FAA Aerospace Forecasts
Fiscal Years 2026-2046

Economic Environment

In 2025, global real GDP expanded but continued its gradual deceleration from the spike following the demand shock of 2020. GDP rose 2.9 percent in 2025, down from the 6.4 percent surge in 2021. Economies displayed overall resilience in 2025, performing at near-potential growth rates. Similar conditions are expected to continue in 2026 though with a slight slowdown due to the rebalancing of trade flows, which may be mitigated by lower interest rates and supportive fiscal policies. S&P Global expects GDP to edge down to 2.7 percent in 2026 before slowing a few tenths further over the next decade to approach its long-term trend rate.

In the U.S., real GDP slowed from 2.8 percent in 2024 to 2.2 percent in 2025 before slowing further to 1.9 percent in 2027. This scenario projected by S&P Global results from a combination of strong consumer spending supported by rising household wealth but partially offset by elevated inflation and a labor market that has downshifted and continues along in a low gear. Accompanying slowing growth, unemployment rises, with rates increasing from 3.9 percent in FY2024 to 4.2 percent in FY2025 and then 4.6 percent in the three subsequent years. This restrains demand but also inflation which allows the Federal Reserve to resume lowering interest rates and reaching its target in early FY2027. Dampened demand, however, shows up in restrained consumer spending which grows 2.9 percent in FY2024 and FY2025, but slows to 2.2 percent in FY2026. After FY2026 through the end of the forecast, GDP growth averages 1.7 percent per year and the unemployment rate stabilizes at 4.3 percent. As with other advanced economies, U.S. GDP growth is hindered by an aging population and slow labor force growth that contribute to the decline in the participation rate.

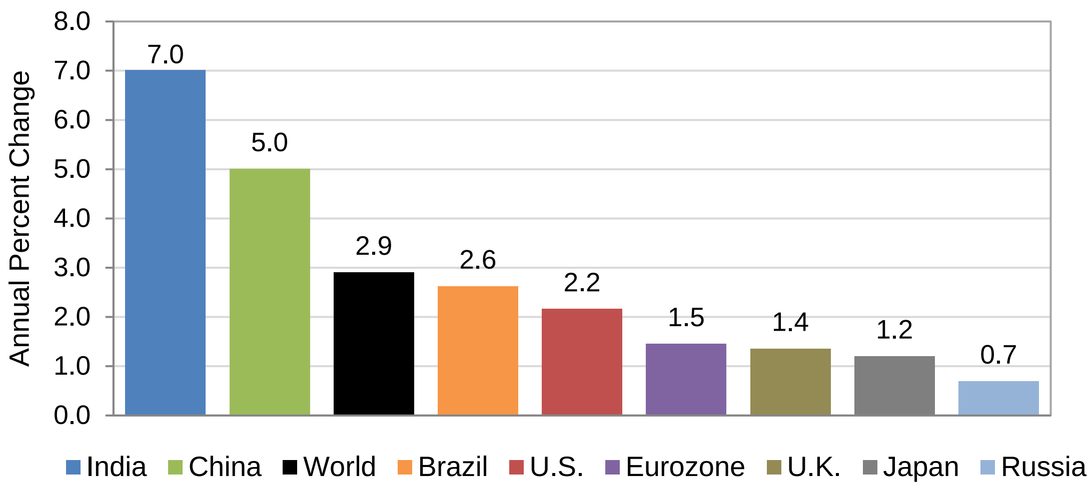
Compared to the U.S., real GDP growth in the European Union plus U.K. is weaker in 2025 at 1.6 percent, easing to 1.2 percent in 2026. From there, growth bumps up to 1.7 percent through the end of the decade before settling to its trend rate of about 1.3 percent. Strengthening domestic demand alongside increased investment and defense spending are somewhat offset by aggressive deficit reduction, high interest rates and slow population growth.

In Japan, stronger consumption and a weak year-ago outcome supported GDP in 2025, growing 1.2 percent before pulling back to 0.9 percent growth in 2026, restrained by drag from net exports. Trend growth rates of 0.8 percent resume in the following year as the country's longstanding problems of a shrinking labor force and aging population persist, though partially offset by some productivity increases.

Though China's GDP growth remains relatively strong, its long-term deceleration continued in 2025 with growth of 5.0 percent. The slowdown is expected to extend through the forecast horizon with a rate of 3.6 percent in 2036 and 2.8 percent in 2046. Contributing factors include a shrinking population, declining returns on infrastructure investments, excess supply in the housing market and sluggish domestic demand.

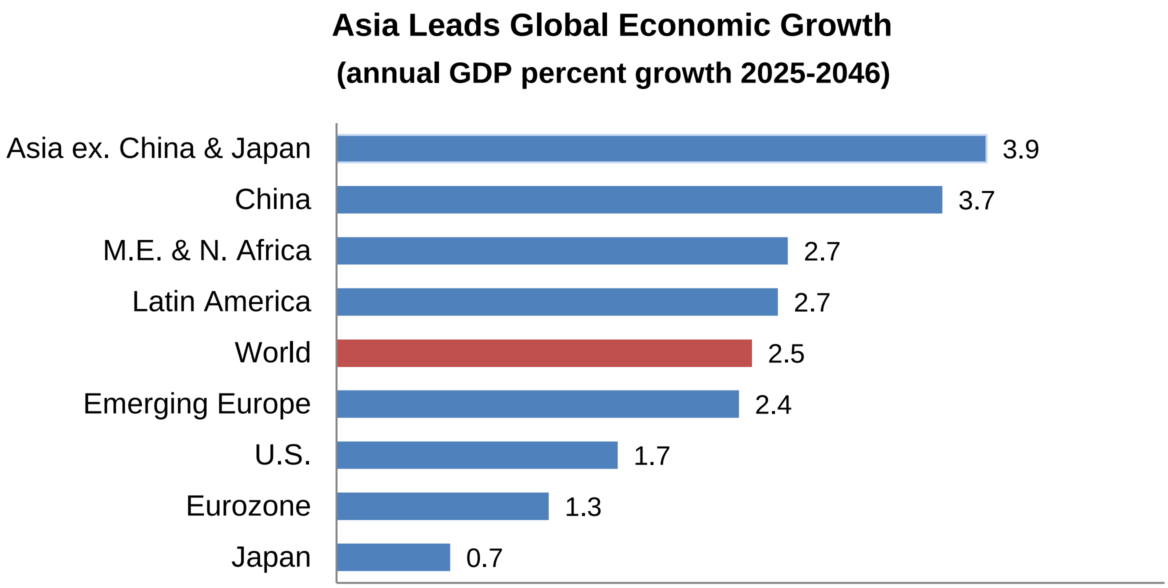
Among large emerging markets, Brazil's economy sees growth slow in 2026 to 1.8 percent but picks up to its trend rate of 3.0 percent in subsequent years. Growth in 2026 is limited by tight labor markets, strict lending standards, less favorable trade conditions and restrictive monetary policy. Longer term, these headwinds ease and Brazil's economy benefits from its large domestic market and abundant natural resources. Russian growth plummeted from 4.3 percent in 2024 to 0.7 percent in 2025 but is expected to rise to 1.0 percent in 2026 and then 2.0 percent in 2028, driven in the near-term by wartime government spending. Longer term, growth is restrained by downward demographic trends and productivity losses from the withdrawal of foreign companies and skilled labor. Finally, India's strong expansion peaked at 7.0 percent in 2025 and declines thereafter to 6.4 percent in 2026 and then to below 5.0 percent by the middle of the 2030s. Strong private consumption and public investment provide support from favorable demographics, the expansion of middle-income households and as-yet undeveloped natural resources.

World Economic Growth in 2025



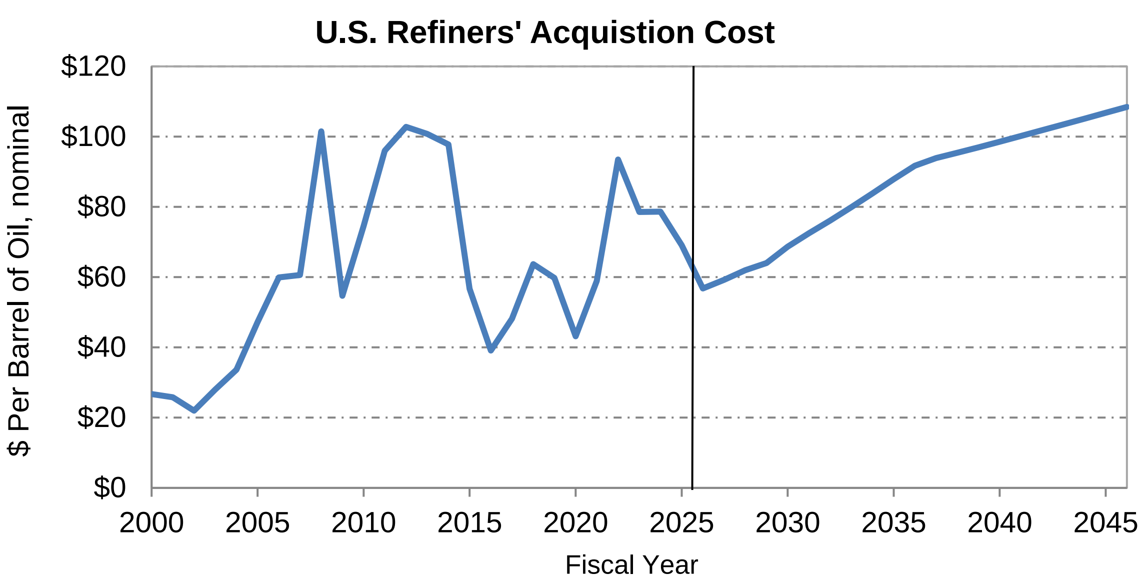
Source: S&P Global, Jan 2026 Comparative World Overview; APO-100 calculations

S&P Global forecasts world real GDP to grow at 2.5 percent a year between 2025 and 2046. Emerging markets, at 3.6 percent a year, are forecast to grow faster than the global average but at lower rates than in the early 2000's. Asia (excluding Japan), led by India and China, is projected to have the fastest growth followed by Latin America, the Middle East and North Africa, and Eastern Europe. Growth in the more mature economies (1.5 percent a year) will be lower than the global trend with the fastest rates in the U.S. followed by Europe. Growth in Japan is forecast to be very slow at 0.7 percent a year reflecting deep structural issues associated with a shrinking and aging population.



Source: S&P Global, Jan 2026 Comparative World Overview; APO-100 calculations

Oil declined to about $69 per barrel in 2025 and is expected to fall further in 2026 to $57 per barrel as sluggish global demand combines with increasing supply. Over the long run, S&P Global expects the price of oil to increase due to growing global demand and higher costs of extraction. S&P Global forecasts U.S. refiner's acquisition cost of crude to rise to $108 per barrel at the end of the forecast horizon.



Source: S&P Global; APO-100 calculations

U.S. Airlines

Domestic Market

Mainline and regional carriers[2] offer domestic and international passenger service between the U.S. and foreign destinations, though regional carrier international service is limited to the border markets in Canada, Mexico, and the Caribbean.

Even though the public health emergency caused by the pandemic officially ended in 2023 and most measures of aviation activity had returned to 2019's levels by 2024, impacts were still being felt by carriers and are expected to continue through the end of the decade.

On the supply side, materials shortages have slowed aircraft production. For example, in 2019 Boeing and Airbus delivered a combined 403 commercial widebody aircraft while in 2025, that number was just 233. As airframers are holding sizable order books, the delivery delays will take time to unwind, cascading out through the end of the decade. Besides constraining expansion plans of carriers, these delays will impact profitability as they hold on to older, less efficient aircraft and aircraft that are poorly sized for specific market needs.

Understaffing at some Air Traffic Control (ATC) facilities may, under certain circumstances, limit the number of aircraft that can be handled in those places, leading to further constraints on capacity production. This will be slow to correct though FAA is accelerating efforts. In 2023, 1,512 controllers were hired, that rose to 1,811 in 2024, and 2,028 in 2025. All these issues will be slow to reverse and weigh on the forecast of capacity production for the next three to five years, or possibly longer.

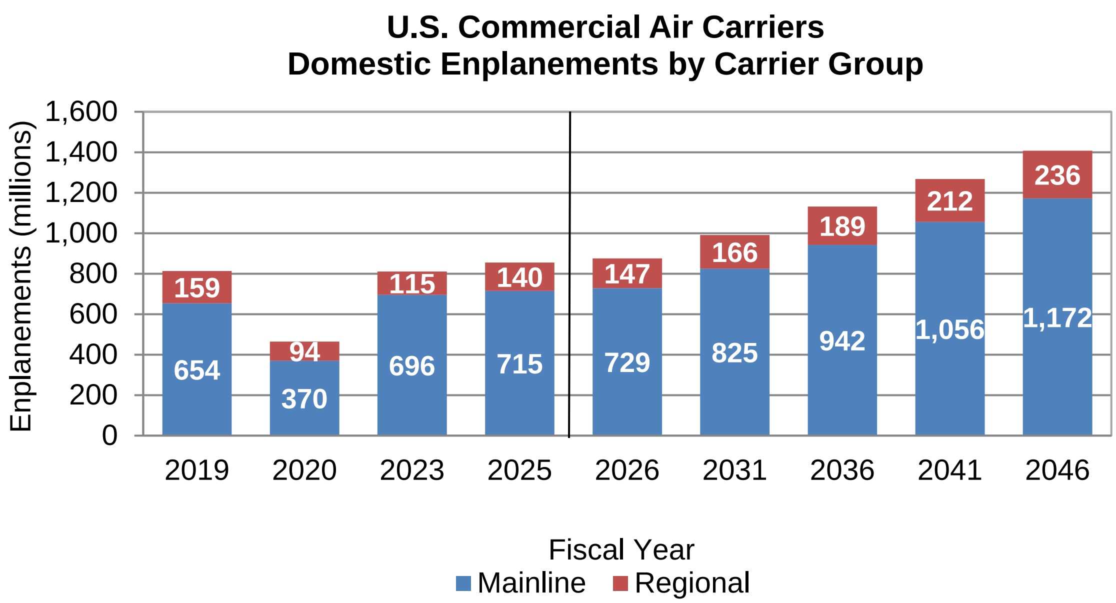
The pandemic altered the demand side as well, with many of those impacts still evolving. Leisure traveler demand surged after the pandemic and is expected to continue as the main driver, though travelers have shown a clear preference for premium offerings and carriers, including LCCs, are adapting cabins to claim more of these higher-yielding passengers. Whether this trend continues in coming years is something carriers will monitor closely. Unlike leisure trips, business travel had grown slowly until picking up in the second half of last year. Whether it plateaus or continues to grow is uncertain, especially since in-office work remains below pre-pandemic levels. This shift in traveler priorities directly paved the way for the bifurcation of carrier financial performance that has been evolving.

