



Commercial Marketing Overview

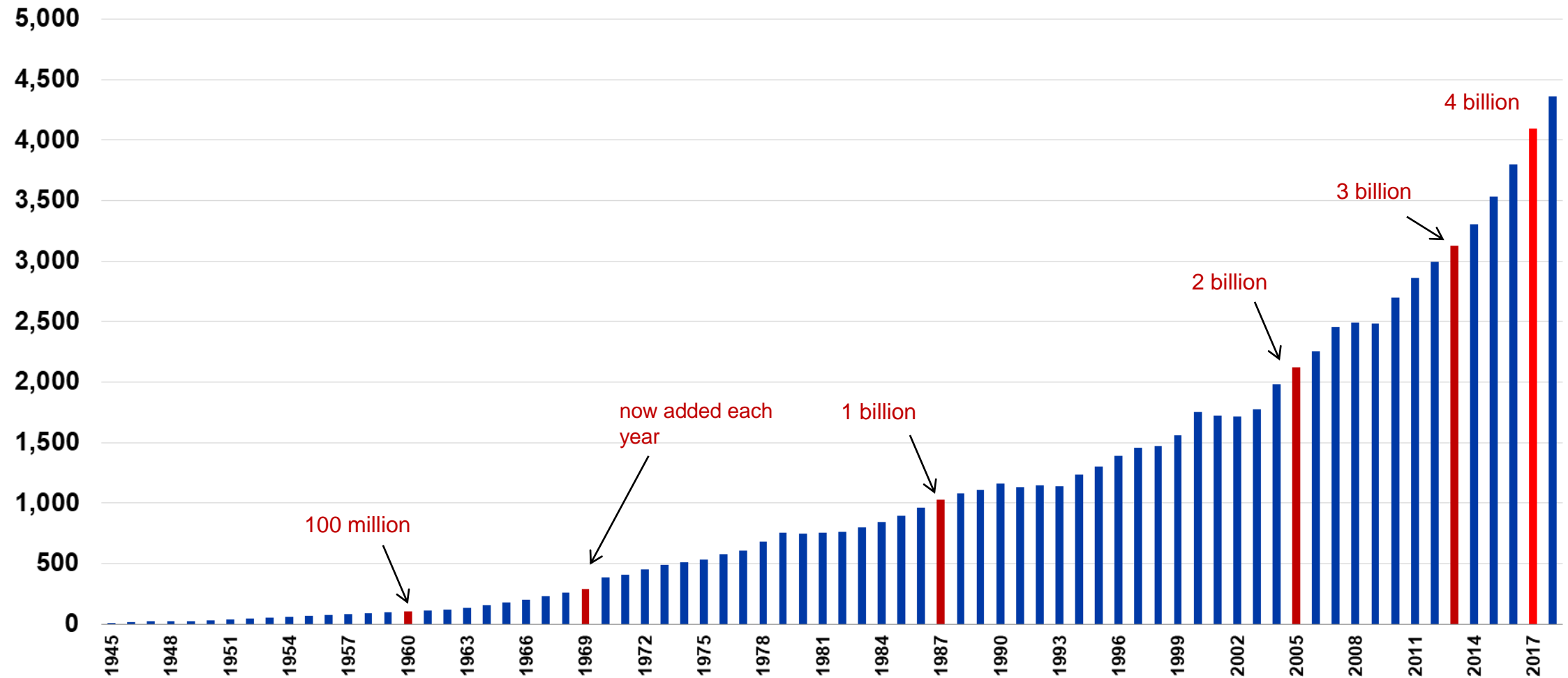
Shauna Bassett| Regional Director, Market Analysis

September 2018

Proprietary: The information contained herein is proprietary to The Boeing Company and shall not be reproduced or disclosed in whole or in part except when such user possesses direct, written authorization from The Boeing Company. The statements contained herein are based on good faith assumptions and are to be used for general information purposes only. These statements do not constitute an offer, promise, warranty or guarantee of performance.

Copyright © 2018 Boeing. All rights reserved.

18 million passengers in 1946 – an infant industry ...3.8 billion today – essential to modern life



