

SEATTLE, WASHINGTON (May 26, 2014) –Demand for freighter aircraft continues to trend higher, according to a newly-released forecast issued by ACMG.

According to ACMG, the air freight market will need about 125 new freighters per year to meet growth and replacement needs over the next twenty years in a “baseline-growth” scenario, which is based on 4.5% annual growth in demand. This compares to the 95 freighters (production units and passenger-to-freighter conversions) added per year from 1990-2014.

Even under the extreme case, where there is assumed to be no growth in air cargo demand over the next twenty years, there would be a need for about 60 added freighters per year to offset the capacity of freighters retired from the existing fleet.

“Some vigor returned to the air freight market last year, and that has only continued this year,” said Robert Dahl, Managing Director of ACMG, and one of the forecast’s authors. “When looking over the long term, the outlook for freighters is healthy.”

The freighter aircraft market has undergone a period of significant change since 2000. Global air freight demand has experienced an unprecedented level of volatility since 2000; in fact, three of the worst years ever in terms of air freight traffic declines (measured in terms of freight-tonne-kilometers performed) have taken place since 2000. As such, the jet freighter fleet peaked in size at 1,800 units in 2006-2007, but then contracted. The fleet total has hovered around 1,600 units since 2009. The total increased by about 50 units in 2014, to reach a level of 1,609 as we entered 2015. The baseline forecast calls for the fleet to grow to 2,887 units through 2034.

“Despite challenges facing the freighter market in the post-recession period, there continue to be new developments that will have an impact on the market going forward,” Dahl said. “The news on the freighter front over the past year was a mix of good and bad, with most of the good news coming in the narrowbody sector.”

ACMG (Air Cargo Management Group), a market research and consulting firm, updates its forecast annually. The ACMG forecast is the only in-depth, independent assessment of future demand for freighters. The newly released 2015 edition covers the period from 2015 through 2034, predicting demand for freighters to meet growth and replacement needs under multiple scenarios of future air cargo market growth. It also includes an overview of the characteristics of the airlines that operate freighters, and an appendix providing a summary of the principal attributes of aircraft types expected to be the primary freighter models in operation through 2034.

ACMG's forecast is unique in projecting fleet growth in five-year increments. Furthermore, the forecast shows demand for individual aircraft types, while taking into account the impact of production freighter deliveries, passenger-to-freighter conversion activity, and the retirement of aging freighters from the existing fleet.

New this year is the addition of a Freighter Forecast Analysis Tool spreadsheet that allows users to test the sensitivity of the forecast results to future levels of demand growth and aircraft productivity enhancements, and to shifts in the portion of freight carried in passenger aircraft bellies. For the first time, purchasers will have the ability to easily analyze how their own freighter-related activities would be impacted under various user-specified assumptions.

“The Analysis Tool makes the Freighter Forecast product more than just a compilation of fleet numbers, albeit important ones,” said JJ Hornblass, ACMG's Chief Executive Officer. “It makes the Freighter Forecast an invaluable element of the planning and modeling activities at any company involved in the freighter business.”