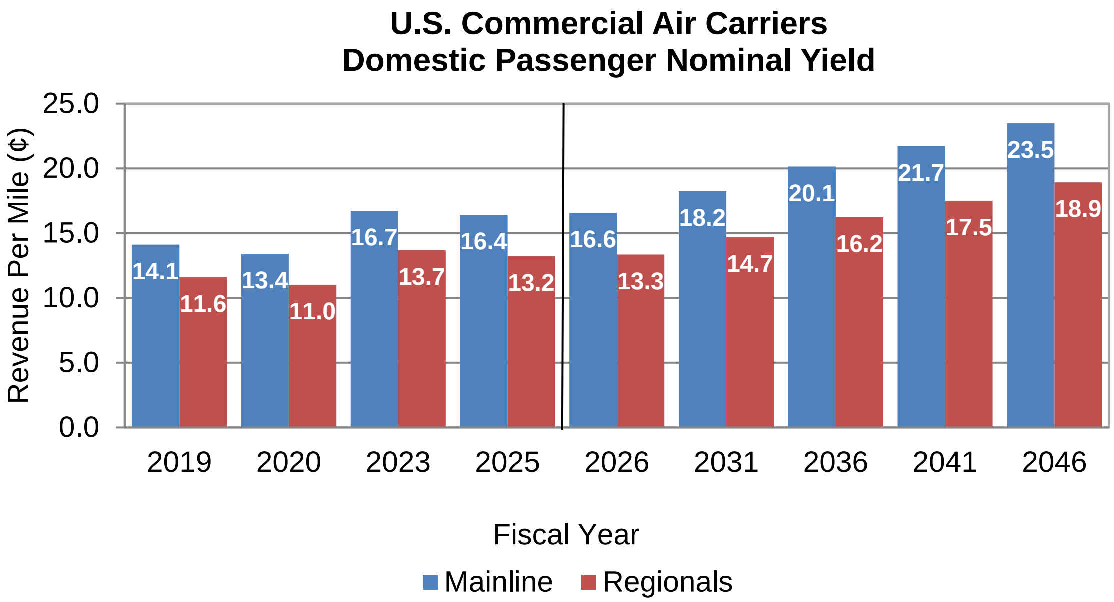
In 2025, the impacts of the K-shaped economy became more apparent as the financial performance among different types of carriers widened. Macroeconomic uncertainty seemed to weigh most

[2] Mainline carriers are defined as those providing service primarily via aircraft with 90 or more seats. Regionals are defined as those providing service primarily via aircraft with 89 or fewer seats and whose routes serve mainly as feeders to the mainline carriers.

heavily on domestic leisure travelers, the segment LCCs generally target, as they pulled back, substituting destinations or modes of transport, squeezing margins of those carriers. On the other hand, the income cohort that has seen strong wealth gains from equities and housing valuations were bolstered as they made long-haul international trips and travelled in premium cabins. The large network carriers that have segmented their markets more fully, benefited from this cohort in the upper arm of the 'K'. As noted above, LCCs are working to segment their products but doing so and overcoming entrenched "no-frills" perceptions will take time.

Regional carriers accounted for 8.2 percent of domestic capacity in 2025 — a slight recovery from the 7.2 percent low in 2023, yet still well below the 11.1 percent seen in 2019. This ongoing deficit stems from shifting demand patterns and persistent supply constraints, particularly as flight crews continue migrating to higher-paying mainline roles. Traffic followed a similar trajectory, with RPM rising to 8.0 percent in 2025 from a 2023 low of 6.9 percent, though still trailing the 10.4 percent pre-pandemic benchmark. These figures are expected to stabilize as domestic travel patterns and airline operations gradually return to historical norms.





A trend for regionals that was largely unaffected by the pandemic is the longstanding increase in the number of seats per aircraft. This measure rose by more than 55.0 percent over the decade from 1997 to 2007 and though it slowed more recently to an increase of 17.0 percent in the ten years ending in 2019, it is a trend that is expected to continue. A consequence of this drive to replace 50-seat regional jets with more fuel-efficient 70-seat jets is that capital costs have increased. The move to the larger aircraft will prove beneficial in coming years, however, since their unit costs are lower.

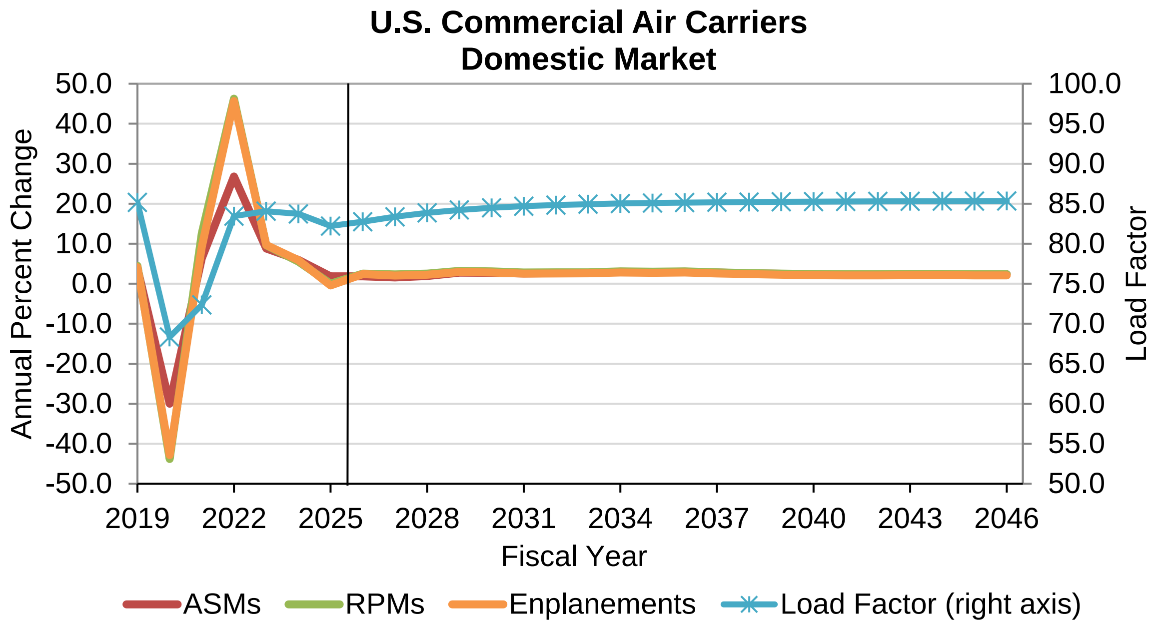
Mainline carriers have also been increasing seats per aircraft flown though, unlike that for the regionals, the trend had been accelerating up until 2019. From 2009-2019, the measure grew by an average of 0.9 percent per year. Then during the pandemic, seats per aircraft jumped around, ranging from an increase of 3.0 percent in 2021 to a 0.4 percent decrease in 2022 as carriers first flew some of their idle long-haul international aircraft on domestic routes and then reallocated them to more typical markets. That aircraft positioning seemed to normalize in 2024 when seats per aircraft grew 0.3 percent, about their 30-year average.

Besides the operational adjustments that carriers use to drive profitability, there are many less visible strategies that mainly revolve around passenger segmentation -- that is, categorizing passengers according to their willingness to pay differing amounts to travel between the same points. The primary tools to accomplish this are the revenue management systems that enable carriers to price fares optimally for each seat on each flight. Because they rely on historical data to make price and schedule predictions, the unprecedented nature of the collapse in 2020 meant they could provide little guidance in market, time-of-day or day-of-week pricing decisions. As demand stabilized, revenue management systems became relevant again. Going forward, the application of artificial intelligence will make these systems more adaptive and pricing more dynamic, leading to even more nuanced segmentation of passengers.

Yet another continuing trend and method of passenger segmentation is product differentiation through ancillary sales. Carriers generate ancillary revenues by selling products and services beyond that of an airplane ticket to customers. This includes the un-bundling of services previously included in the ticket price such as checked bags, on-board meals, and seat selection, and adding new services such as boarding priority and internet access. After posting record net profits in 2015, U.S. passenger carrier profits declined subsequently on rising fuel and labor costs, and flat yields, but were supported by ancillary revenues. Even in 2020 when profits turned to staggering losses, this remained a meaningful source of revenue for carriers. Interestingly, while network carriers have unbundled their products to increase differentiation and target LCC segments, LCCs have now started to *bundle* some of their products by including certain benefits with the seat price, thereby also differentiating their offerings but with the opposite strategy.

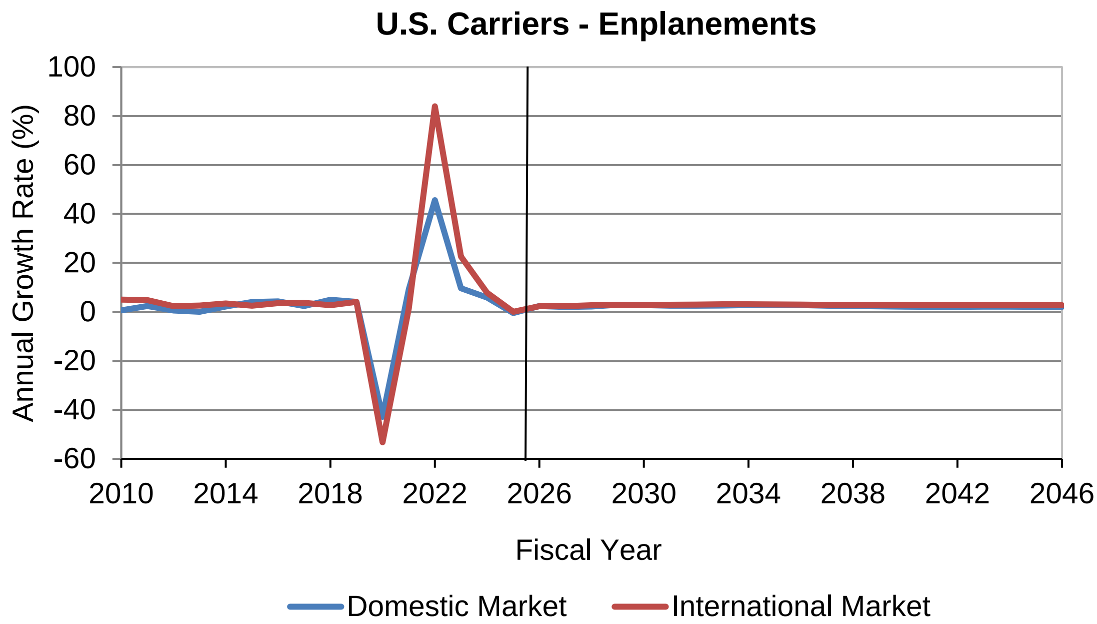
One source of ancillary revenue, change fees, was broadly scrapped in 2020. As traveler plans were forced to change due to COVID-19-related restrictions, airlines began dropping fees for itinerary changes in many ticket classes. As a share of total passenger revenue, cancellation fees dropped from about 2.0 percent in 2019 and prior years to under 0.6 percent in 2024. Most airlines have made the elimination of change fees a permanent move, though it applies only to tickets for the main cabin and above. Baggage fees remain a solid source of revenue at 4.0 percent of passenger revenue in 2025, about the same as in 2019.

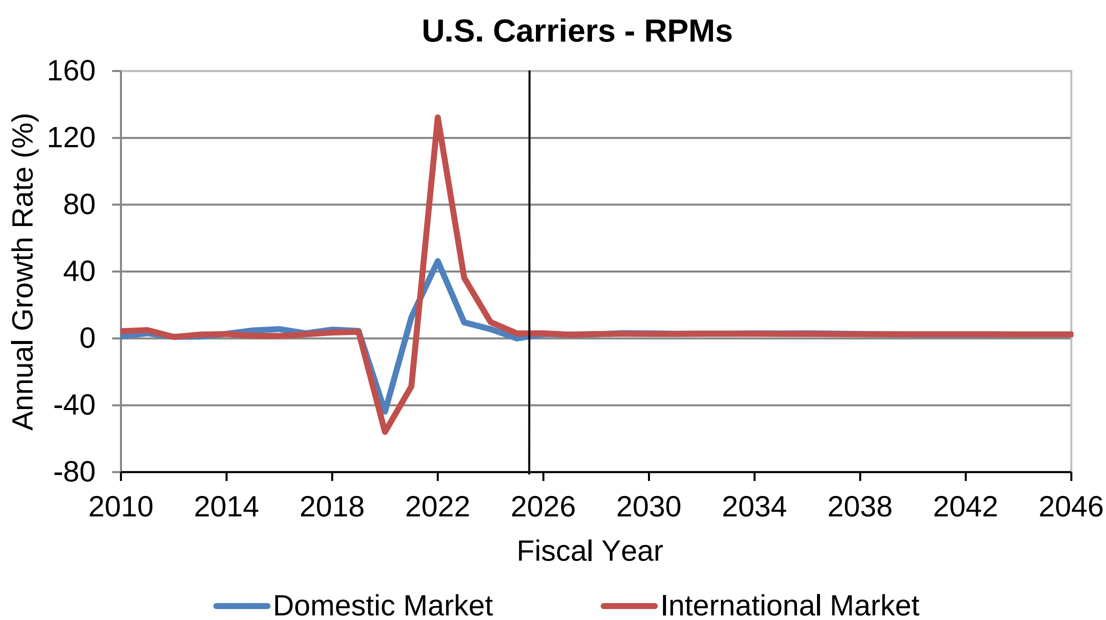
Other methods of segmenting passengers into more discrete cost categories based on comfort amenities like seat pitch, leg room, and power outlets were unaffected by the pandemic. The offering of Basic Economy fares has been part of an effort by network carriers to protect market share in response to the rapid growth LCCs have achieved in recent years. Just as mainline carriers had used Basic Economy fares to capture LCC customers, LCCs and ultra low-cost carriers (ULCCs) began to use premium offerings to capture network carrier customers. These carriers introduced or announced seats with more legroom, blocked middle seats, re-bundled of fares to include some ancillaries, and added more attractive loyalty programs. The growing preference for premium travel experiences over goods ensures that LCCs and ULCCs will continue to challenge network carriers for market share over the medium term.