Source: ICAO / IATA June 2018

Agenda

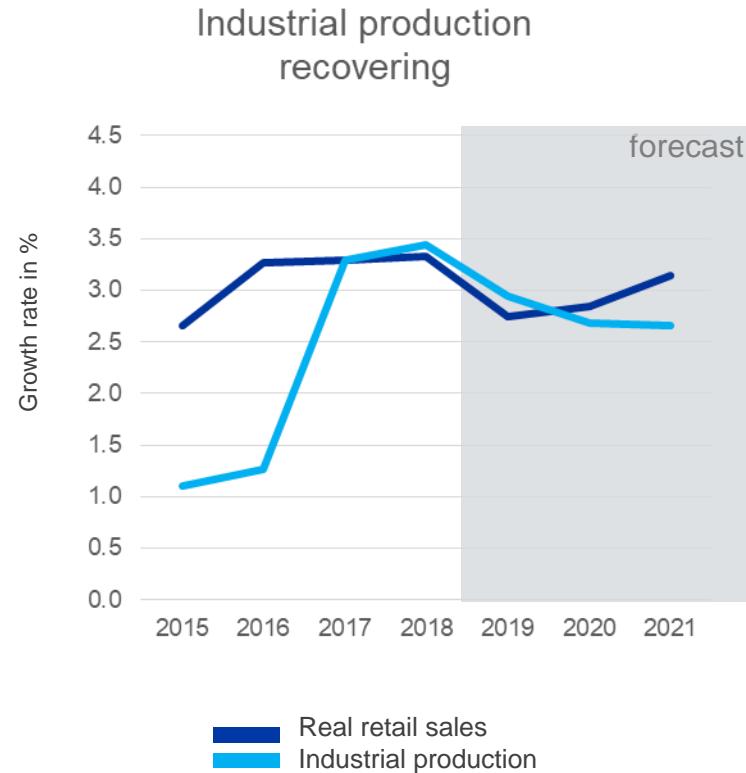
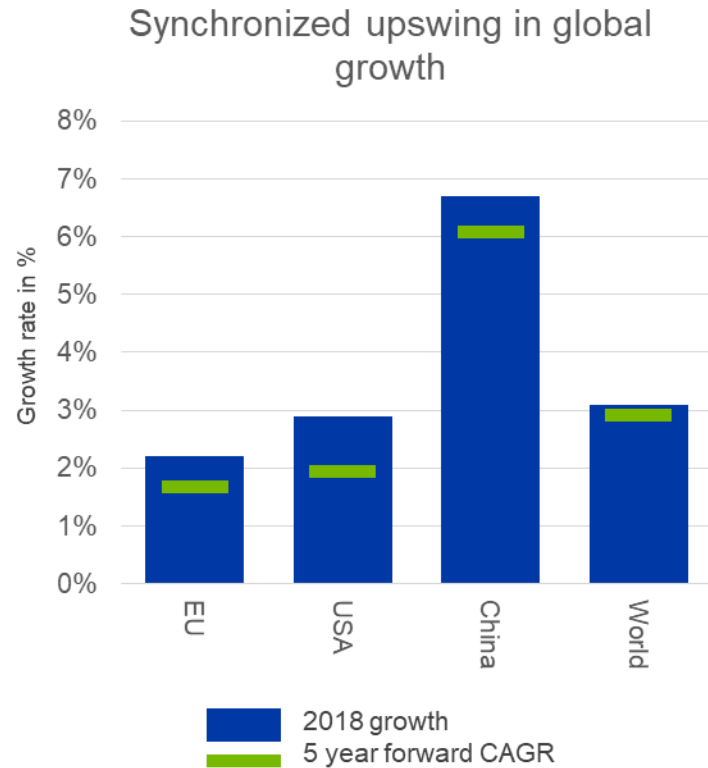


Market
drivers and
dynamics

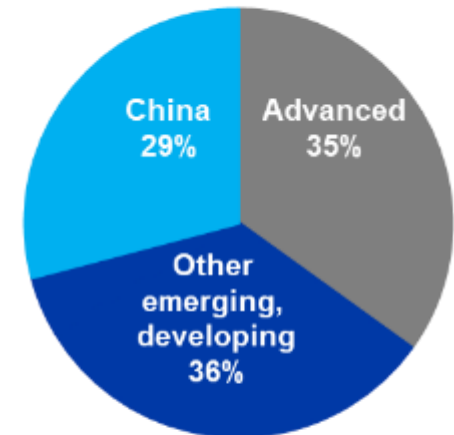
Commercial Market
Outlook (CMO)

Economic fundamentals support strong demand

Key economies growing, industrial production gaining strength



China, Emerging Markets adding most to GDP



2018-2023 contribution to global real GDP growth

(Percentages may not add to 100 due to rounding)

Eight straight years of growth

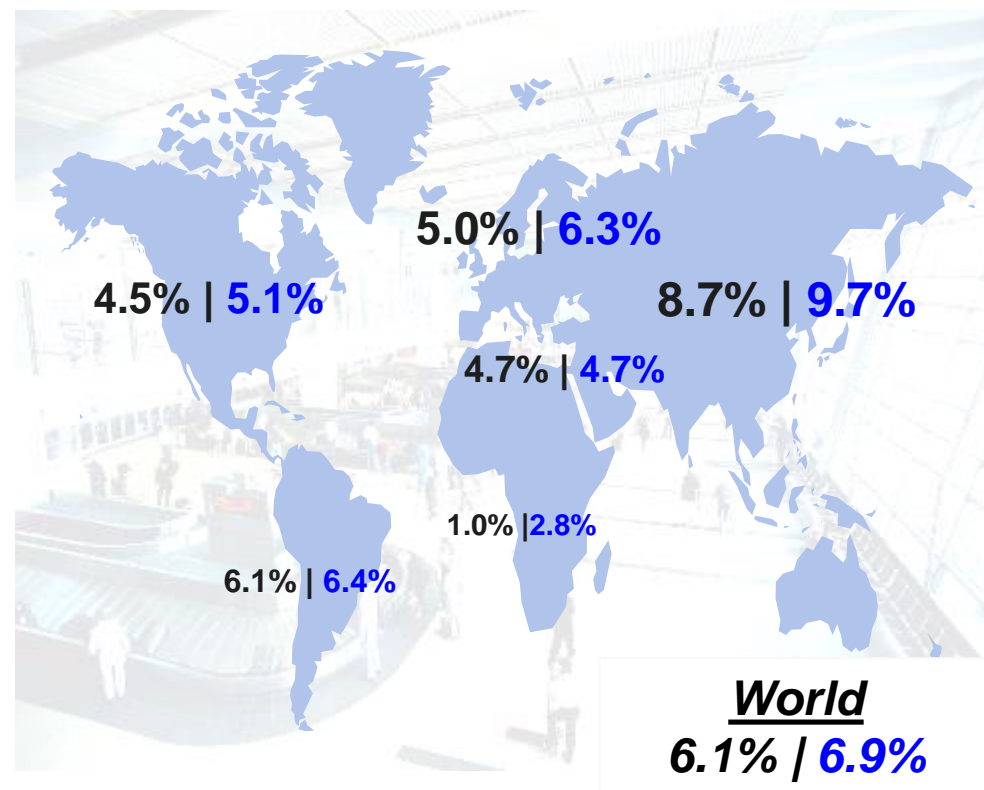
All regions participating in growth, supply and demand remain in balance



