FREIGHTER FLEET ANALYSIS

OUT WITH THE OLD & IN WITH THE NEW? NOT SO FAST...

2015 was a fairly strong year for new-build jet freighter orders (see p. 14), and as we enter 2016 we take stock of the overall state of the production freighter order books at Airbus and Boeing, and the state of the large widebody freighter fleet in general.

For the past few years there have been four production freighters available from Boeing, and one from Airbus. Boeing offers the 140-tonne-payload 747-8F, the 109-tonne 777F, and the 58-tonne 767-300F; while Airbus offers the A330-200F in two configurations, a 65-tonne "range mode" and a 70-tonne "payload mode."

Orders for these four production freighters have been scarce in recent years through 2014, but deliveries continued in a steady stream, and the backlog fell by almost half, from 234 at the beginning of 2012, to just 121 at the beginning of 2015.

There was no slowdown in deliveries in 2015, the forty-five units delivered was very close to the average rate of the last four years. But for the first time in a long time, orders outpaced deliveries, as the two manufacturers booked 90 orders, almost three times the average of the last four years.

As a result, the backlog for the four freighter types currently in production now stands at 166. The charts below and at right provide a snapshot of the order and delivery situation for the Airbus A330-200F, and Boeing's 747-8F, 777F, and 767-300F.

And how have these developments, and the modest growth in air freight demand seen in 2014 and 2015, affected the pre-existing large widebody freighter fleet? It was not that long ago that 747-400 and MD-11 freighters totally dominated that fleet. As newer 777Fs and 747-8Fs began entering service, there was an expectation that the older types would gradually be retired. Then, with the dramatic fall-off in demand growth following the Great Recession, that expectation changed from "gradually" to "very quickly."

When we looked at this subject in mid-2014, we found that the pace of retirement of MD-11Fs and 747-400Fs had indeed begun to accelerate, with about 18% of MD-11Fs and 22% of 747-400Fs in long-term storage. But when we included planned retirements in the equation, it seemed clear that the numbers of these two types in service would soon shrink much more dramatically.

Airbus Production Freighter Backlog

Carrier/leasing company	Orders	Deliveries	Backlog
A330-200F			
Aircastle	3	3	0
Avianca	5	5	0
BOC Aviation	5	5	0
Etihad Airways	5	4	1
Malaysia Airlines	4	4	0
MNG Airlines	4	1	3
Qatar Airways	5	4	1
Synergy Aerospace	2	1	1
Turkish Airlnes	9	6	3
Airbus Total (A330-200F)	***42***	***33***	***9***

Source: Airbus, customers, Cargo Facts database *CARGO FACTS -- January 2016*

Boeing Production Freighter Backlog

Carrier/leasing company	Orders	Deliveries	Backlog
747-8F			
Atlas Air Worldwide Holdings	10	10	0
Cargolux	14	13	1
Cathay Pacific Airways	14	13	1
Korean Air	7	6	1
Nippon Cargo Airlines	10	8	2
Saudia Cargo	2	2	0
Silk Way Airlines	5	3	2
Volga-Dnepr Group (Incl. 20-unit MoU)	26	8	18
747-8F Subtotal	***88***	***63***	***25***
777F			
Air China Cargo	8	8	0
Air France	5	5	0
China Southern Airlines	12	12	0
Deucalion Capital	8	8	0
Dubai Aerospace Enterprise	13	13	0
Ethiopian Airways	4	4	0
Etihad Airways	6	3	3
EVA Airways (Letter of Intent)	5	0	5
FedEx (including 9 conditional)	40	24	16
GECAS	10	10	0
Guggenheim Aviation Partners	9	3	6
Hong Kong International Aviation	6	0	6
Korean Air	10	5	5
LAN Airlines	2	2	0
Lufthansa Cargo	5	5	0
Oak Hill Capital Partners	4	4	0
Qatar Airways	16	8	8
Saudia Cargo	4	4	0
TAM	2	0	2
777F Subtotal	***169***	***118***	***51***
767-300F			
All Nippon Airways	4	4	0
Asiana Airlines	1	1	0
Azerbaijan Airways	2	2	0
DHL	6	6	0
FedEx (including 2 conditional)	106	25	81
GECAS	1	1	0
Japan Airlines	3	3	0
LAN Airlines	8	8	0
UPS	59	59	0
767-300F Subtotal	***190***	***109***	***81***
Boeing Total (all types)	***447***	***290***	***157***

Source: Boeing, customers, Cargo Facts database *CARGO FACTS -- January 2016*