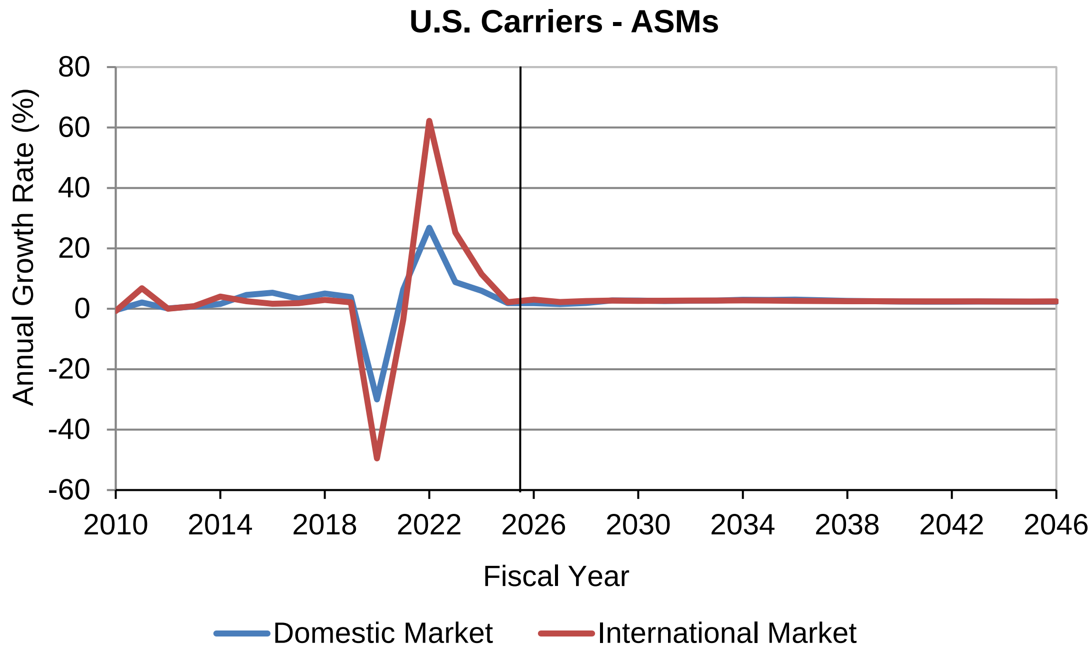


International Market

Over most of the past decade, the international market has been the growth segment for U.S. carriers when compared to the mature and much larger U.S. domestic market. For the ten years ending in 2025, international enplanements grew by 33.0 percent while domestic enplanements grew 23.0 percent. However, during the downturn in 2020 and the first years of the recovery, domestic activity fell less and recovered faster. But by 2025, domestic enplanements had grown only 5.0 percent above 2019's level, while international enplanements showed much stronger improvement, exceeding 2019 levels by 16.0 percent. International travel had been particularly impacted by border closings, quarantine requirements and other travel restrictions, as well as the uncertainty of when requirements might change. However, as restrictions were lifted, activity rebounded sharply, supported in recent years by demand from higher-income cohorts. On the domestic side, the fall in business travel contributed to the decline and slower recovery, even as leisure travel surged initially. International travel is expected to show further gains in 2026, supported by continuing increased preferences for overseas trips.


U.S. Carriers - Enplanements
Annual Growth Rate (%)
100
80
60
40
20
0
-20
-40
-60
2010
2014
2018
2022
2026
2030
2034
2038
2042
2046
Fiscal Year
Domestic Market
International Market

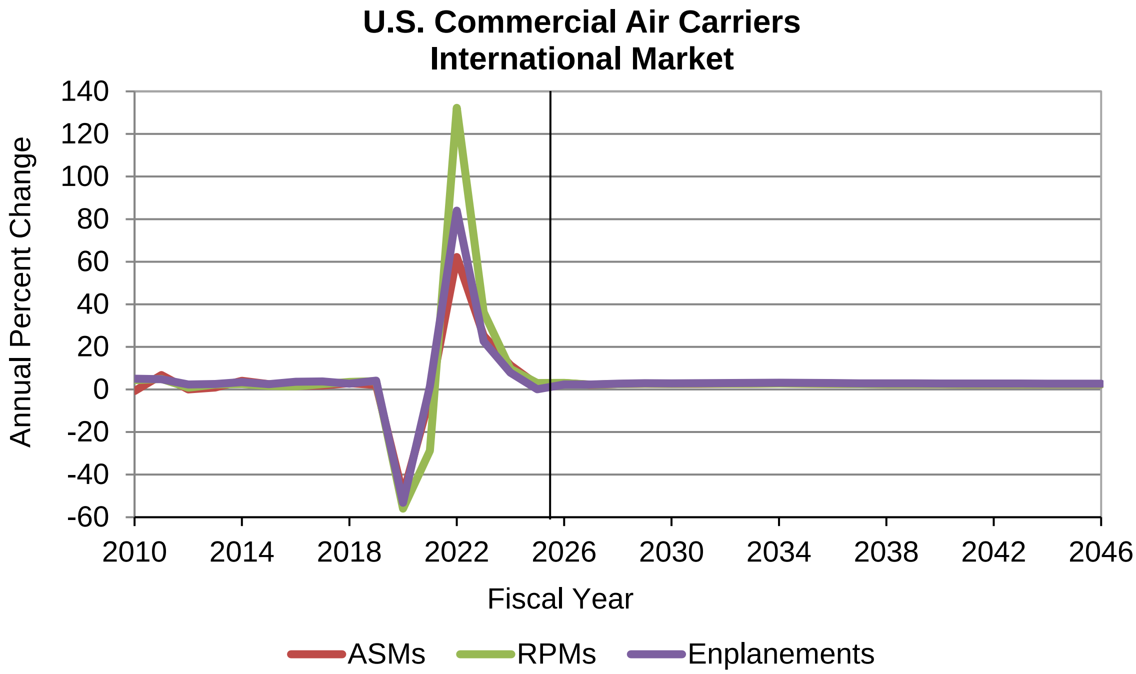

U.S. Carriers - RPMs
Annual Growth Rate (%)
160
120
80
40
0
-40
-80
2010
2014
2018
2022
2026
2030
2034
2038
2042
2046
Fiscal Year
Domestic Market
International Market



International capacity and demand will see another year of solid growth in 2026 as traveler preferences are little changed and carriers work to stimulate demand by introducing new overseas destinations and more direct routes. For FY2026 the annual growth rates for international ASM and RPM are forecast at 3.1 percent each, and enplanements at 2.3 percent as aggregate trip lengths continue to grow due to increasing Atlantic and Pacific activity. From FY2026-2046, annual growth of ASMs and RPMs are forecast at 2.6 percent each, while enplanements will grow at a rate of 2.8 percent.

Load factors rose sharply again in 2023, exceeding 83.0 percent, more than 6.0 points above the previous year. However, some overcapacity in 2024 led to a decline and load factors dropped back to 82.0 percent. Carriers were more cautious in adding capacity and quicker to remove it in 2025, pushing load factors up close to 83.0 percent. Load factors are believed to be close to their maximum and projected to rise only slightly throughout the remainder of the decade and through the end of the forecast.

In the long-run, growth of major global economies will slow from the above-trend rates of recent, pre-pandemic years. Several moderating factors are at work, including high inflation and interest rates, reduced global trade, and political stresses. The European and Japanese economies are generally seeing slow growth, in part due to weak trade with Asia, mainly China. Overall, global conditions appear set to return to a stable path once the economic environment improves with looser financial conditions, diminished risk of recession, and improved government fiscal positions. Rising oil prices, however, will create some drag on this otherwise supportive environment for air travel demand.



For U.S. carriers, the Latin region remains the largest international destination with more than twice the enplanements of the Atlantic region in 2025, due to its proximity to the U.S., strong trade ties, and popular leisure destinations. In 2025, Latin region enplanements declined by 3.0 percent and RPMs eased by 1.0 percent as the region suffered from the same factors that inhibited domestic leisure travel, including macroeconomic uncertainty and some retrenching by lower income cohorts. Those constraints are expected to improve in 2026, resulting in RPM growth of 2.0 percent and enplanement growth of 1.0 percent, and strengthening further in subsequent years. Over the twenty-year period of 2026-2046, Latin region RPM is forecast to increase at an average rate of 3.4 percent a year while enplanements grow 3.6 percent a year.

The Pacific region is the smallest in terms of enplanements, which do not yet reflect the region's emerging markets' economic growth and potential for air travel. The region also saw the sharpest decline in activity during the pandemic and has been the slowest to recover, remaining about 13.0 percent below 2019's levels in 2025, even after posting 13.0 percent year-over-year growth. From FY2026 through the end of the forecast, Pacific enplanements and RPMs are forecast to grow at average rates of 2.0 percent each. Though the region is forecast to have the strongest economic growth of any region over the next 20 years, led by China and India, enplanements and RPMs over the period are restrained in part because of generally low incomes and relatively small middle classes. Consequently, demand centers on smaller but wealthier countries such as Japan and Korea, rather than the large, faster growing economies.

The Atlantic region ranks in size between the Latin and Pacific regions, with pre-pandemic enplanements roughly twice those in the Pacific region and half those in the Latin region. In 2020, like the other regions, Atlantic enplanements tumbled and bottomed out in 2021 but subsequently saw large percentage gains, returning enplanements above 2019 levels in 2023. Though Western Europe is a mature area with moderate economic growth, the economically smaller Middle East and Africa areas are expanding rapidly with GDP growth rates more than twice that of Europe. As a result, a growing share of the forecast aviation demand in the Atlantic region is linked to those two areas, particularly in the second half of the forecast period. Over the forecast horizon from 2026 to 2046, enplanements and RPMs in the Atlantic region are expected to grow at average annual rates of 1.8 percent and 1.9 percent, respectively.

Total Passengers to/from the United States on U.S. Flag and Foreign Flag Carriers[3]

Actual Results

Calendar year 2025 international passenger traffic between the United States and the Atlantic, Latin, Pacific and Canada/Transborder regions remained nearly unchanged, growing by only 0.4 percent over prior year levels to total 268.0 million. The slowdown in growth was influenced by a combination of factors including geopolitical tensions, airspace restrictions, more stringent visa policies, and supply chain bottlenecks. Inbound demand softened as international traveler sentiment was impacted by an evolving domestic political landscape.

Regional Performance Breakdown[4]

Atlantic Region - Following strong growth of 7.5 percent in CY2024, passenger volume in the Atlantic region slowed significantly in CY2025, increasing by just 2.0 percent. The modest overall gain was fueled by a 5.1 percent surge in international travel by U.S. citizens which was largely offset by a 2.1 percent decline in foreign travelers visiting the U.S. The decline in visitors to the U.S is attributed to a combination of administrative and policy barriers regarding entry, shifting traveler sentiment towards the U.S., and the relatively high cost of visiting the United States compared to other global destinations.

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[3] International passenger forecasts are based on the Department of Commerce International Air Travel Statistics. Since July 2010, this data has been sourced from the Department of Homeland Security/Customs and Border Protection Advance Passenger Information System (APIS), replacing the previous I-92 paper form system. Now collected electronically from all U.S. and foreign flag carriers—including Canadian flights as of 2011—the APIS-based I-92 system tracks passenger volumes by country, airport, flight type (scheduled or chartered), carrier flag, and citizenship status.

[4] For purposes of this analysis the Atlantic Region includes Europe, Africa, and the Middle East; the Latin Region includes Mexico, Central and South America, and the Caribbean; the Pacific Region includes Asia and Oceania.

- **Top Performers:** Italy (up 9.5 percent) and Ireland (up 6.5 percent).
- **Slowest Growth:** Qatar (down 6.2 percent) and the United Kingdom (down 1.8 percent).

Latin Region - Following 7.7 percent growth in passenger volume for CY2024, the Latin region experienced a marginal 0.3 percent contraction in CY2025. This downturn was driven by a cooling of outbound U.S. demand (0.5 percent), as American travelers pivoted toward domestic trips or alternative international markets. Simultaneously, inbound travel to the U.S. was stifled by a combination of tariff concerns, currency instability, and more rigorous immigration enforcement and visa hurdles (down 1.6 percent).

- **Top Performers:** Panama (up 8.1 percent) and Brazil (up 7.0 percent).
- **Slowest Growth:** Jamaica (down 7.7 percent) and The Bahamas (down 3.0 percent).[5]

Pacific Region – CY2025 international passengers increased 5.4 percent over the prior year, though this region is still 16.5 percent below pre-pandemic levels. Two countries within the region have exceeded their pre-pandemic benchmarks -- India and Taiwan -- while Australia, China, Hong Kong, Japan, and South Korea have not yet reached full recovery.[6] In 2025, the region saw a sharp contrast in traveler demographics. U.S. Citizens traveling between the U.S. and the Pacific region surged by 11.4 percent while foreign nationals' growth was nearly flat, increasing by only 0.6 percent.

- **Structural Barriers:** Recovery is hampered by restricted capacity between the U.S. and mainland China due to diplomatic friction and strict bilateral agreements.
- **Operational Hurdles:** The closure of Russian airspace since 2022 has added significant time and fuel costs for Western carriers. In addition, supply chain issues have delayed the delivery of new widebody aircraft intended to replace less efficient models retired during the pandemic.
- **Growth Leaders:** Despite a slow overall recovery, China (up 15.7 percent) and Hong Kong (up 30.3 percent) posted the strongest year-over-year growth as they continue to climb from a low base. Japan also posted strong growth (up 9.4 percent).

Canada/Transborder: Recovery of the Canada/Transborder market has stalled. Despite forecasts predicting a return to pre-pandemic levels during CY2025, the region saw a significant 7.4 percent

[5] In October 2025, Jamaica was struck by the historic Hurricane Melissa, which marked the first time a Category 5 storm made landfall on the island. The unprecedented severity of the hurricane prompted the government to officially declare the entire island a disaster area.

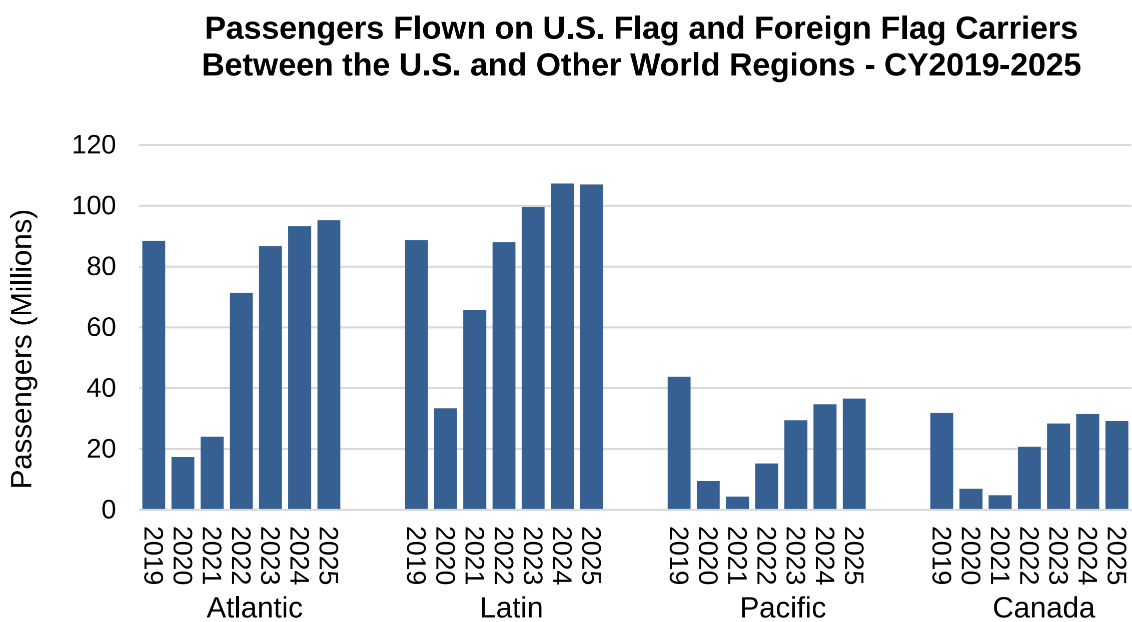
[6] Despite Taiwan functioning as a de facto independent state, it lacks widespread formal diplomatic recognition due to the "One China" principle maintained by the People's Republic of China. Similarly, Hong Kong is classified as a Special Administrative Region of China. For this analysis, Taiwan and Hong Kong are forecasted individually to align with the granularity of the International Air Travel Statistics Program, which collects data at this level of detail. https://www.trade.gov/us-international-air-travel-statistics-i-92-data (Accessed April 24, 2026).

decline from CY2024, marking its lowest passenger volume since CY2017. While travel by Americans to and from Canada decreased 1.9 percent, the number of foreign nationals traveling between the two countries saw a much sharper contraction, falling 10.3 percent below 2024 levels.