Source: Commercial Market Analysis with data from IATA July 2018

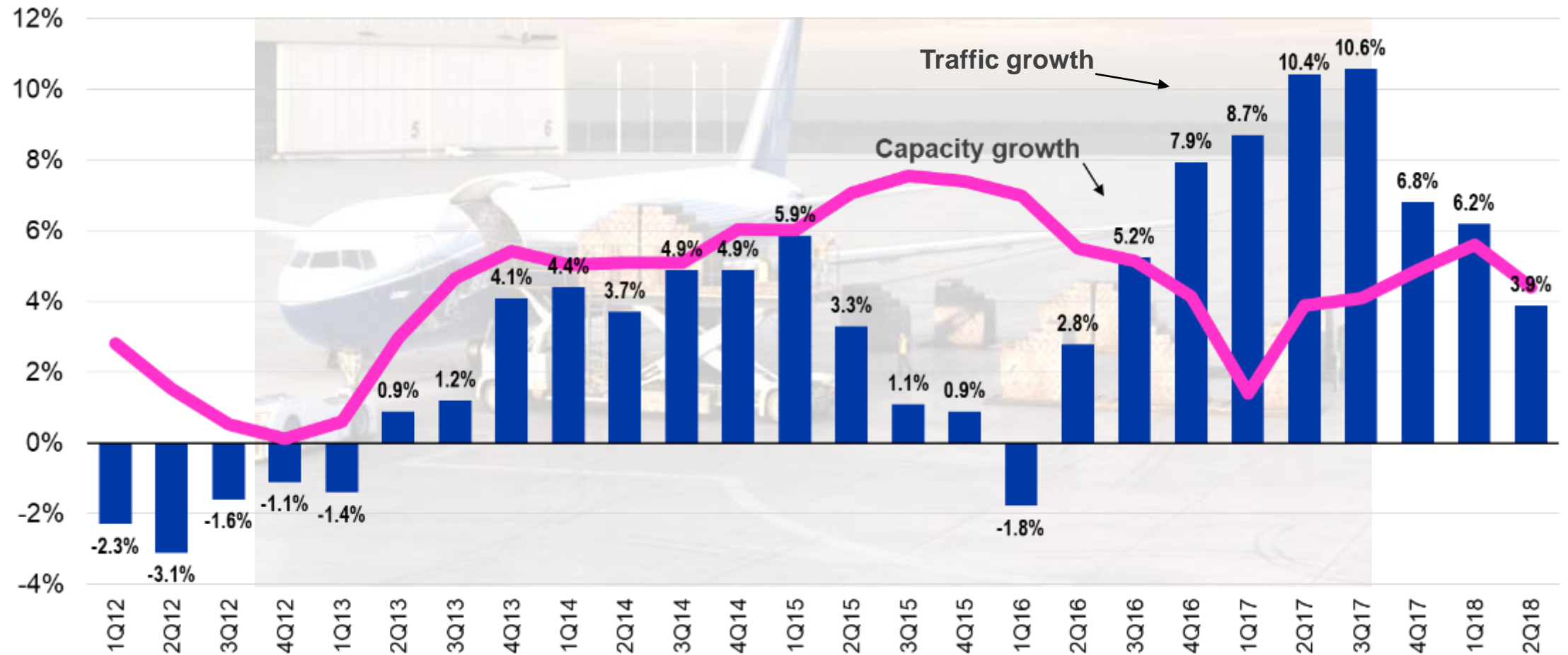
Total passenger market

YTD 2018 ASK growth | *RPK growth*



Air cargo capacity exceeding capacity growth in 2Q18

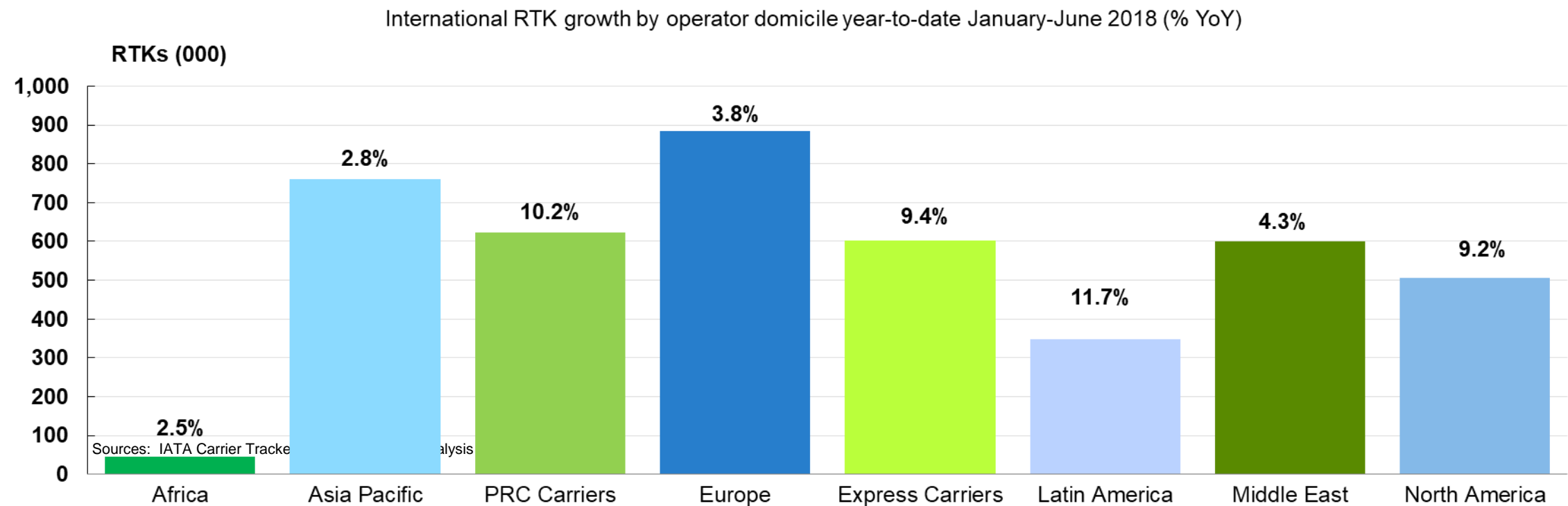
