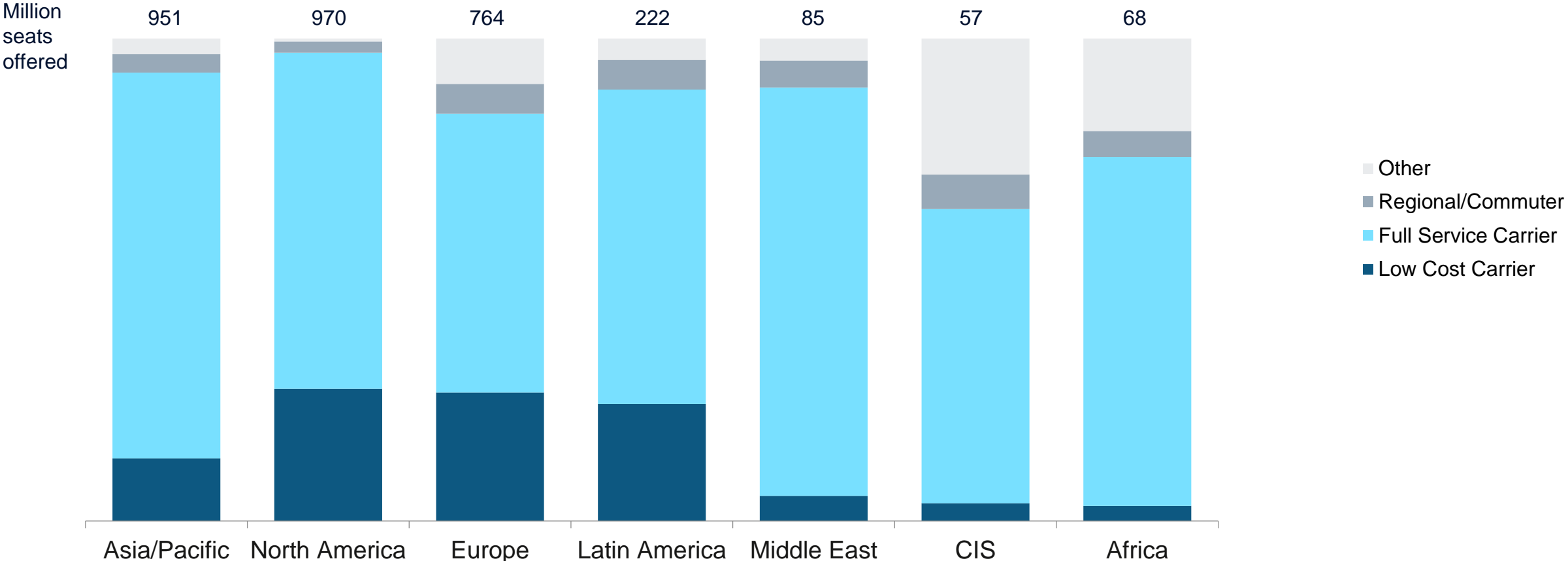
Installed seats in service in 2018



# Business models are evolving...

**2008**

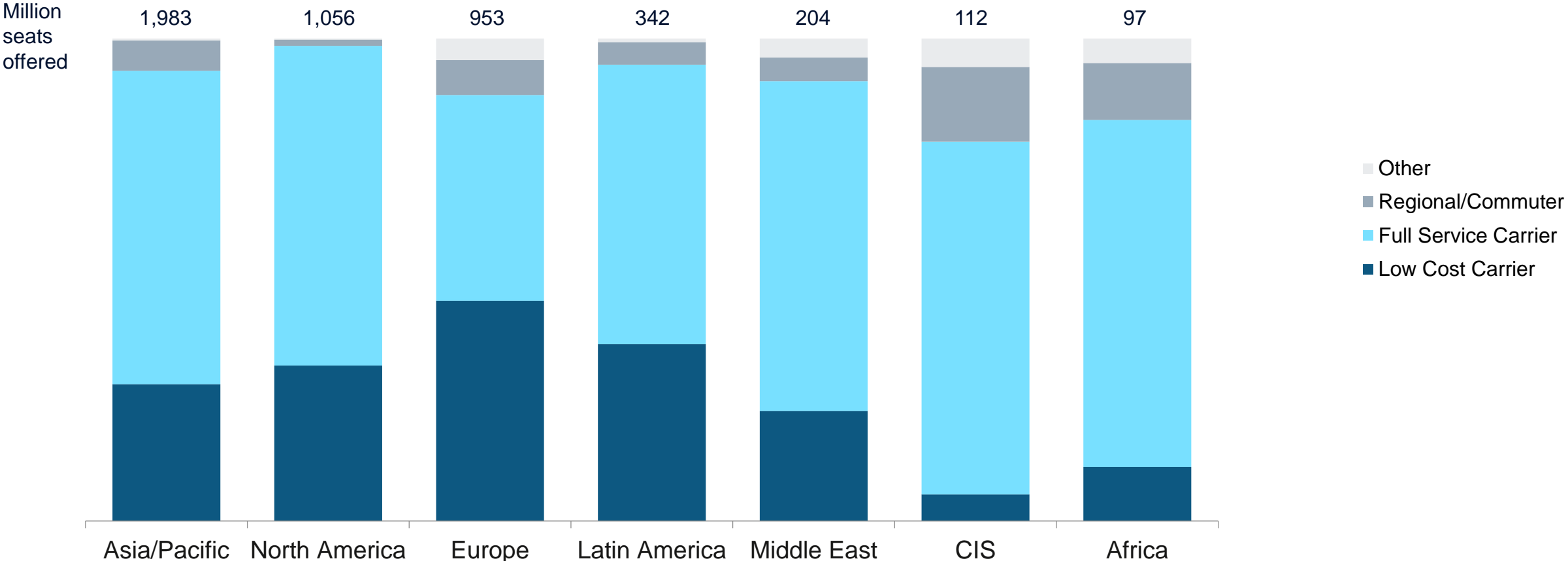
Share of each business model on Domestic and Intra-regional flights



