



# UBS: PRE-OWNED BUSINESS JET INVENTORIES INCHING UP

News / Business aviation



**Inventories of pre-owned business jets for sale are climbing again, and the number of aircraft for sale in the six- to 10-year age range is at an all-time high, according to aerospace analysts at UBS.**

In its latest Business Jet Update, issued today, UBS reports that the inventory of business jets for sale inched up a percentage point in January, reaching 11 percent of the installed base of aircraft. This is still below the historical average of 13 percent. “Young” aircraft for sale—those five years or younger—went up 2 percent in January and 1 percent over the past year. While this is still 63 percent less than peak, the inventory of slightly older aircraft for sale—those between six and 10 years old—jumped 19 percent over the past year and is “now above the 2009 absolute peak.”

The inventory of young aircraft up for sale is lower in North America, with only 7 percent available, compared with 11 percent in Europe and Asia.

In the six- to 10-year range, the number of large-cabin aircraft for sale has reached 12 percent of the installed base. UBS said this trend is led by “big increases” in Dassault Falcon 7X and

Gulfstream G450 inventory. The G550 fleet had been stable, but the number of aircraft for sale has started to climb, but so too has pricing. As for Gulfstream's G650/650ER, UBS said 14 are for sale, but "pricing has dropped back in line with new [G650s] after being well above."

These increases, along with other metrics such as flight activity and market confidence, have suggested "continued business jet weakness, particularly on the high end of the market." But even so, the analyst remains upbeat about the market. "We ultimately see the market improving on pent-up corporate replacement demand in North America."

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