Year-over-year RTK (traffic) and AFTK (capacity) growth settling in, with more balance



Source: IATA Carrier Tracker

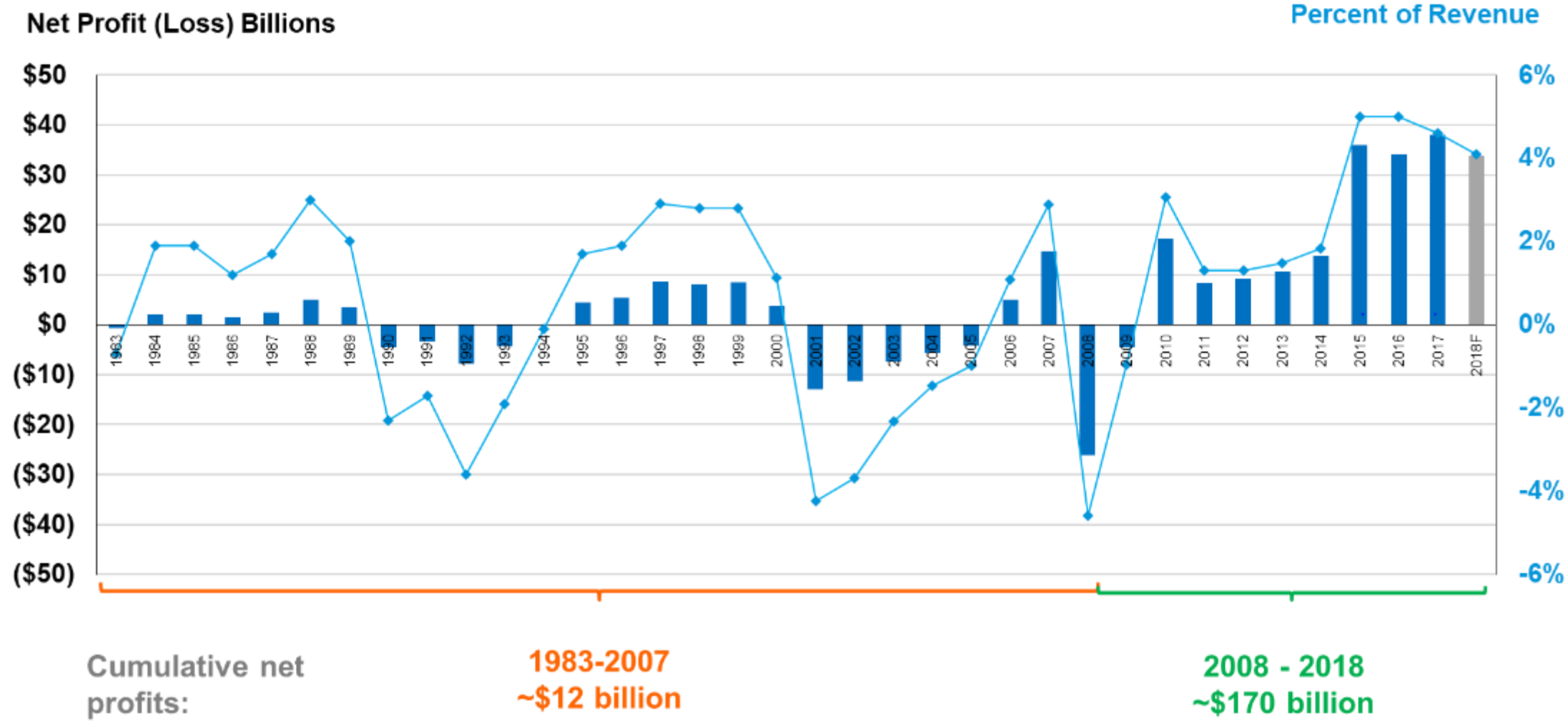
International air cargo growth continuing after spectacular expansion in 2017