# Business models are evolving...

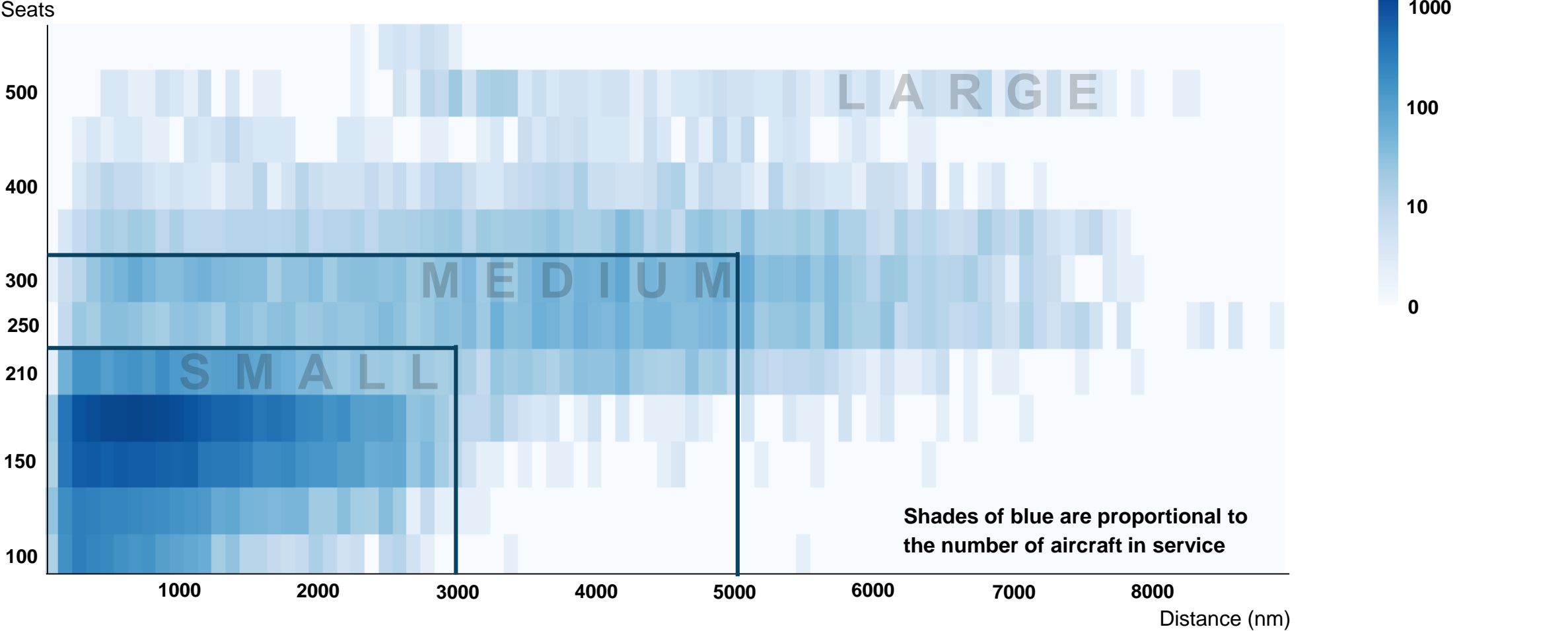
2018

Share of each business model on Domestic and Intra-regional flights



