



# BOEING FORECASTS CONTINUED HEALTH AND GROWTH FOR AIRCRAFT FINANCING IN 2019

News / Finance, Manufacturer



**Financing industry to provide approximately \$143 billion in aircraft funding in 2019**

**Financing requirements to grow to more than \$180 billion over next five years**

**Funding continues to be balanced, diversified and global**

**Growing number of new participants attracted by strong commercial aviation industry**

**Boeing anticipates stable growth and broad, diversified funding will continue to support efficient aircraft financing in the next year.**

**The company's annual Current Aircraft Finance Market Outlook (CAFMO), released today, evaluates and forecasts financing sources for new commercial airplane deliveries in the coming year and the industry's overall delivery financing requirements for the next five years. The CAFMO also explores trends within major funding sources and their potential impact on the broader market.**

**"The aircraft financing market remains healthy, with adequate commercial liquidity, providing a wide range of efficient options available for our customers," said Tim Myers, president of Boeing Capital Corporation. "We expect another year of balanced funding for commercial airplane deliveries in 2019, mirroring the broader industry, primarily split**

**between bank debt, capital markets and cash.”**

**Boeing forecasts continued strong demand for new commercial airplanes in 2019, resulting in about \$143 billion in deliveries by major manufacturers, with potential to grow to more than \$180 billion by 2023.**

“Driven by a growing understanding of aviation’s strong growth potential and the industry’s attractive returns, we continue to see innovations and first-time entrants into the market, providing increased capacity for funding new deliveries as well as pre-delivery payments, mezzanine debt financing and the secondary aircraft market,” Myers said.

New to this year’s report is the addition of the secondary aircraft financing market outlook, as well as expanded analysis of other funding sources, including the leasing community, tax equity and the insurance market.

Highlights of the 2019 CAFMO include:

- Funding for deliveries is expected to be balanced between commercial bank debt and capital markets and cash.
- Airlines and lessors are expected to have some of their lowest historical costs of financing.
- Capital markets continue to grow, bolstered by unsecured borrowing.
- Aircraft leasing has grown to represent more than 40 percent of in-service commercial aircraft ownership.
- Export credit agencies remain a small but critical funding source, particularly in the United States.
- Strong industry fundamentals are attracting more participants and investment in new deliveries and the used aircraft market.

The full 2019 CAFMO, as well as additional data on regional-specific financing trends and global financing markets, is available at [www.boeing.com/CAFMO](http://www.boeing.com/CAFMO).

Forward-Looking Information Is Subject to Risk and Uncertainty

Certain statements in this release may be "forward-looking" within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "expects," "forecasts," "projects," "plans," "believes," "estimates," and similar expressions are used to identify these forward-looking statements. Examples of forward-looking statements include statements relating to our future plans, business prospects, financial condition and operating results, as well as any other statement that does not directly relate to any historical or current fact. Forward-looking statements are based on current assumptions about future events that may not prove to be accurate. These statements are not guarantees and are subject to risks, uncertainties and changes in circumstances that are difficult to predict. Many factors could cause actual events to differ materially from these forward-looking statements, including economic conditions in the United States and globally, general industry conditions as they may impact us or our customers, and other important factors disclosed previously and from time to time in our filings with the Securities and Exchange Commission. Forward-looking statements speak only as of the date they are made and we undertake no obligation to update or revise any such statement, except as required by law.

**ARTICLE LINK:**

<https://50skyshades.com/news/finance/boeing-forecasts-continued-health-and-growth-for-aircraft-financing-in-2019>