- **Driving Factors:** The contraction in inbound travel to the U.S. was primarily caused by a sharp decline in public sentiment following the 2025 presidential transition, coupled with the economic friction of trade tariffs. In addition, a disadvantageous exchange rate further suppressed demand for inbound travel to the U.S.

- **Case Study:** Foreign national arrivals from Canada to Las Vegas and from Canada to Orlando dropped 24.9 percent and 9.6 percent, respectively, year-over-year (CY2025/CY2024). In contrast, arrivals to Las Vegas and Orlando from all other global regions rose by 7.0 percent and 11.9 percent, respectively.

The first chart below shows total passengers flown on U.S. Flag and Foreign Flag Carriers by World Region for the period CY2019-CY2025. The second chart shows the pace of recovery to pre-COVID passenger levels indexed to CY2019.

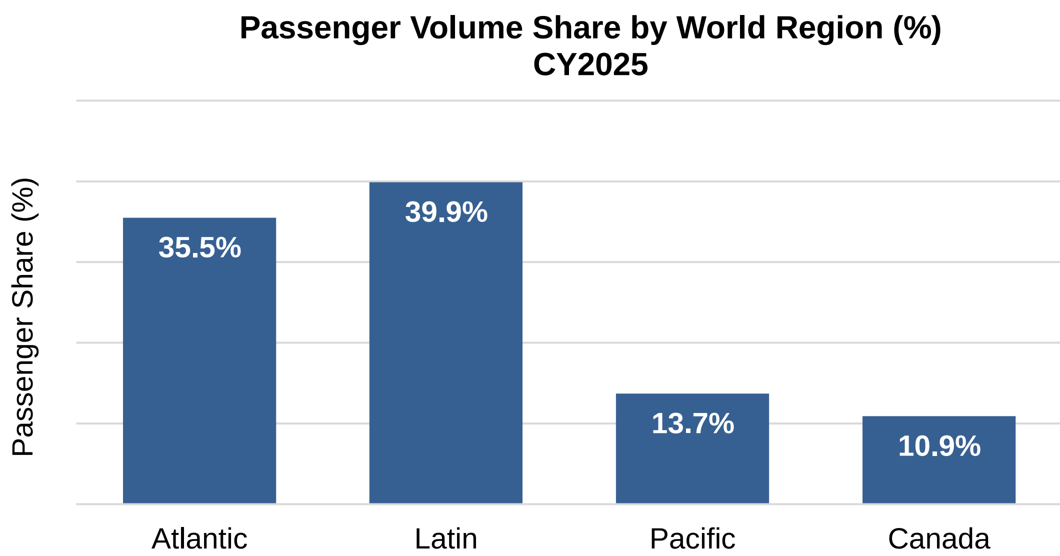


Pace of Recovery to Pre-COVID Passenger Levels
Indexed to 2019

Region	2019	2020	2021	2022	2023	2024	2025
Atlantic	100	19.6	27.2	80.7	98.0	105.4	107.5
Latin	100	37.7	74.1	99.2	112.3	121.0	120.6
Pacific	100	21.6	10.0	34.8	67.2	79.2	83.5
Canada	100	21.9	15.1	65.3	89.1	99.0	91.6
Total	100	26.6	39.2	77.3	96.6	105.5	106.0

Market Share and Citizenship Trends

In CY2025, passengers between the U.S. and the other world regions totaled 268.0 million. The Latin region held the largest share of total passengers at 39.9 percent (107.0 million), followed by the Atlantic region at 35.5 percent (95.2 million). The Pacific and Canada/Transborder regions accounted for 13.7 percent (36.6 million) and 10.9 percent (29.2 million), respectively.



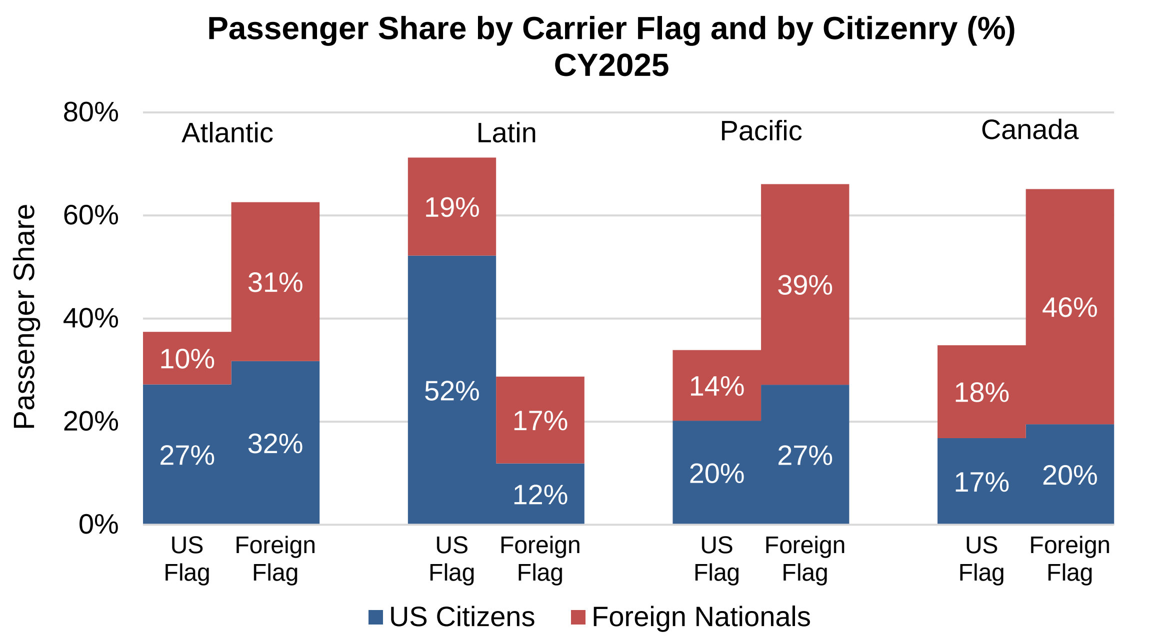
Passenger Share by Citizenry:

Between 2019 and 2025, the share of U.S. citizens among total international passengers rose by 8.3 percentage points to 56.9 percent. Results on a regional basis are presented below:

- **Pacific:** U.S. citizen share jumped from 34.9 percent to 47.3 percent (up 12.4 points).
- **Atlantic:** U.S. citizen share rose from 50.8 percent to 59.0 percent (up 8.2 points).
- **Latin:** U.S. citizen share increased from 58.6 percent to 64.1 percent (up 5.5 points).
- **Canada:** U.S. citizen share increased from 34.5 percent to 36.3 percent (up 1.9 points).

The chart below illustrates the distribution of passengers traveling between the U.S. and the other world regions, categorized by both citizenry (U.S. citizen vs. foreign national) and carrier flag (U.S. Flag vs. Foreign Flag). For context, 2025 data for the Atlantic region shows that only 37.0 percent of passengers utilized U.S. Flag carriers, while 63.0 percent traveled on foreign flag carriers. During the same period, U.S. citizens accounted for 59.0 percent of the total passenger volume, compared to 41.0 percent for foreign nationals.[7]

This data highlights a significant trend: over half of the U.S. citizens traveling internationally do so on foreign flag carriers when flying to the Atlantic, Pacific, and Canada regions. Key drivers for this choice may include enhanced onboard service standards, better connectivity to secondary regional airports, and the ability to maintain loyalty program benefits through international airline partnerships.



Forecast Results

Short-Term Outlook (CY2026)

Aggregate passenger volume across the four world regions is projected to grow 2.4 percent in CY2026, reaching a total of 274.3 million.

- **The Pacific Region** is expected to lead this growth, growing at a rate of 4.0 percent for CY2026.
- **The Atlantic and Latin Regions** follow with more moderate growth forecasts of 2.4 percent and 2.3 percent, respectively for CY 2026.
- **Canada/Transborder** is projected to grow the slowest, at just 0.3 percent during CY2026.

[7] The percentage share of passengers flown by carrier flag is the sum of the percentages within a column. Thus, for the Atlantic region, 37 percent of passengers traveled on U.S. flag carriers and 63 percent traveled on foreign flag carriers. For calculating the share of U.S. citizens versus foreign nationals for the Atlantic region sum same-colored cells from both the 'US Flag' and 'Foreign Flag' columns.

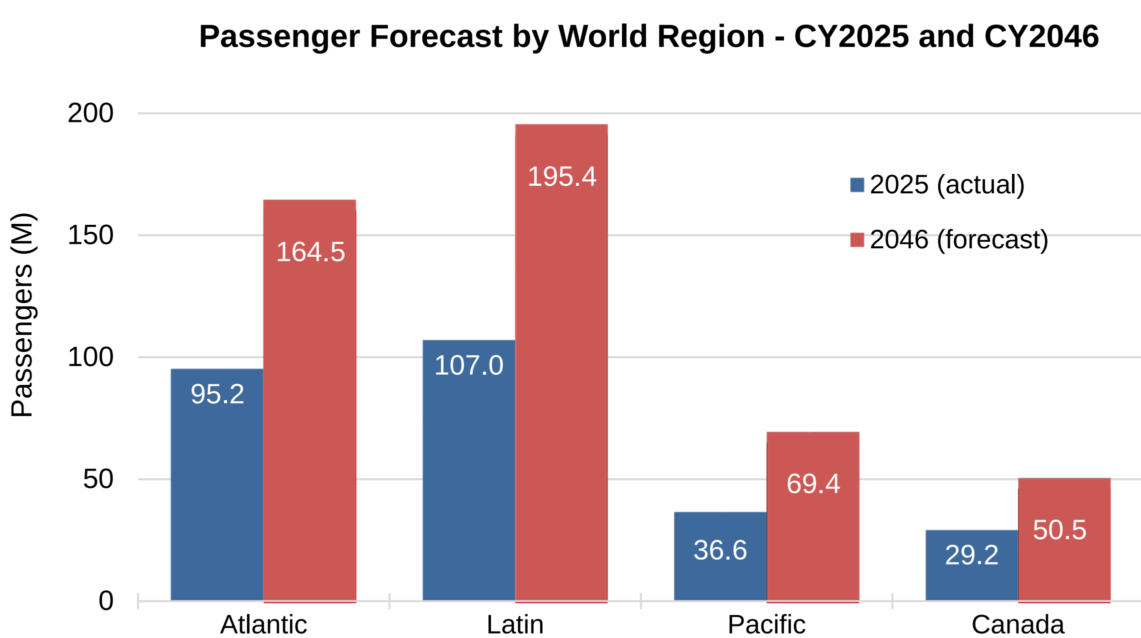
Long-Term 20-Year Forecast (CY2026 – CY2046)

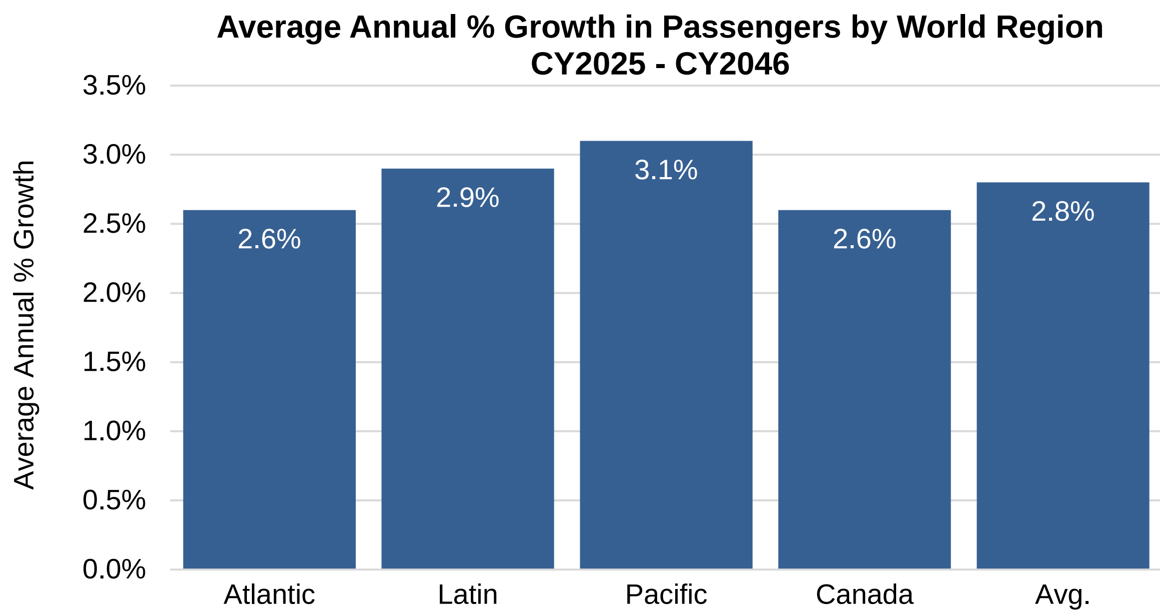
Over the forecast horizon, total passenger traffic is expected to grow at an average annual rate of 2.8 percent, going from 268.0 million at the end of CY2025 to 479.8 million in CY2046. Growth is anticipated to be front-loaded, averaging 3.0 percent during the first decade before tapering to 2.6 percent in the latter half of the period.

Future growth remains subject to several variables including shifting demographics, fluctuating travel costs, technological innovation, consumer behavior, and the ongoing impacts of globalization, supply chain stability, and geopolitics.