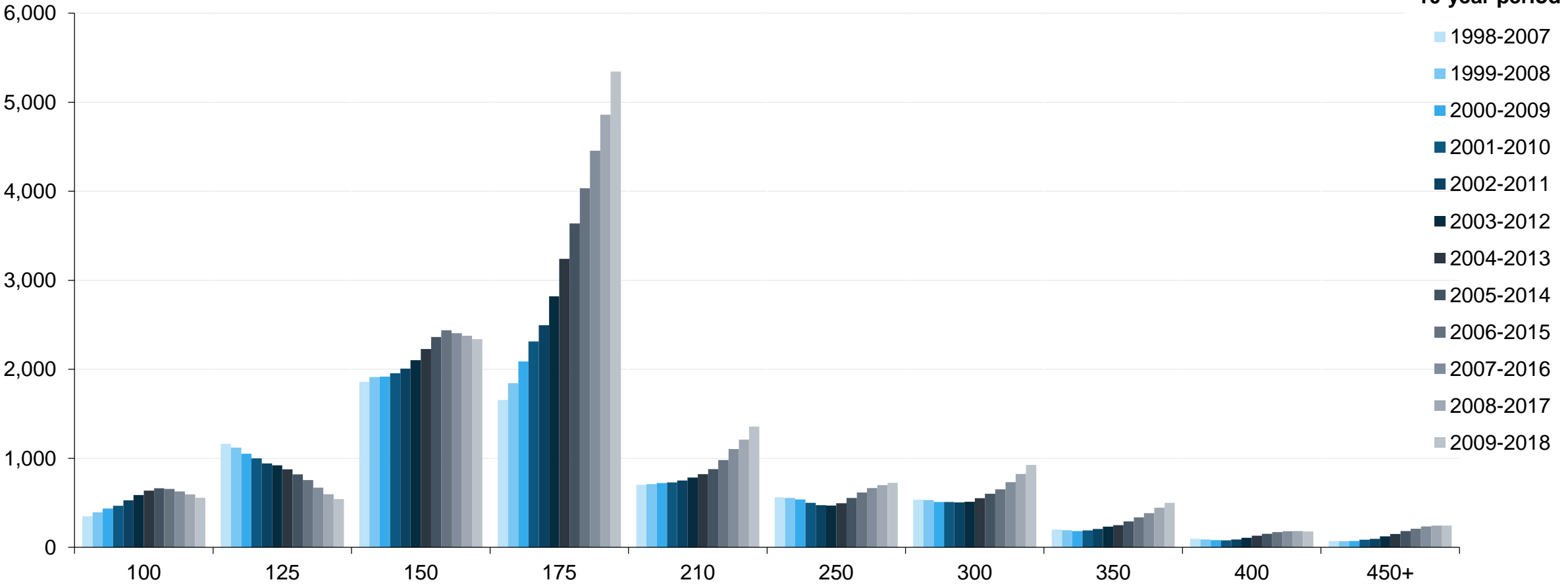
# In today's operations, aircraft are used flexibly in capacity and range

