

Air India set to order 500 jets- says lessor

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Air India is set to order around 500 planes as an airline industry recovery takes hold following the pandemic, one of the world's leading aircraft lessors said on Monday (Jan 15).

“As a result of this recovery, there is now more momentum for large orders from airlines who have sort of sat back and watched the movie, and now they're seeing there's going to be a positive trend,” Steven Udvar-Hazy, executive chairman of AirLease Corp, told the Airline Economics conference.

“We have this 500-aircraft order coming out of India, which is going to be about 400 narrow-body aircraft, probably a mix of (Airbus) A320neos, A321neos and (Boeing) 737 MAXs, and 100 wide-bodies which will include (Boeing) 787s, 777X, potentially some 777 freighters and (Airbus) A350s.”

The comments are the first public indication of the scale of the planned order after Reuters reported in December that Air India was close to ordering as many as 500 jets as it carves out a renaissance under the Tata Group conglomerate.

Industry sources say finalising the proposed deal depends on ongoing negotiations with engine makers.

Air India did not immediately respond to a request for comment. Airbus and Boeing had no immediate comment.

United Airlines recently ordered 200 large and small aircraft. China last year placed a block order for Airbus jets.

“We do expect a number of airlines will place large orders and again most of these orders will be for replacement,” Udvar-Hazy said.

He predicted airlines would increasingly turn back towards medium-sized wide-body jets after significant delays in the development of Boeing’s largest new model, the 400-seat 777X – currently running at five years and potentially rising further.

“We expect that both OEMs will be under pressure in the next couple of years to increase production rates, not necessarily back to the levels they were in 2018, but certainly well above current production.”

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