



mba REDBOOK: Q2 2018 Aircraft Value Updates

Q2 2018 Aircraft Value Updates and Industry Insights

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mba provides solutions:

Valuation: mba provides a wide range of valuation services to improve your business decisions. These services include Tangible Assets, Intangible Assets and Enterprise Valuations.

Analytical: Recognized as a premier aviation consulting firm, mba's team brings over 150 years of combined industry experience to public and private clients

Asset Management: mba's asset management team is comprised of seasoned aviation professionals encompassing years of experience within flight operations, engineering and maintenance.

Safety & Compliance

Solutions: mba is a trusted and independent auditing firm, fully prepared to guide you through the audit and corrective action process.

What's Driving Values in Q2 2018? REDBOOK's ISTAT Certified Appraisal Team Has the Latest:

Relying upon the current market conditions and the aircraft transactions that have occurred over the first quarter and into the second quarter of 2018, mba has updated and released the 2Q 2018 values on REDBOOK. Below you'll find the highlights from the update and a look into the most highly traded aircraft of the year.

For a look into current and historical data of the entire global aircraft fleet, mba launched <u>STAR Fleet</u> (System Tracking Aircraft Repository) within the REDBOOK platform. Please email <u>valuations@mba.aero</u> for inquiries or free trial access.

New Additions to REDBOOK

→ 32 new engine variants and types have been added to REDBOOK including the Trent 1000, GEnx-1B64 and -1B70, and the -5Bs and -7Bs with tech insertion.

Aircraft

- → Mid-vintage A320-200 market adjustment factors increased up to 4% for some years including early 2000 builds. Demand for current generation aircraft remains high due to low fuel prices and neo delays.
- → A350-900 and 787-9 Market Values see market increase of 1% above base as operator and lessor appetite remain strong.
- → A320neo and 737 MAX family aircraft continue to see Market Values equal to Base, though Market Lease Rates are trending below the 0.8% lease rate factors historically achieved by new aircraft, averaging closer to the mid-0.6% lease rate range.

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Engines

- PW4060s saw a boost of 2% over the quarter mainly due to the demand from 747-400Fs and 767-300Fs boosting need for spare engines and parts. Values are expected to climb in the short term.