Regional Growth Trajectories

- **Pacific Region:** Forecasted as the fastest-growing market with a 3.1 percent average annual growth rate, reaching 69.4 million passengers by CY2046. This accelerated pace is partially a result of the region's prolonged recovery from pandemic era lows.
- **Latin Region:** This region is projected to grow at 2.9 percent annually, totaling 195.4 million passengers by the end of the period.
- **Atlantic & Canada/Transborder:** Both regions are expected to grow at a more modest rate of 2.6 percent annually. By CY2046, Atlantic volumes are forecast at 164.5 million, while Canada/Transborder is expected to reach 50.5 million.



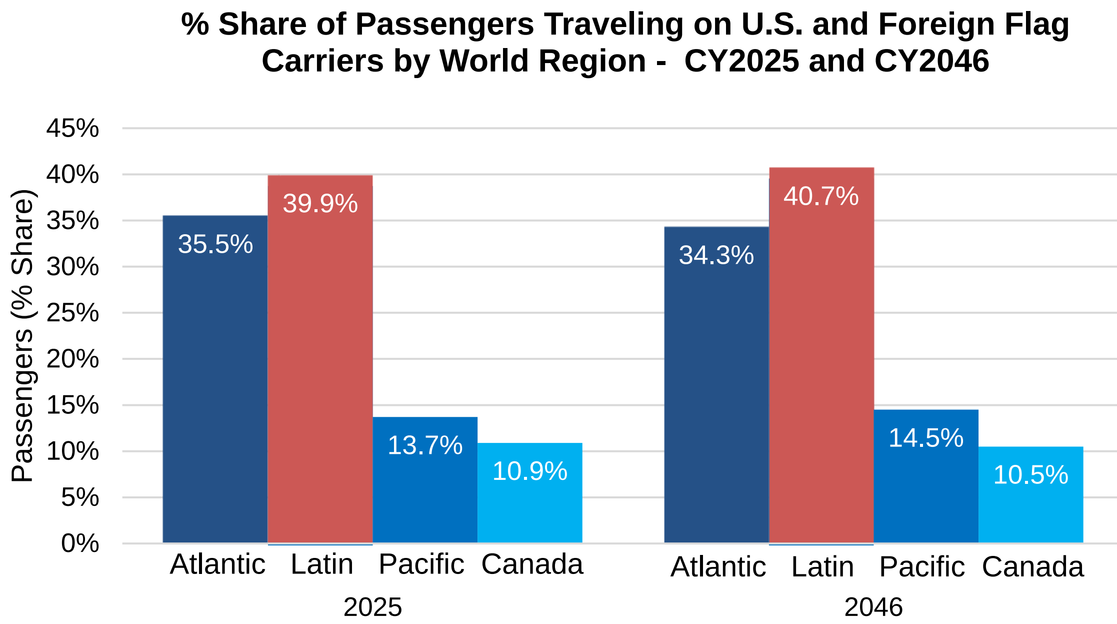


Regional Market Share and Rankings

The relative ranking of the four regions by passenger share is expected to remain stable through CY2046 with the Latin region having the greatest share followed by Atlantic, Pacific and Canada regions. The percentage share between the four regions will shift slightly:

- **Market Gainers:** The Latin and Pacific regions are forecast to increase their market share by 0.8 percentage points each.
- **Market Decliners:** The Atlantic and Canada/Transborder regions are projected to lose 1.2 points and 0.4 points of share, respectively.

By 2046, the Latin and Atlantic regions will continue to dominate the market, collectively accounting for 75.0 percent of all international traffic.



Individual Country Analysis

Top Global Performers

In CY2025, Mexico (40.7M), Canada (29.2M), and the United Kingdom (20.9M) were the top three individual markets and accounted for 34.0 percent of all passengers. These three countries are expected to retain their rankings through CY2046, though becoming a smaller share of all international passengers, dropping to a 26.4 percent share.

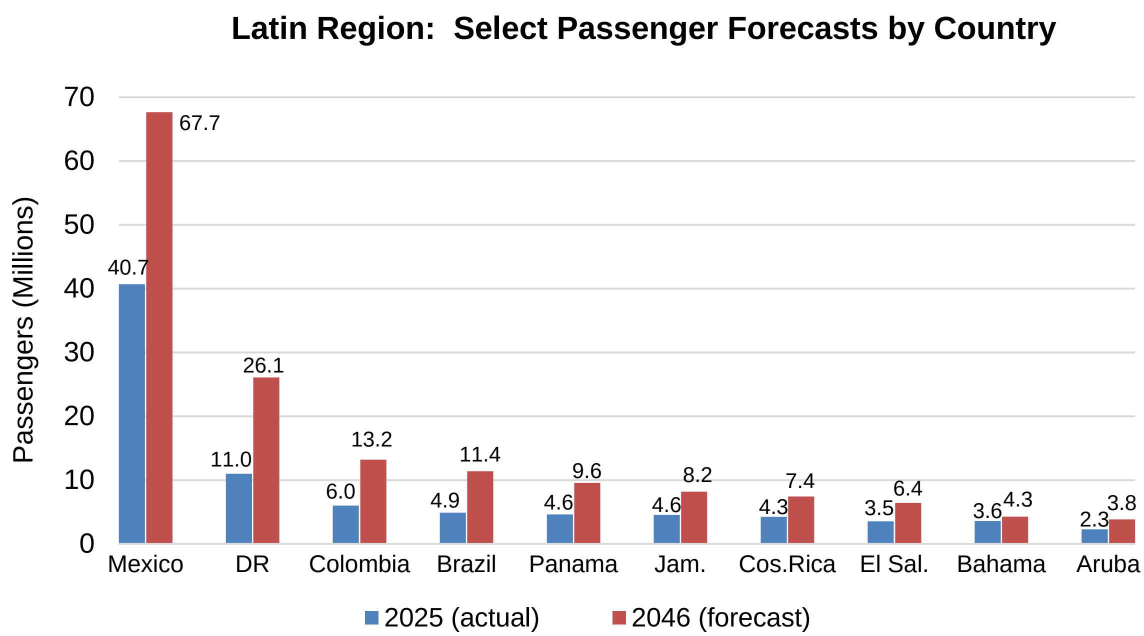
Shifts are expected in the mid-tier rankings:

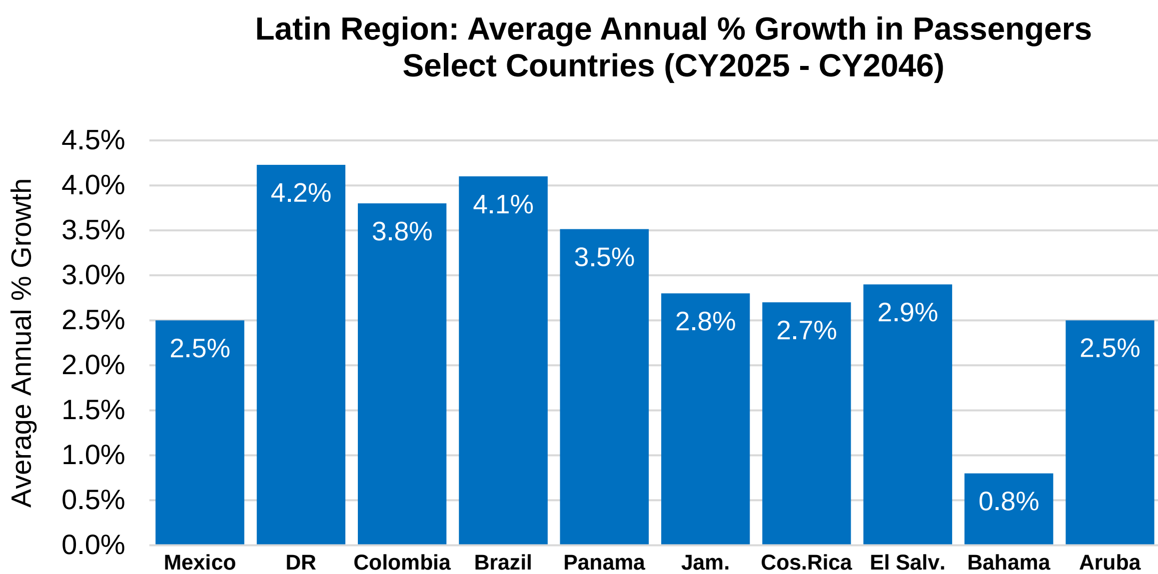
- Dominican Republic is forecast to climb to the 4th spot (26.1M passengers in CY2046), swapping positions with Germany (18.3M).
- France (15.8M) is projected to overtake Japan (14.0M) to secure the 6th position.

Latin Region Highlights

Mexico, the Dominican Republic, and Colombia will remain the primary drivers of the Latin region, representing 54.7 percent of the region's total traffic by CY2046.

- Fastest Growing: Dominican Republic (4.2 percent), Brazil (4.1 percent), and Colombia (3.8 percent).

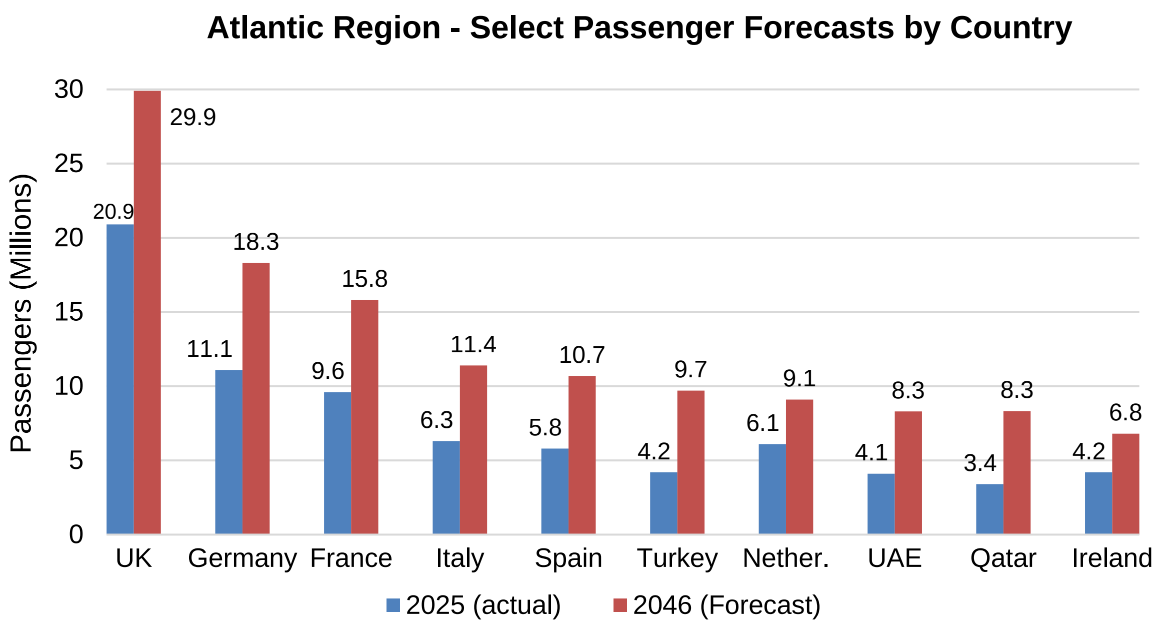


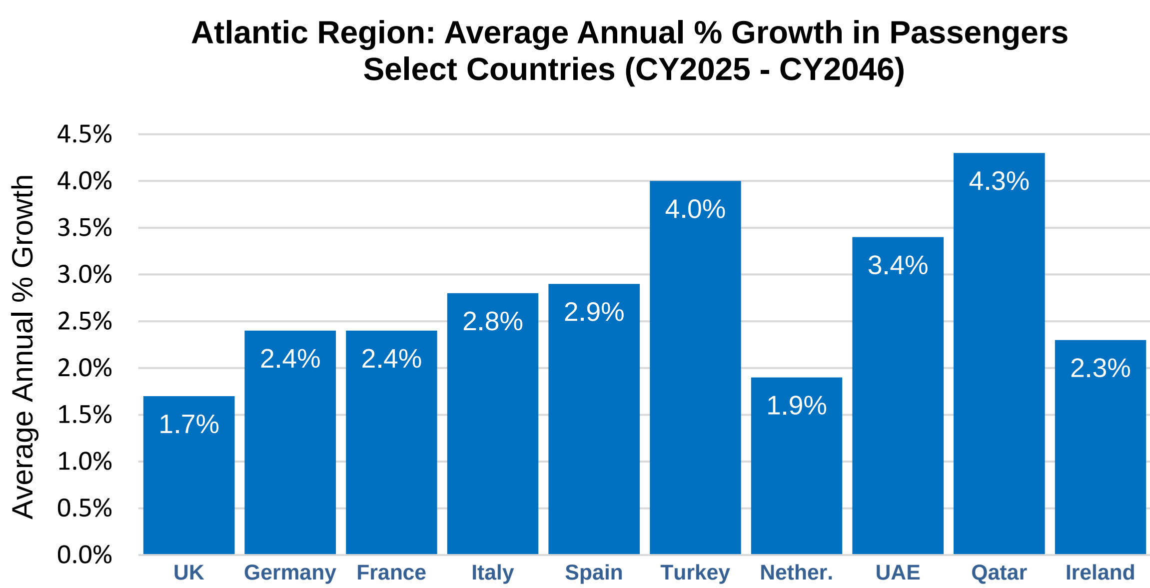


Atlantic Region Highlights

The United Kingdom, Germany, and France will maintain their status as the top three Atlantic markets, capturing a 38.8 percent regional share in CY2046, down from a 43.6 percent regional share in CY2025.

- Fastest Growing: Qatar (4.3 percent), Turkey (4.0 percent), and the United Arab Emirates (3.4 percent).

