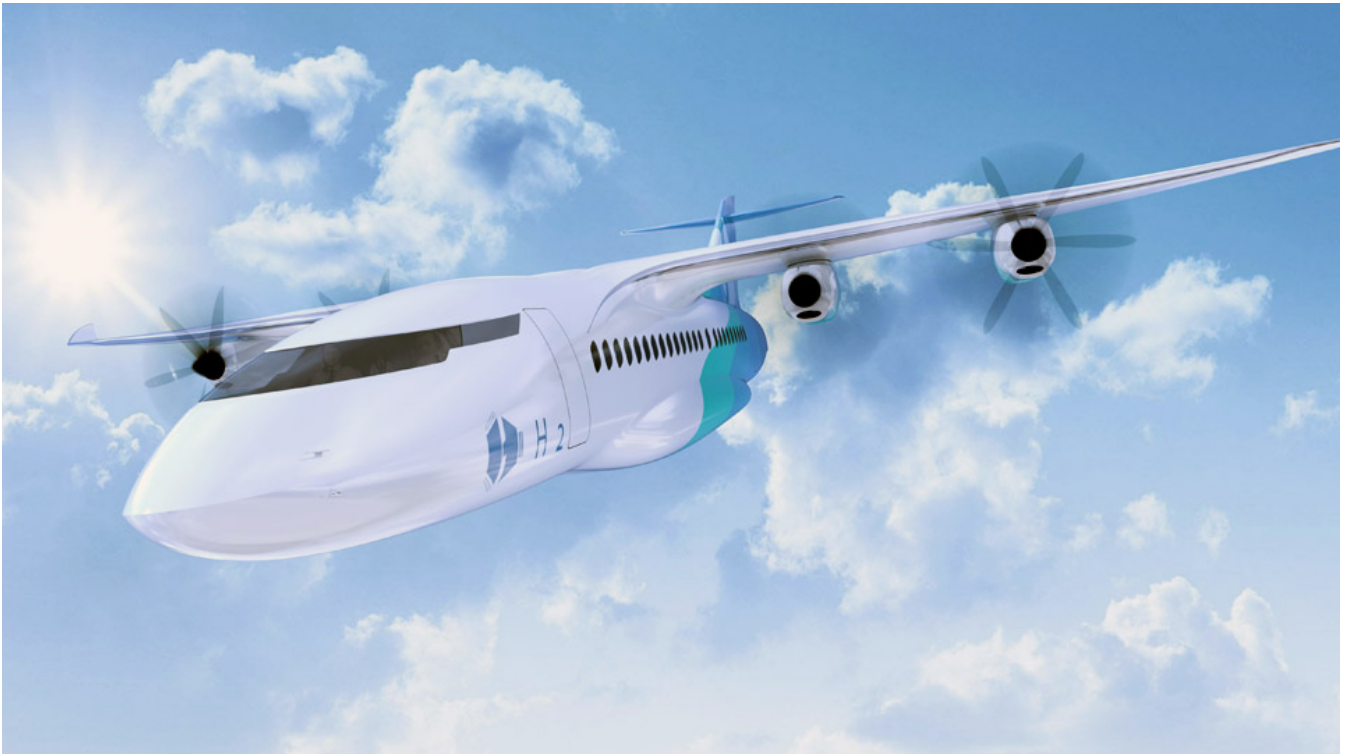


ALTEA on regional aviation: What to expect in 2022

- A Monitor Desk Report

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Dhaka: ALTEA knows aircraft inside and out. The organisation is retained by those who want fresh thinking secured by experience in asset management; procurement and sales; financial solutions and design.

Team member, Angus von Schoenberg shared his personal retrospective views on the regional aviation market in 2021 - a year in which fewer airlines than normal committed to new aircraft - and looks ahead to share his predictions on the 'ones to watch' in 2022.

Top of the turboprops to watch list is ATR - while they delivered less than a dozen aircraft in 2020, access to quick delivery positions meant that new placements rose to some 30 units in 2021.

"Based on recent demand and orders, ATR believes this will increase substantially in 2022," said Schoenberg. "ALTEA sees that the increasing need for a reduced carbon footprint will be a prime driver for strong ATR turboprop demand until alternative propulsion systems become commercially available."

Schoenberg continued, "Embraer may once again ride to the rescue in 2022 if its new turboprop offering is launched. With rear fuselage mounted engines, Embraer believes this also future proofs its new aircraft for alternative propulsion systems."

The A220 is undeniably positioned as a narrowbody aircraft and so will never operate in any lower cost regional airline subsidiary, but "Embraer potentially holds some useful cards. The Embraer E2 can potentially slot into existing regional airlines to operate for majors at lower cost." At least for now, the Airbus A220 is leading the field both historically and with new commitments during 2021.

Regarding pre-owned and established aircraft, it is no surprise to see that COVID-19 continued to be the prime driver for commercial airline fortunes in 2021. However, some types fared better than others, as did certain geographical areas.

"As the year progressed ALTEA noted an operational strategy shift towards low utilisation of more aircraft in order to ensure continuing airworthiness instead of widespread mothballing," pointed out Schoenberg.

"Barring a longer Omicron-induced travel demand hiatus, ALTEA continues to see regional aircraft leading a recovery," concluded Schoenberg.

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