Year-over-year growth at 5.0%



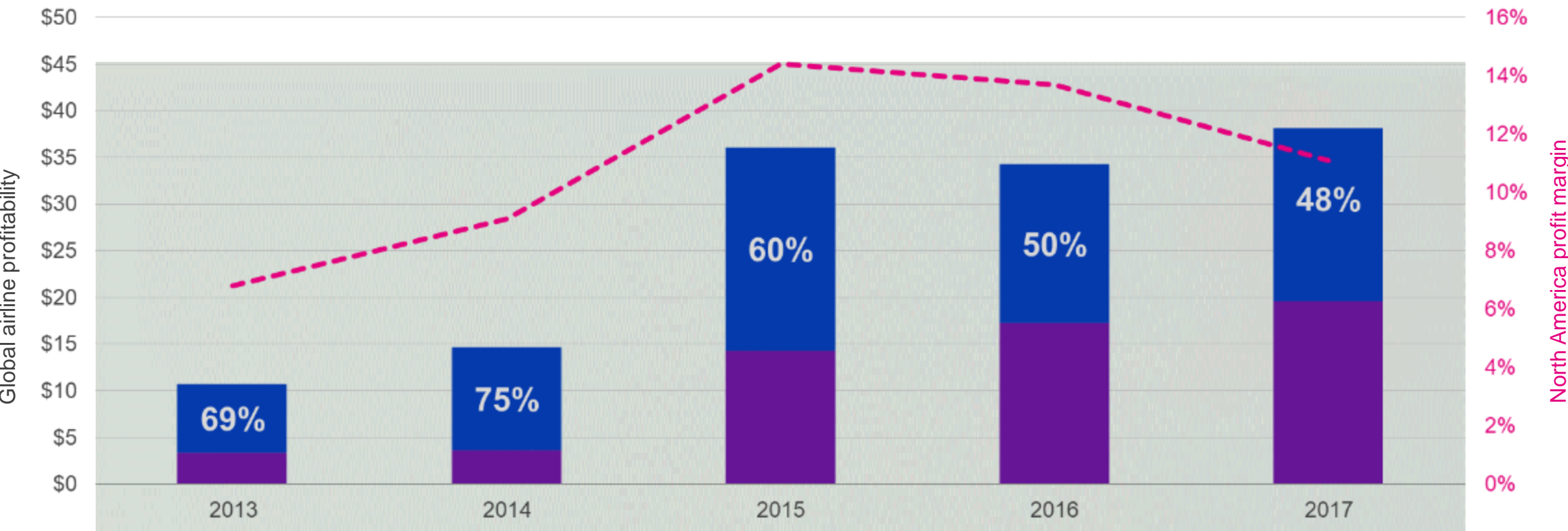
All airline-domicile regions continue growing in first half of 2018

Sustained global airline profits, 3 years of above \$30 billion



Source: ICAO (1983 – 2013) and IATA June 2018 (2015-18)

North America has accrued 56% of global airline profitability the last five years