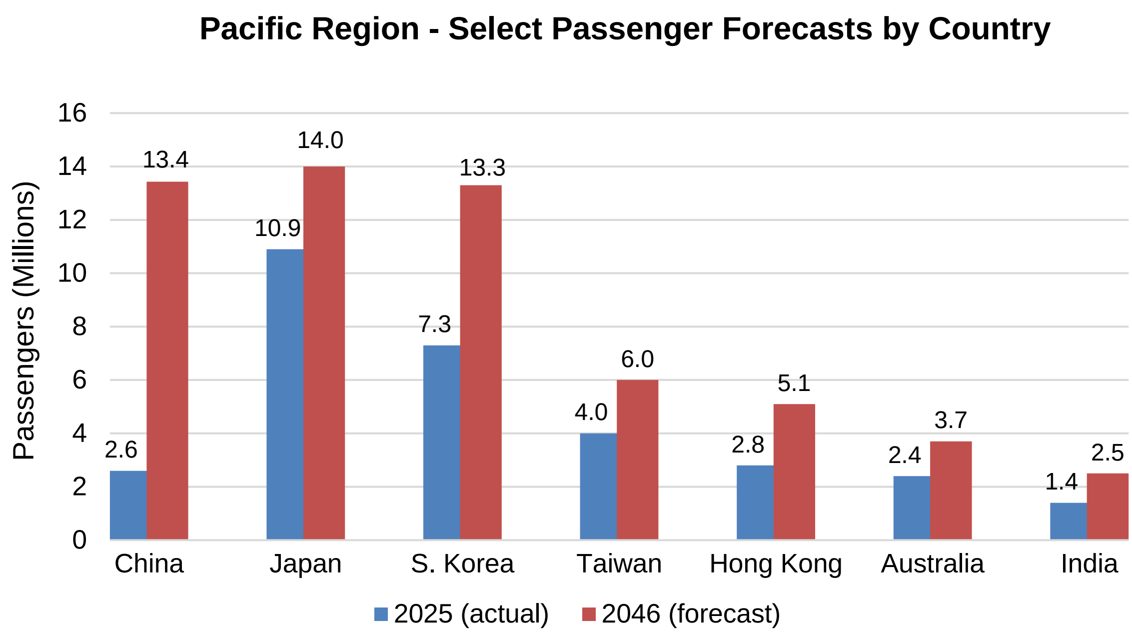

Atlantic Region - Select Passenger Forecasts by Country
Passengers (Millions)
30
25
20
15
10
5
0
20.9
29.9
11.1
18.3
9.6
15.8
6.3
11.4
5.8
10.7
4.2
9.7
6.1
9.1
4.1
8.3
3.4
8.3
4.2
6.8
UK
Germany
France
Italy
Spain
Turkey
Nether.
UAE
Qatar
Ireland
2025 (actual)
2046 (Forecast)


Atlantic Region: Average Annual % Growth in Passengers
Select Countries (CY2025 - CY2046)
Average Annual % Growth
4.5%
4.0%
3.5%
3.0%
2.5%
2.0%
1.5%
1.0%
0.5%
0.0%
1.7%
2.4%
2.4%
2.8%
2.9%
4.0%
1.9%
3.4%
4.3%
2.3%
UK
Germany
France
Italy
Spain
Turkey
Nether.
UAE
Qatar
Ireland

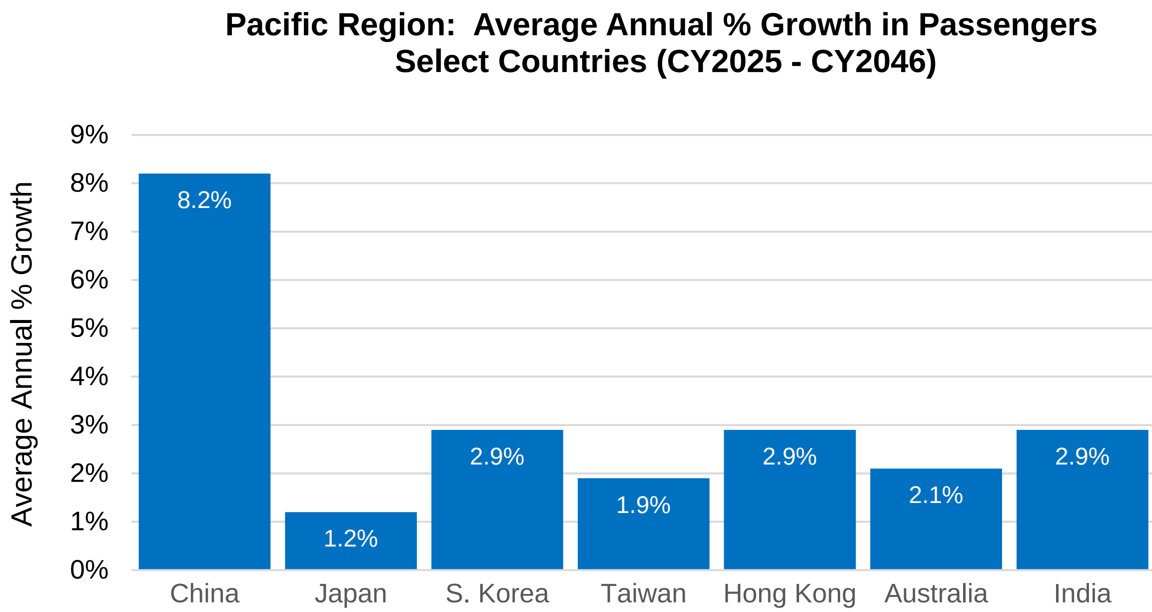
Pacific Region Highlights

Even as Japan, South Korea, and Taiwan led the region in in terms of passengers during CY2025, the CY2046 rankings will see China (13.4M) rise to the 2nd spot, behind Japan (14.0M) and just ahead of South Korea (13.3M).[8]

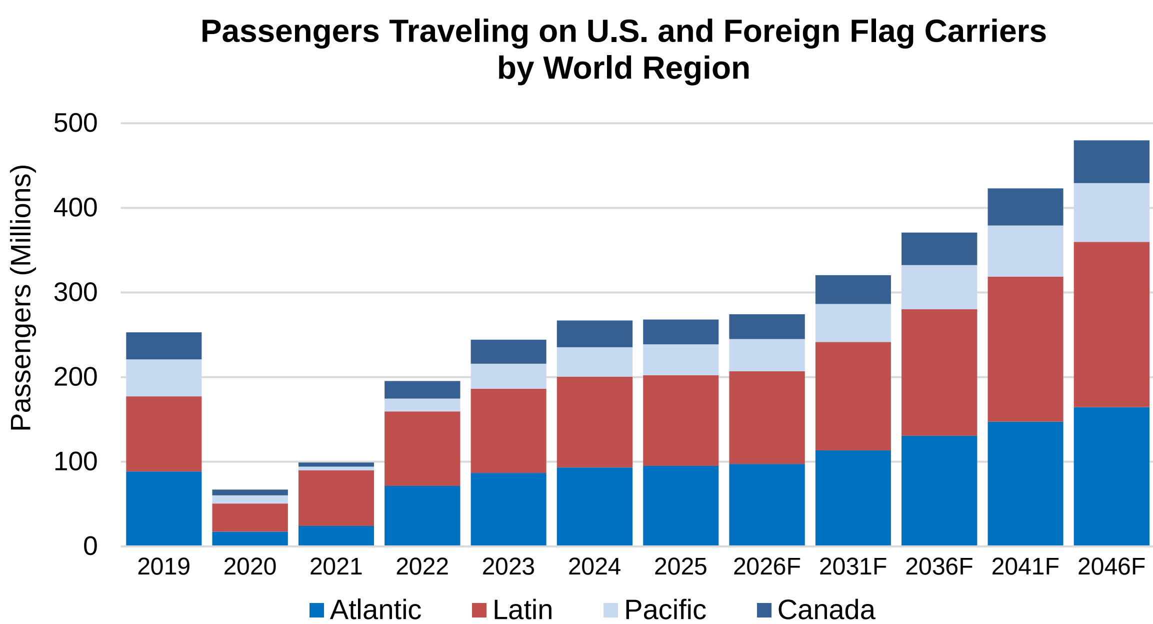
- Fastest Growing: China (8.2 percent). Hong Kong, India, and the Republic of South Korea each grow at 2.9 percent. Notably, China's high growth rate reflects a rebound from its severely depressed post-pandemic base.



[8] Despite Taiwan functioning as a de facto independent state, it lacks widespread formal diplomatic recognition due to the "One China" principle maintained by the People's Republic of China. Similarly, Hong Kong is classified as a Special Administrative Region of China. For this analysis, Taiwan and Hong Kong are forecasted individually to align with the granularity of the International Air Travel Statistics Program, which collects data at this level of detail. https://www.trade.gov/us-international-air-travel-statistics-i-92-data (Accessed April 24, 2026).



The chart below presents actual results and select forecast years for passengers traveling between the U.S. and the four world regions on U.S. and foreign flag carriers.



Cargo

Air cargo traffic includes both domestic and international freight/express and mail. The demand for air cargo is a derived demand resulting from economic activity. Cargo moves in the bellies of passenger aircraft and in dedicated all-cargo aircraft on both scheduled and nonscheduled service. Cargo carriers face price competition from alternative shipping modes such as trucks, container ships, and rail cars, as well as from other air carriers.

Historically, air cargo activity tracks with GDP. Other factors that affect air cargo growth are fuel price volatility, movement of real yields, globalization, and trade. The forecasts of revenue ton miles (RTMs) rely on several assumptions specific to the cargo industry. First, security restrictions on air cargo transportation will remain in place. Second, most of the shift from air to ground transportation has occurred. Finally, long-term cargo activity depends heavily on economic growth.

The forecasts of RTMs derive from models that link cargo activity to GDP. Forecasts of domestic cargo RTMs use real U.S. GDP as the primary driver of activity. Projections of international cargo RTMs depend on growth in world and regional GDP, adjusted for inflation. FAA forecasts the distribution of RTMs between passenger and all-cargo carriers based on an analysis of historic trends in shares, changes in industry structure, and market assumptions. U.S. carrier international air cargo traffic spans four regions consisting of Atlantic, Latin, Pacific, and ‘Other International.’

U.S. air carriers flew 48.1 billion RTMs in 2025, only slightly more than 48.0 billion in 2024 as uncertainty over tariffs weighed on consumer purchases. Domestic cargo RTMs fell 1.4 percent to 17.9 billion in 2025 while international RTMs grew 1.3 percent to 30.2 billion. After spiking during the pandemic with the reduction in passenger flights, the share of RTMs flown by all-cargo carriers pulled back to 83.0 percent in 2025, closer to the average prior to the pandemic. Total RTMs flown by the all-cargo carriers fell 0.8 percent in 2025 while total RTMs flown by passenger carriers rose by 5.5 percent.

After rising by 0.3 percent in 2025, total RTMs are expected to rebound, growing 4.8 percent in 2026 as tariffs stabilize and air cargo is again governed by economic activity. Buoyed by moderate U.S. and world economic growth in the long term, FAA projects total RTMs to increase at an average annual rate of 2.8 percent over the forecast period (from 2026 to 2046).

Domestic cargo RTMs from 2026 to 2046 are forecast to increase at an average annual rate of 2.1 percent. In 2025, all-cargo carriers carried 93.3 percent of domestic cargo RTMs. The all-cargo share is forecast to grow very slowly throughout the forecast as both all-cargo and passenger cargo growth decelerates. In the long term, the all-cargo share rises to 94.6 percent by 2046 based on slightly faster increases in capacity for all-cargo carriers.

International cargo RTMs rose moderately in 2025, up 1.3 percent, restrained in part by tariff uncertainty. International RTMs on passenger aircraft increased 7.0 percent in 2025 after an outsized 19.0 percent increase in 2024. The deceleration continues in 2026 as growth drops to 4.5 percent and further to 3.5 percent in 2027. Having contracted after the pandemic, all-cargo international RTMs have been accelerating, rising from a decline of 0.4 percent in 2025 to an increase of 6.0 percent in 2026. The share of international cargo RTMs flown by all-cargo carriers fell to 78.0 percent in 2024 and further to 77.0 percent in 2025 but begins expanding in the medium term and reaches 82.0 percent in 2046.

For the forecast period (2026-2046), international cargo RTMs are expected to increase an average of 3.2 percent a year based on projected growth in world GDP. Pacific region will grow by 3.5 percent, Atlantic 2.5 percent, and Latin America region 1.1 percent. The other international regions combined will have a growth rate of 3.7 percent.

General Aviation

FAA uses estimates of fleet size, hours flown, and utilization rates[9] from the General Aviation and Part 135 Activity Survey (GA Survey) as the baseline to forecast GA fleet and activity. Since the survey collects data on a calendar year (CY) basis, the resulting GA forecasts are also produced by CY. Forecasts of new aircraft deliveries, using data from General Aviation Manufacturers Association (GAMA), combined with assumptions of retirement rates, generate growth rates of the fleet by aircraft categories, which are applied to the GA Survey fleet estimates. The forecasts are carried out for "active aircraft,[10]" rather than the total population. FAA's general aviation forecasts also rely on discussions with industry experts conducted at industry meetings and through webinars.

The results of the 2024 GA Survey, the latest available, indicate that the active GA fleet totaled an estimated 213,756 aircraft in 2024, down 0.2 percent from the previous year. This decline was driven by single-engine and multi-engine pistons, and experimental aircraft – the latter of which saw a 7.5 percent drop -- corresponding to 2,266 aircraft. Single-engine and multi-engine piston fleets declined slightly by 0.2 percent. Conversely, growth occurred in all other categories: turboprops (+8.9 percent – 973 net increase), turbine rotorcraft (+6.1 percent), piston rotorcraft (+3.1 percent), turbojets (+1.8 percent), light-sport aircraft (LSA) (+2.7 percent), and other aircraft (including gliders and the lighter than air/hot air balloon categories) (+6.3 percent).