## 2018 operations



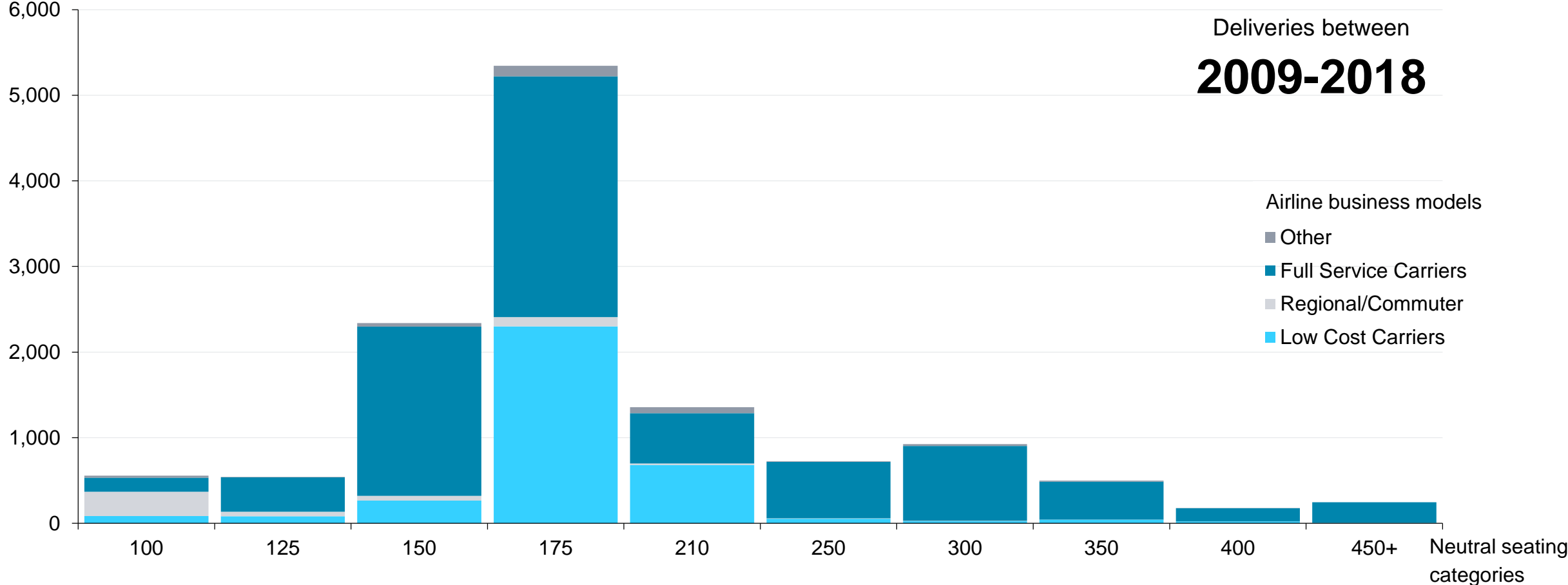
# Increasing deliveries in 175-seat and now 210-seat neutral categories