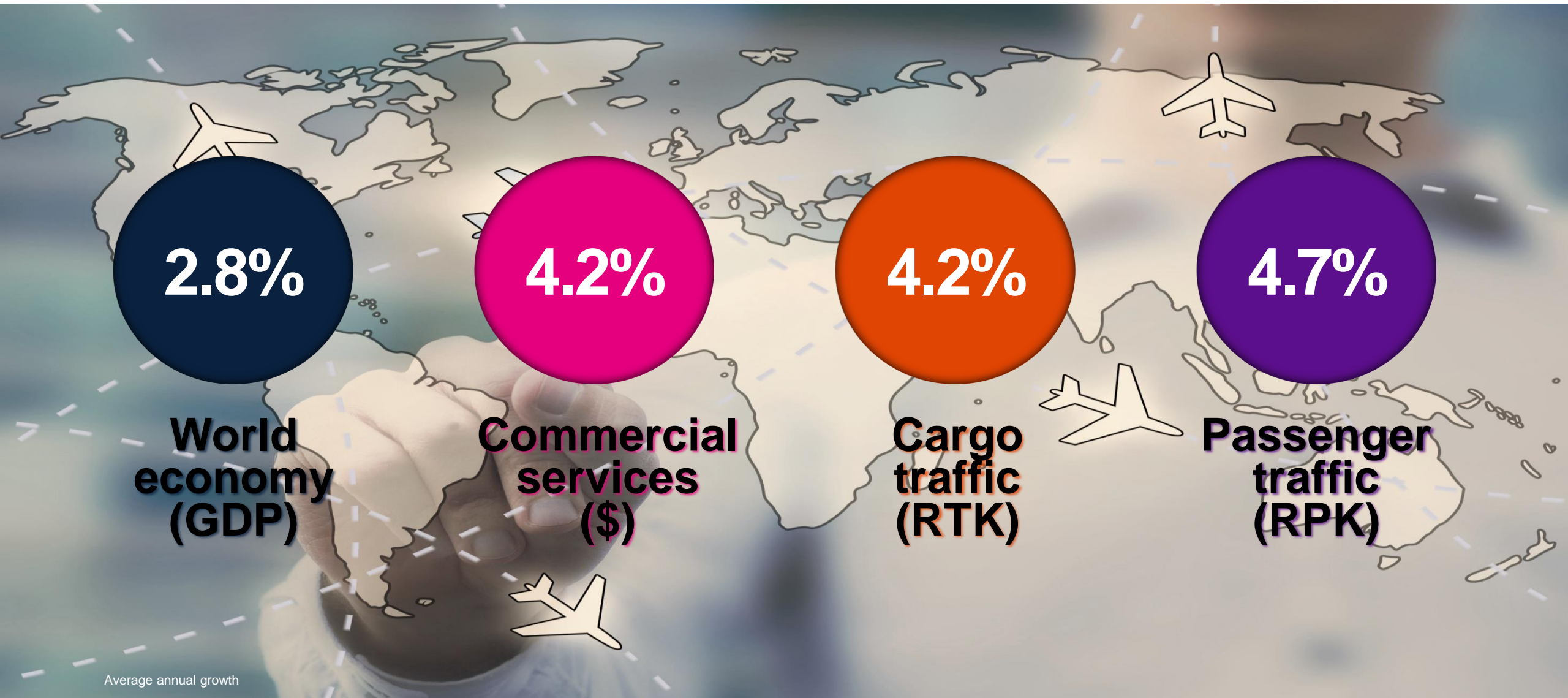


SOURCE: IATA

Agenda

Commercial Market Outlook (CMO)