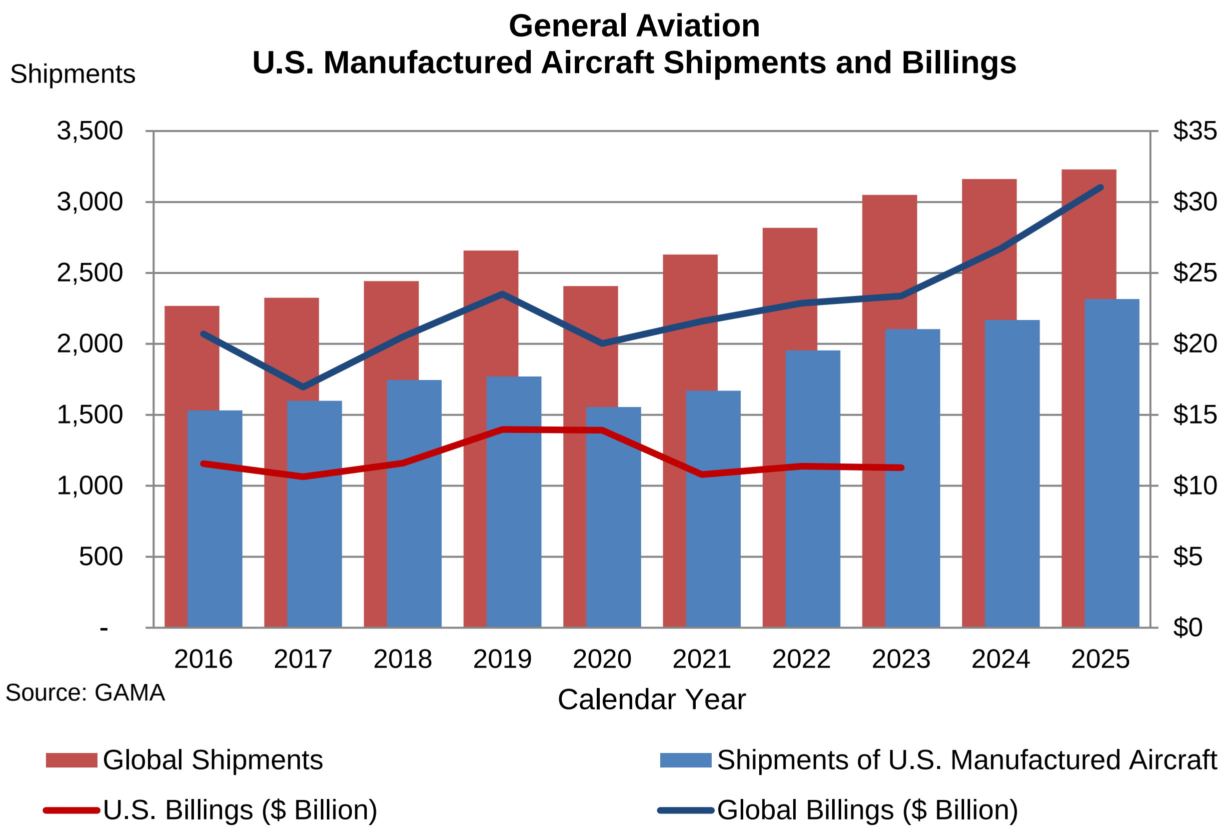
Total hours flown reached an estimated 29.0 million in 2024, a 1.5 percent increase from the previous year, and the highest level recorded since 2000. This represents a significant 13.5 percent rise above 2019 levels. Growth was driven by several categories, most notably by turbojets at 12.8 percent (590 thousand hours), piston rotorcraft (2.7 percent), multi-engine piston (2.6 percent), single-engine piston (0.1 percent), other aircraft (gliders and lighter than air aircraft: 17.7 percent – 23 thousand hours), and LSA (23.6 percent – 84 thousand hours) categories. On the contrary, experimental aircraft hours fell by 17.9 percent (285 thousand hours), while turbine rotorcraft and turboprops experienced small declines of 1.5 and 0.3 percent, respectively.

U.S.-manufactured general aviation aircraft deliveries rose to 2,316 units in 2025, a 6.8 percent increase over 2024 and nearly 31 percent above 2019 level. Fixed-wing piston deliveries grew by 7.8 percent, driven by a 7.6 percent rise in single-engine piston aircraft, and a sharp 14.3 percent jump in the much smaller segment of multi-engine pistons. In the turbine sector, business jet deliveries surged 13.1 percent; however, a 2.8 percent decline in turboprop shipments tempered

[9] In this context, flight hours refer to the total hours flown by a certain type of aircraft (*i.e.*, single-engine piston, turboprop, experimental) during the survey year as inferred by the responses to the survey for the total of active GA aircraft; utilization rate is average hours flown by an aircraft of a certain type.

[10] An active aircraft is one that flies at least one hour during the survey year.

overall fixed wing turbine shipment growth to 5.6 percent. Globally, GAMA reported that factory net billings for airplanes climbed 16.1 percent to $31.0 billion in 2025.



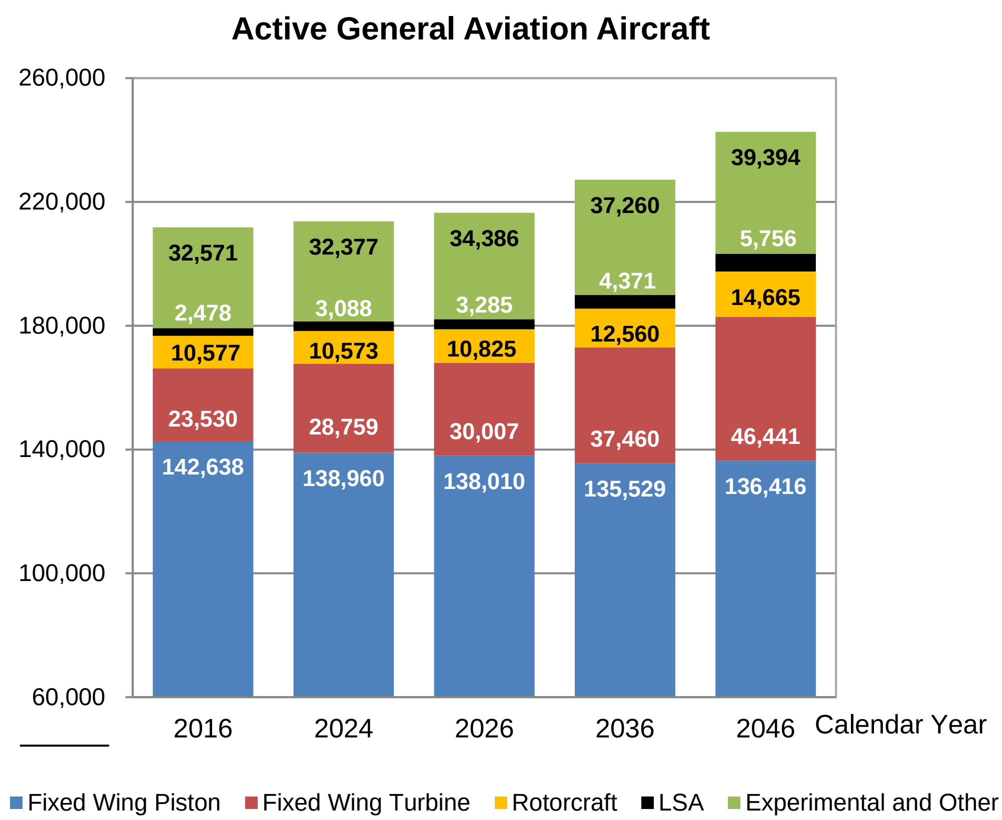
GAMA also reported a global decline in rotorcraft deliveries for 2025. Both the piston and turbine segments saw decreases of 1.9 percent and 11.3 percent, respectively, leading to an overall volume drop of 9.4 percent. This trend was mirrored in global rotorcraft billings, which fell 9.1 percent to $4.7 billion.

These conditions indicate continuing growth across the GA sector, despite declines in specific segments. Driven by turbine aircraft activity, the long-term outlook for general aviation remains stable. Notwithstanding a marginal 0.2 percent decline (fewer than 500 aircraft) in the active GA fleet between 2023 and 2024, it is forecast to grow from 213,756 units in 2024 to 242,722 by 2046. This reflects an average annual growth rate of 0.6 percent, as projected increases in fixed-wing turbine, rotorcraft, experimental, and light sport aircraft fleets more than offset the decline of 2,544 aircraft among fixed-wing pistons.

The more expensive and sophisticated turbine-powered fleet, including rotorcraft, is projected to grow by 21,345 aircraft between 2024 and 2046, reaching a total of 57,676. This represents an average annual growth rate of 2.1 percent, with the turbojet segment specifically increasing by an average of 3.0 percent annually. Overall, the turbine-powered fleet is expected to see a cumulative growth of 58.7 percent from 2024 to 2046. The growth in U.S. GDP and corporate profits remain the primary catalysts for this expansion.

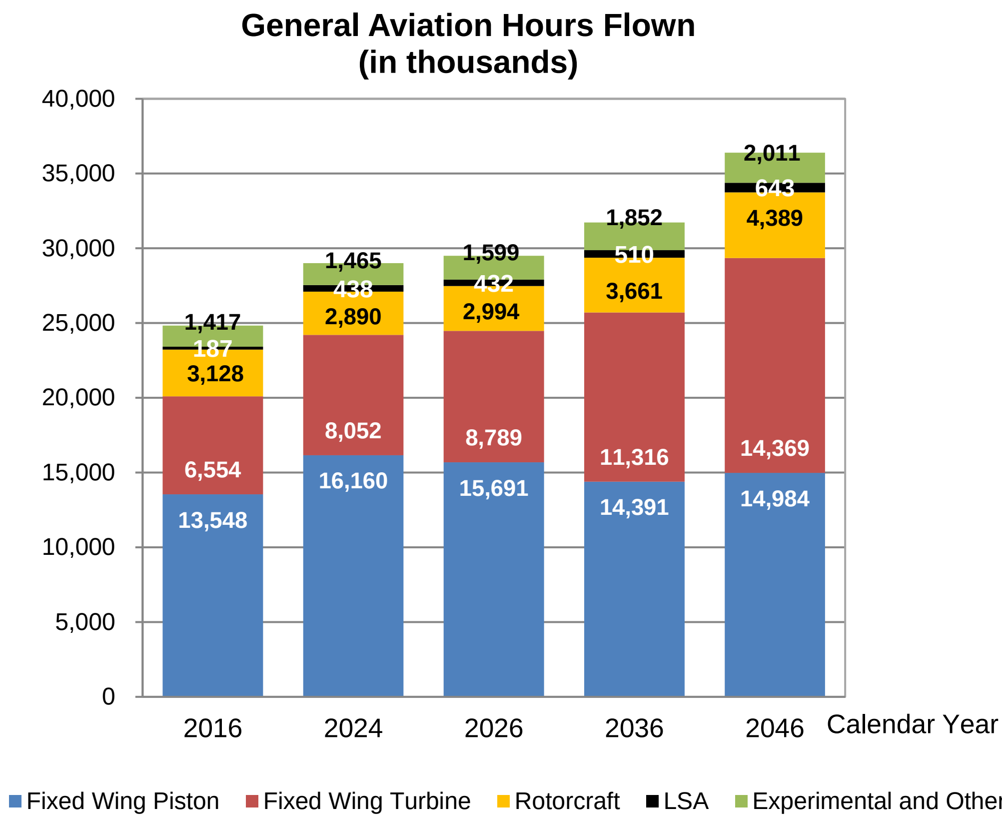
The largest segment of the fleet, fixed-wing piston aircraft, is projected to shrink by 2,544 units between 2024 and 2046, representing an average annual decline of 0.1 percent. This total contraction of 1.8 percent is driven by unfavorable pilot demographics, rising ownership costs, and the availability of lower-cost recreational alternatives. Furthermore, new aircraft deliveries are not keeping pace with the retirement of the aging fleet.

On the other hand, the smallest category, light-sport-aircraft (created in 2005), is forecast to grow by 2.9 percent annually. By 2046, this segment is expected to add approximately 2,600 new aircraft, nearly doubling its 2024 fleet size of 3,088.



The growth in general aviation hours flown is projected to outpace fleet growth, rising by an average of 1.0 percent annually through 2046, compared to a 0.6 percent annual increase in the active fleet. The growth in hours over the forecast period totals 25.5 percent, from 29.0 million in 2024 to 36.4 million by 2046, as the newer aircraft have higher annual utilization. Fixed wing piston hours are forecast to decline by 0.3 percent per year, a slightly faster rate than the fleet itself. This trend is largely driven by an aging fleet: in 2024, 27.2 percent of fixed-wing piston aircraft were at least 60 years old; FAA expects this figure to exceed 50.0 percent during the forecast period.

Countering this decline, hours flown by turbine aircraft (including rotorcraft) are forecast to increase by 2.6 percent annually between 2024 and 2046. Jet aircraft will account for most of the growth, with flight hours increasing at an average annual rate of 3.2 percent, primarily due to the expanding business jet fleet.



Rotorcraft activity, boosted by replacement and expansion needs within Emergency Medical Services, firefighting, law enforcement, and search and rescue operations, contributed to a strong rotorcraft demand in 2025. Even though increasing military demand shifted resources away from the civil sector; the new delivery backlogs led some operators to the pre-owned market; and tariffs impacted prices and buyer behavior, deliveries into the U.S. market faced only a marginal decline. Among potential competitors, Advanced Air Mobility (AAM) -- including electric vertical take-off and landing (eVTOL) aircraft and UAS -- is an emerging sector with expanding utility especially in oil exploration and extraction operations. However, their long-term impacts remain too uncertain for inclusion in the current GA forecast. Industry experts are divided: some view AAM as a complement to traditional rotorcraft, while others argue that the size of new AAM vehicles competing against rotorcrafts will require significant infrastructure investment before large-scale adoption is possible. Economic factors also play a critical role in rotorcraft activity. Despite recent supply disruptions, experts anticipate a softening of oil prices in the near term. This trend is expected to reduce offshore oil exploration -- a primary driver for rotorcraft use -- leading to a slowdown in demand. Consequently, the active rotorcraft fleet is projected to grow at a slightly moderated average rate of 1.5 percent annually, reaching 14,665 units by 2046 (piston and turbine together) from 10,573 units in 2024. Flight hours, however, are projected to grow faster at 1.9 percent per year as the fleet shifts toward higher-utilization turbine models.

Finally, the light-sport aircraft category is forecast to see a 1.8 percent annual increase in flight hours, a growth primarily fueled by the expansion of the active fleet.

FAA also forecasts pilot populations by certification category, utilizing data from the Administration's Mike Monroney Aeronautical Center. At the end of 2025, there were 887,519 active FAA-certificated pilots. Growth was observed across nearly all categories, except for recreational pilot certificates, which are now held by only 54 individuals.