Rolling past 10-year deliveries overlaid on neutral seating categories



# Strongest category also has highest proportion of Low Cost Carriers

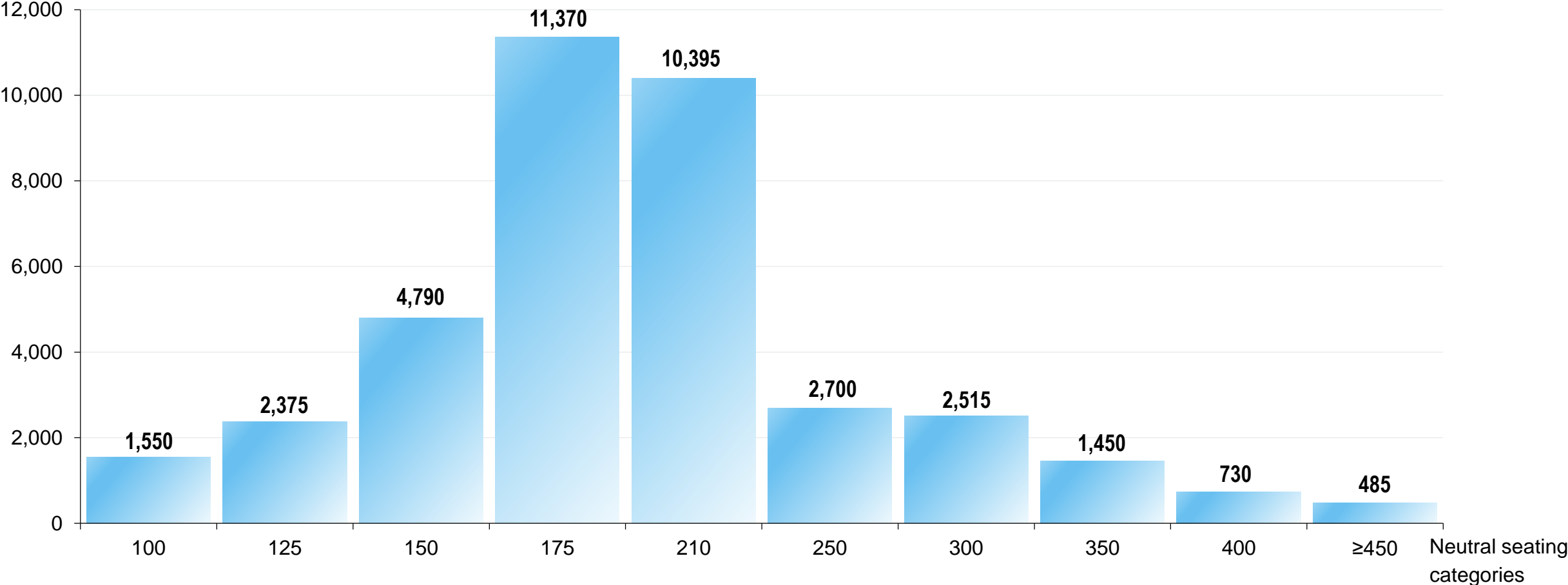
2009-2018 deliveries overlaid on neutral seating categories