20-year forecast: continued long-term growth

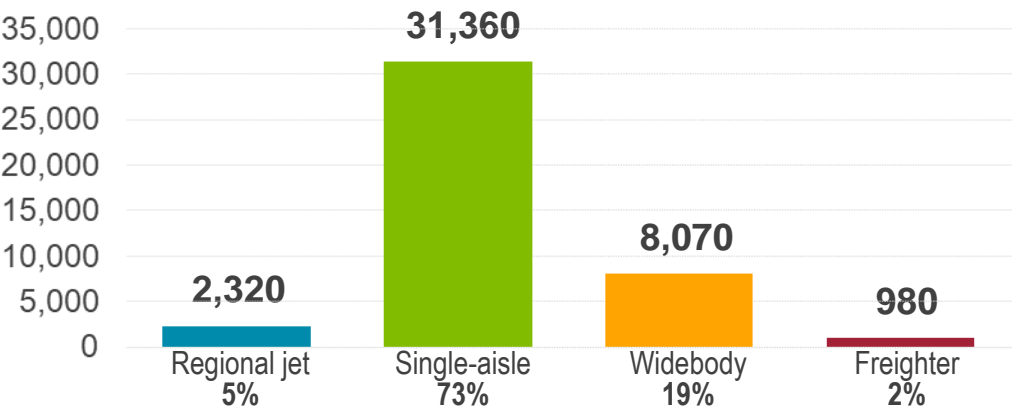


Airlines will need 42,700 new airplanes valued at \$6.3 trillion



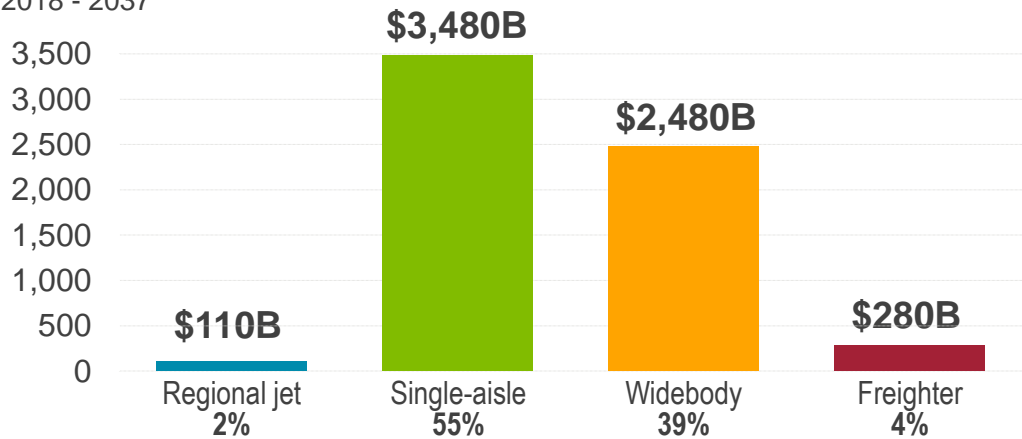
Airplane deliveries: 42,700

2018 - 2037



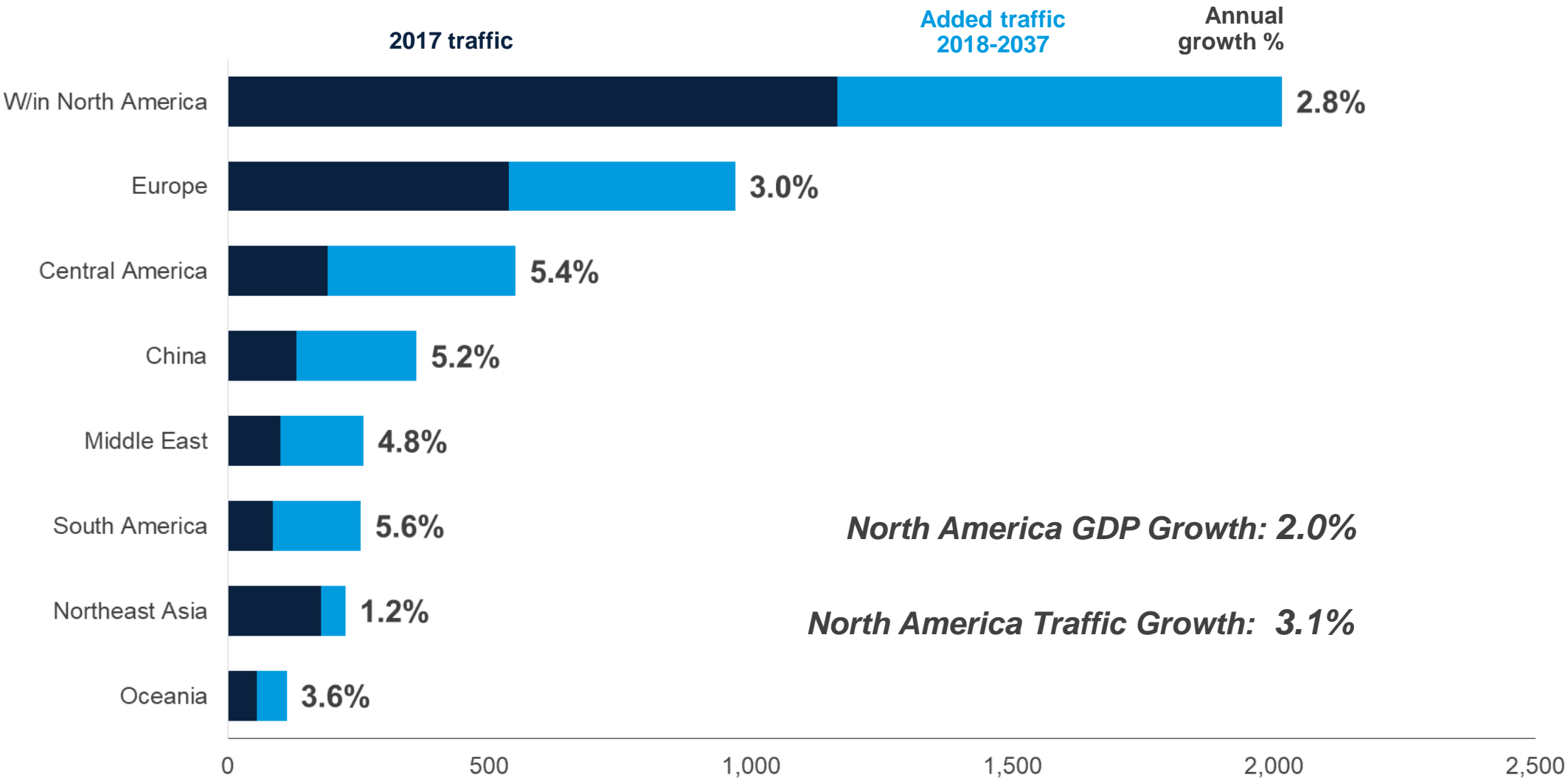
New airplane values: \$6.3T

2018 - 2037



North America traffic growth varies by market

RPKs (billions)



