

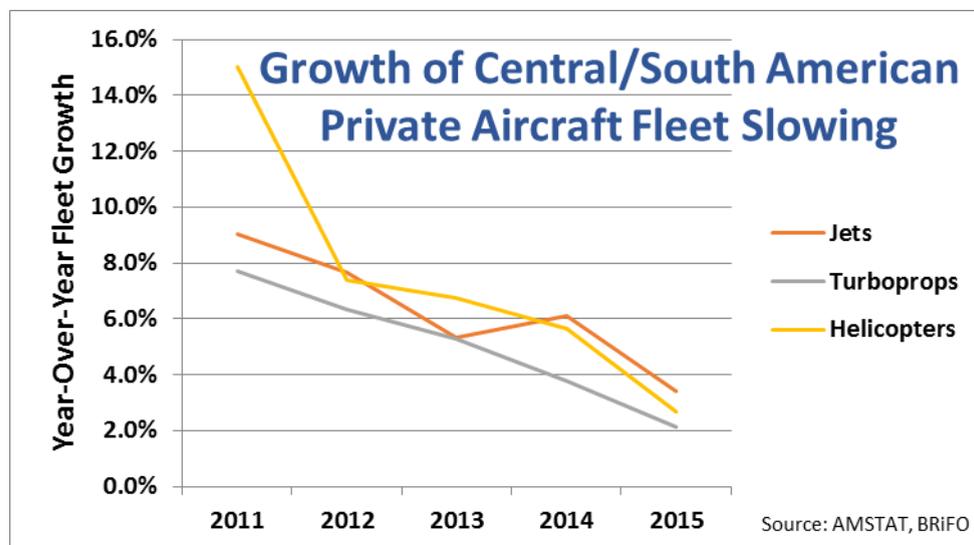


NEWS FOR IMMEDIATE RELEASE: July 27, 2015

Latin American Private Aircraft Growth Slows

Central and South America have traditionally been solid contributors to the business aircraft industry. However the region is now expected to be uncharacteristically weak for the foreseeable future according to aviation analyst Brian Foley. “While acting as an industry life buoy during the worldwide financial crisis, this market has since entered a cyclic downturn that will be more pronounced than previous ones.”

Foley contends that the private aircraft fleet population trend has been telegraphing a pending slowdown for some time now. In analyzing the region’s aircraft fleet data from provider AMSTAT, private jets, turboprops and helicopters all show a continuous decline in year-over-year fleet growth rates. While growth approached or exceeded double-digits just 4 years ago, in the past year it has declined into the low single-digits. “It’s my thesis that the fleet will eventually contract over the next few years, with equipment either being idled or sold to more prosperous regions of the world such as the US.”



A variety of factors have contributed to the situation, none of which will soon be rectified. Debt, inflation, weakened currencies, minimal or declining GDP growth and politics have all contributed to the decline. “The final hit, with perhaps the greatest implication, is the drop off in commodity prices, including around a 50% drop in oil prices, over the past year. As a region with an economy heavily dependent on natural resources the full effects have yet to be seen and will linger throughout these economies for years.”

Foley points out Mexico as a possible exception. As a key trading partner it has been indirectly benefitting from the US economic recovery. “Given all of the manufacturing projects outsourced to Mexico by general aviation manufacturers, that’s a welcome way to reciprocate.”

About Brian Foley Associates (BRiFO)

Since 2006 BRiFO has provided aviation investors and companies with advice, research, branding and investment banking services. www.BRiFO.com