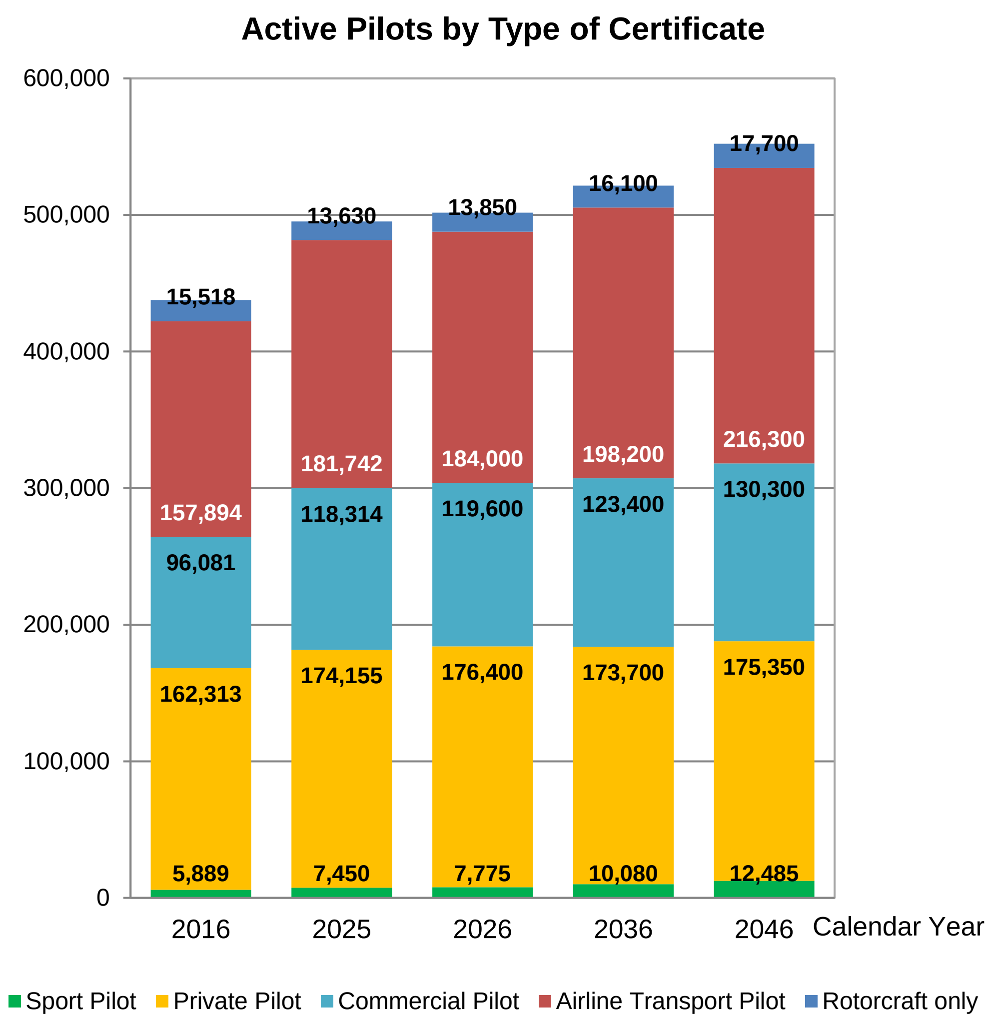
Notably, FAA has suspended its student pilot forecast since 2018. This is due to a 2016 regulatory change that removed expiration dates from new student pilot certificates, leading to a cumulative increase in certificate holders rather than a reflection of active training. Consequently, the number of student pilots surged from 128,501 in 2016 to 370,286 by the end of 2025. This policy shift has effectively broken the traditional statistical link between student pilot numbers and the attainment of advanced certifications, such as private pilot or higher.

Commercial and Airline Transport Pilot (ATP) certificates have also been significantly shaped by legislative action. The Airline Safety and Federal Aviation Administration Extension Act of 2010 mandated that all Part 121 (scheduled airline) flight crew members hold an ATP certificate. By 2013, this rule effectively ended the practice of commercial pilot certificate holders serving as Second in Command at regional airlines. Initially, FAA data reflected a sharp decline in commercial pilot numbers alongside a rapid increase in ATP certifications. However, the commercial pilot population began to recover in 2017, reaching 118,314 by the end of 2025 -- a 7.8 percent increase over 2024. Similarly, the number of ATP certificate holders grew steadily from 2010 through 2019. Though the pandemic caused marginal declines of less than 0.5 percent in 2020 and 2021, a strong rebound in 2022 quickly offset these losses. This upward trend has persisted, with ATP certificates totaling 181,742 in 2025, a 1.4 percent increase over the previous year.

The long-term decline in private pilot certifications flattened after 2016 and began to reverse in 2022. By the end of 2025, the number of private pilots reached 174,155 with a 1.3 percent growth from 2024. However, this growth is expected to level off by 2029 as less costly recreational alternatives and sport pilot certificates become more attractive for hobbyists. Despite this, the private pilot certificate will remain a critical steppingstone for those pursuing instrument ratings or professional career paths via commercial and ATP certifications.

Consequently, higher growth rates are projected for commercial pilot and ATP categories. Sport pilot certificates, created in 2005, have maintained steady growth since their inception, reaching 7,450 by the end of 2025. Similarly, rotorcraft pilot certificates increased to 13,630 in 2025, up from 13,429 in 2024.

Over the 2025–2046 forecast period, the number of active general aviation pilots (excluding students and ATPs) is projected to grow marginally from 335,491 to 359,735, an average annual increase of 0.3 percent. The ATP category is forecast to add 34,560 pilots (0.8 percent annually), while the smaller sport pilot segment is predicted to grow by 2.5 percent per year. Private pilot certifications are expected to see a negligible annual growth of 0.03 percent, even as commercial pilot certificates are projected to rise at an average annual rate of 0.5 percent.



FAA Operations

In fiscal year 2025, the 529 FAA towered airports accounted for over 24 million commercial operations or 90.4 percent of all commercial operations at U.S. airports.[11] Remaining airports account for 2.5 million operations. Towered airports enplaned 970.2 million people or 99.4 percent of total enplanements at U.S. airports in 2025. The near-term growth in 2025 was moderated by airline capacity pullbacks. The forecast anticipates a rebound in 2026–2027 and sustained long-term growth thereafter.

In the long run, economic growth in air travel demand and the business aviation fleet will drive long-term growth in operations at FAA facilities over the forecast period. Activity at FAA towers and contract towers is projected to increase at an average rate of 1.0 percent per year through 2046 from 58.6 million in 2026 to 71.3 million in 2046. The 1.0 percent annual growth rate is slightly less than the 1.1 per-cent growth rate in the previous year's forecast. Commercial operations at these facilities are forecast to increase 1.6 percent per year, or approximately three times faster than non-commercial operations, increasing at 0.5 percent over the 2026-2046 forecast period. The growth in commercial operations is less than the growth in U.S. airline passengers (1.6 percent versus 2.15 percent) over the forecast period due primarily to larger aircraft (seats per aircraft mile) and higher load factors. Both trends allow U.S. airlines to accommodate more passengers without increasing the number of flights.

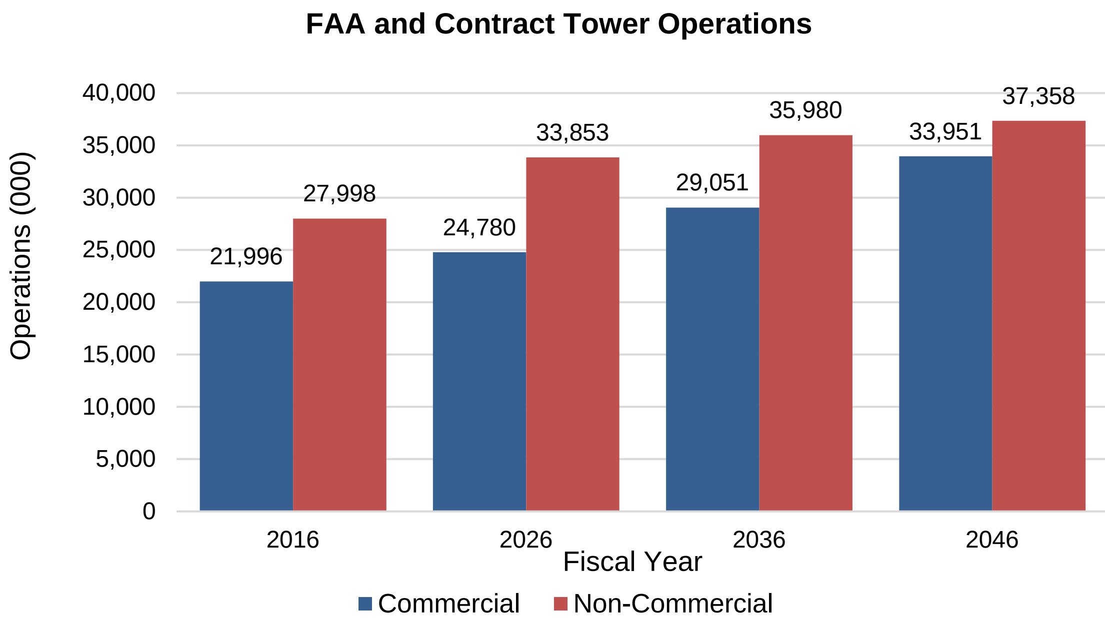
General aviation operations are forecast to increase an average of 0.5 percent a year as increases in turbine powered activity more than offset declines in piston activity. General aviation operations accounted for 54.4 percent of total operations in 2025.

The growth in operations at towered airports is not uniform. Most of the activity at large and medium hubs is commercial in nature, as these are the airports where the vast majority (about 88 percent in 2025) of the passenger enplanements in the U.S. occur.

Given the growth in airline demand that is forecast and with most of that demand at large and medium hubs (together 1.7 percent), activity at those hubs is expected to grow substantially faster than smaller airports, including small hub and non-hub facilities. The forecasted annual growth in operations is 1.8 percent at large hubs, 1.5 percent at medium hubs, 0.8 percent at small hubs and 0.5 percent non-hubs, respectively, between 2026 and 2046.

Among the 30 large hubs, the airports with the fastest long-term annual growth forecast are mostly located along the coastal sections of the country where most large cities are located, in addition to a few other airports in the southeast. Large cities have historically generated robust economic activity, which in turn drives up passenger demand.

[11] Of 529 towers, 264 are FAA tower and 265 are contract tower airports,



FAA TRACON (Terminal Radar Approach Control) Operations are forecast to grow slightly faster than at towered facilities over the forecast period at 1.2 percent compared to towers at 1.0 percent. This is in part a reflection of the different mix of activities at TRACONs. TRACON operations are forecast to increase an average of 1.2 percent a year between 2026 and 2046. Commercial operations accounted for approximately 58.5 percent of TRACON operations in 2025 and are projected to grow 1.6 percent over the forecast period. General aviation activity at these facilities is projected to grow only 0.5 percent a year over the forecast period.

The number of IFR aircraft handled is the measure of FAA En-Route Center (ARTCC) activity. Growth in airline traffic is expected to lead to increases in activity at En-Route centers. Over the forecast period, aircraft handled at En-Route centers are forecast to increase at an average rate of 1.7 percent a year from 2026 to 2046, with commercial activity growing at the rate of 1.9 percent annually. Activity at En-Route centers is forecast to grow faster than activity at towered airports and FAA TRACONs because more of the activity at En-Route centers is from the faster growing commercial sector and high-end (mainly turbine) general aviation flying. In 2025, the share of commercial IFR aircraft handled at FAA En-Route centers is about 82.8 percent, which is greater than the 58.5 percent share at TRACONs or the 42.5 percent share at FAA and Contract Towers.

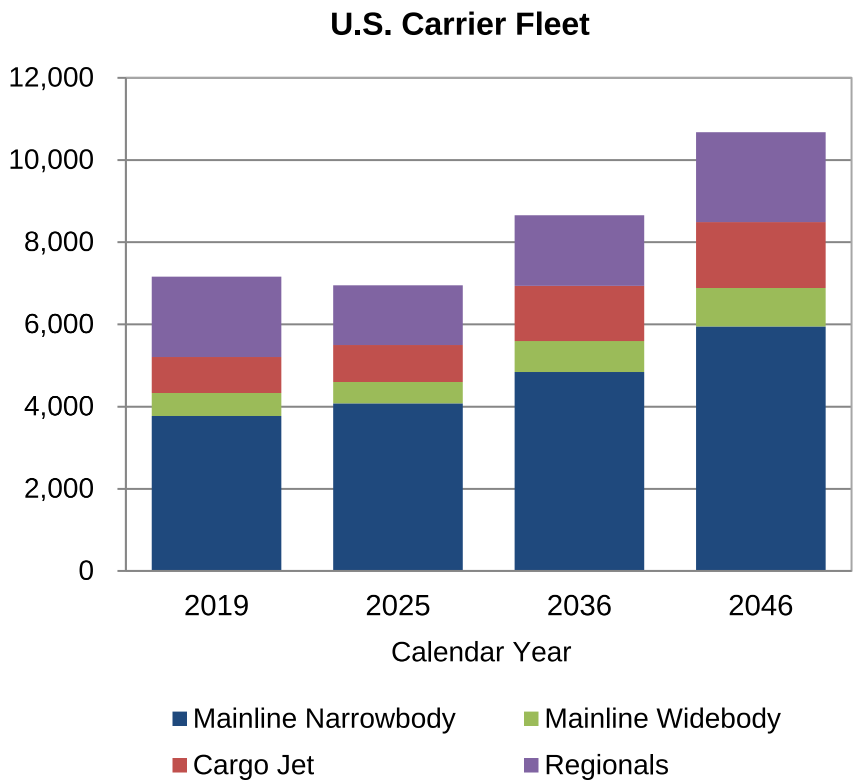
U.S. Commercial Aircraft Fleet

Restrained by retirements and groundings due to maintenance work, the number of active aircraft in the U.S. commercial fleet contracted again in 2024 (a decrease of 135 aircraft). The total number of commercial aircraft is forecast to increase from 6,949 in 2025 to 10,677 in 2046, an average annual growth rate of 2.1 percent a year. Long-term increases in demand for air travel and growth in air cargo is expected to fuel increases in both the passenger and cargo fleets.

Between 2025 and 2046 the number of jets in the U.S. mainline passenger carrier fleet (including regional jets) is forecast to grow from 4,626 to 6,890, a net average of 108 aircraft a year as carriers continue to remove older, less fuel-efficient narrowbody aircraft. Increasing utilization rates, production issues and continuing supply chain constraints are all suppressing near-term growth. These factors result in declines in the narrowbody fleet (including E-series aircraft as well as A220- series at JetBlue and A220-series at Delta) through 2028. After 2030, the narrowbody passenger fleet sees solid increases averaging 126 aircraft per year as carriers replace older technology 737 and A320 family aircraft with more efficient MAX and Neo families over the entire forecast period. The widebody passenger fleet grows by an average of 20 aircraft a year as carriers add 777-8/9, 787s, A350s to the fleet while retiring 767-300/400, A330-200/300 and 777-200 aircraft. In total the U.S. passenger carrier widebody fleet increases by 2.8 percent a year over the forecast period.

The regional carrier fleet is forecast to increase from 1,429 aircraft in 2025 to 2,189 in 2046 as the fleet expands by 2.1 percent (36 aircraft) a year over that period. Carriers remove 50-seat regional jets and retire older small turboprop and piston aircraft, while adding 70-90 seat jets, especially the ERJ-175s and CRJ550s. By 2046, the number of jets in the regional carrier fleet totals 2,182, up from 1,407 in 2025. The turboprop fleet with at least 31 seats is forecast to shrink from 22 in 2025 to just 7 in 2026 and remain at that level through the end of the forecast.

The cargo carrier large jet aircraft fleet is forecast to increase from 894 aircraft in 2025 to 1,598 aircraft in 2046 driven by the growth in freight RTMs. The narrowbody cargo jet fleet is projected to remain roughly flat as B757 conversions first add to fleets but then are supplanted by slower growing additions of MAX aircraft. The widebody cargo fleet is forecast to increase 33 aircraft a year as new 777-8 and converted 767-300 aircraft are added to the fleet, replacing older MD-11, A300, and 747-400 freighters as well as additional capacity for growing demand.


U.S. Carrier Fleet
12,000
10,000
8,000
6,000
4,000
2,000
0
2019
2025
2036
2046
Calendar Year
Mainline Narrowbody
Mainline Widebody
Cargo Jet
Regionals