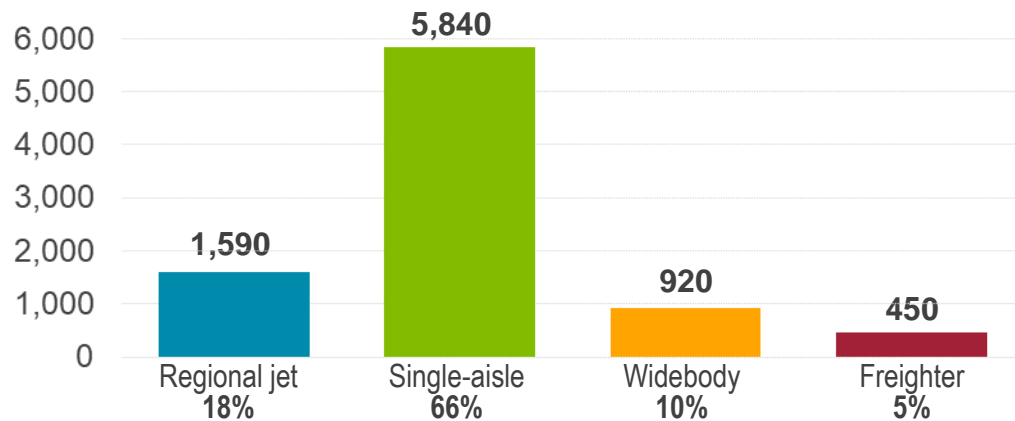
*Does NOT include travel within China

North America will need 8,800 new airplanes valued at \$1.1 trillion



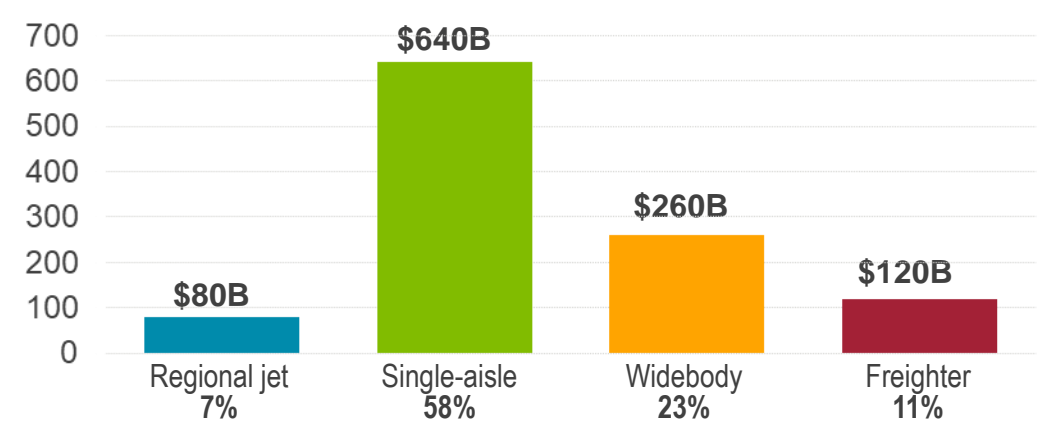
Airplane deliveries: 8,800

2018 - 2037

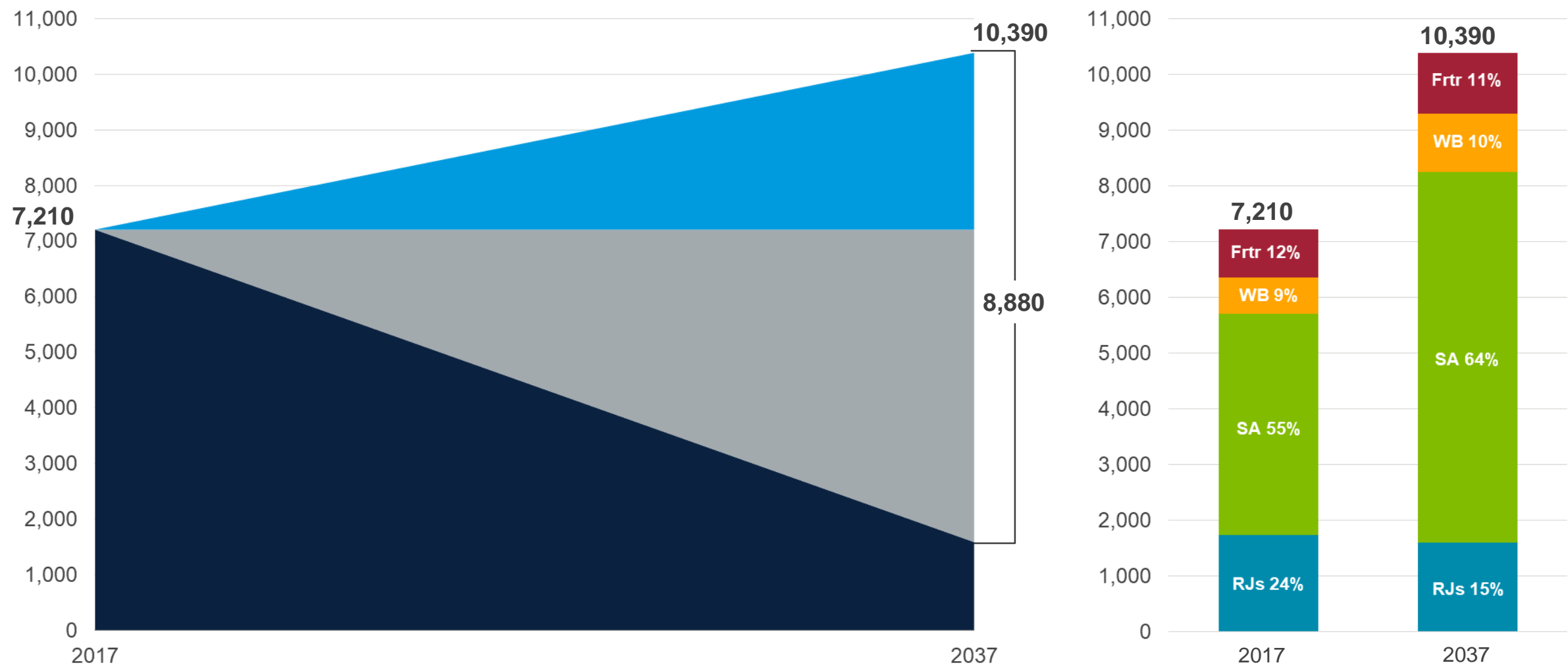


New airplane values: \$1.1T

2018 - 2037



More than half of North America's deliveries are for replacement



SOURCE: Fleet Analyzer & Boeing CMO

Products and services that deliver value



A dynamic and growing industry



24,400 jets in-service – **48,500** by 2037

96,000 flights per day – **202,000** by 2037

4.3 billion passengers flown per year – **10 billion** by 2037