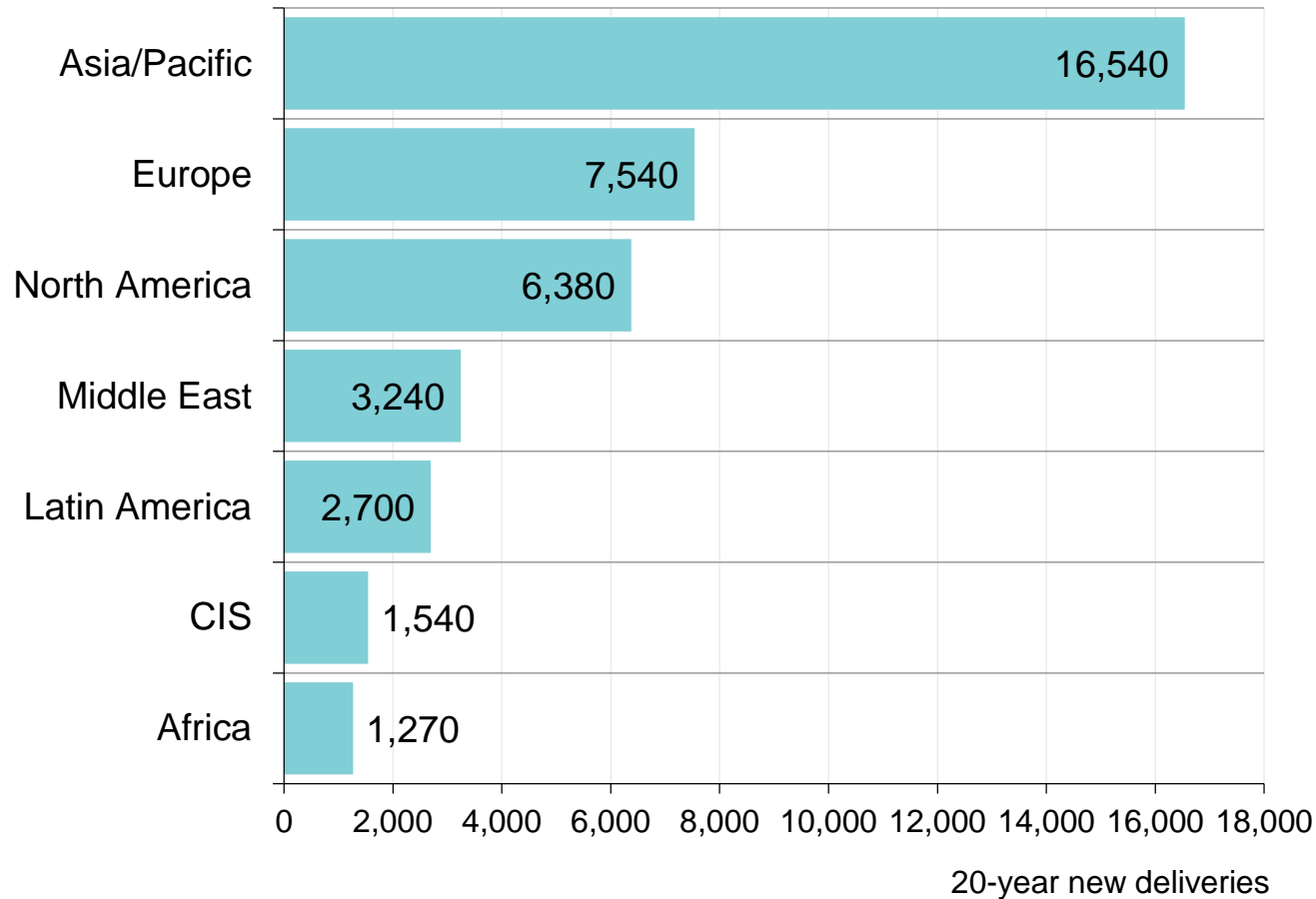


# Forecast new deliveries: move upwards to 210-seat neutral category

Forecast deliveries 2019-2038



# Regional distribution of 20-year new deliveries



## Asia-Pacific airlines:

42% of new aircraft demand

## Europe & North America airlines:

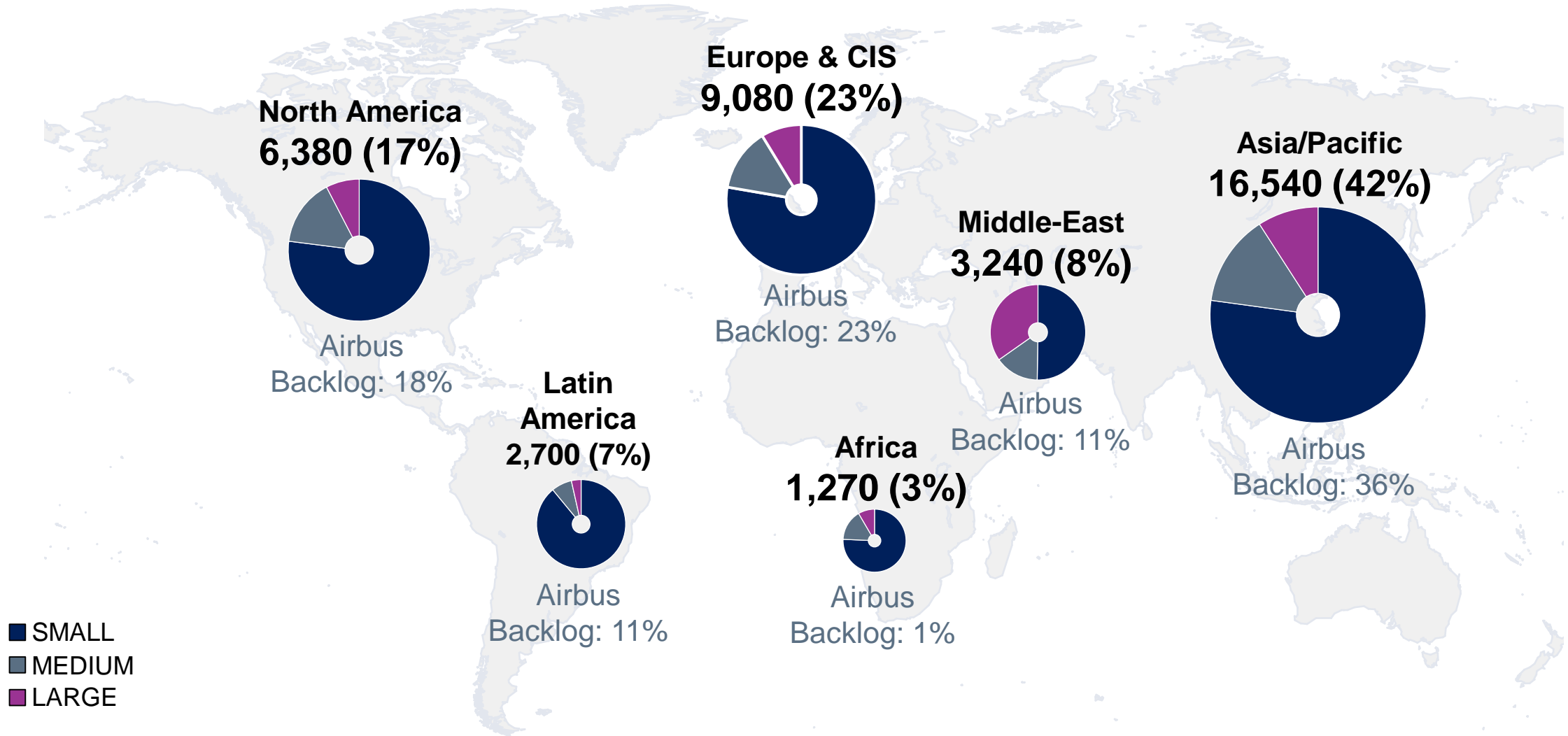
35% of new aircraft demand

## Middle-East, Latin America, CIS & Africa airlines:

22% of new aircraft demand

Notes: Passenger aircraft (≥100seats), Freight (>10t) | Figures rounded to nearest 10  
Source: Airbus 2019

# Global demand for 39,210 new passenger & freighter aircraft



Excludes undisclosed, lessor backlog, military derivatives & ACJ

Source: Airbus GMF 2019 | Figures rounded to nearest 10  
 Note: demand for all commercial aircraft above 100 seats & freighters above 10t