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## Narrow-body sales dominate aircraft orders

By Pilita Clark  
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An Airbus A380 at Farnborough on Wednesday. Sales of wide-bodied long-distance jets have failed to take off at the show

Boeing and Airbus are normally touchy rivals, but they have found a lot to agree on at this week's [Farnborough air show](#) in the UK.

Each day has seen a pile of [new aircraft orders](#) that the two industry groups say shows that an improving world economy is putting a battered airline industry back on its feet.

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The number of orders by day three of the show on Wednesday seemed to justify their optimism.

By mid-afternoon, signatures had been scrawled above firm orders, letters of intent or memoes of understanding for 375 aircraft, according to Ascend Worldwide, the aerospace consultancy.

That may be well below the numbers seen in the most buoyant years before the downturn. But it was a jump from last year's Paris air show – with which the biennial Farnborough show alternates – when the gloom of global recession saw a dearth of orders.

But for the most part, the companies signing the biggest cheques were not airlines buying big, long-distance jets.

They were leasing companies ordering so-called narrow-bodies, the smaller single-aisle jets favoured by budget airlines, a number of which managed to stay profitable during the recession.

The most eye-catching orders came from the man often described as the industry's dean, [Steven Udvar-Hazy](#), who founded and ran the ILFC aircraft leasing company until he left to start his own venture, Air Lease Corporation, earlier this year.

Air Lease dominated this week's show by ordering more than 130 aircraft, mostly [Boeing 737](#) and Airbus A320 narrow-bodies, with a listed value of at least \$10bn.

Mr Udvar-Hazy's splashy re-entry to the market was a sign to many that the recovery was definitely at hand.

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But others remain cautious. "This is a narrow-body show," said Richard Aboulafia of the Teal Group aerospace and defence consultancy in Virginia. "This heavy preponderance of narrow-bodies is unusual at this stage of an upturn."

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Orders for larger wide-bodied aircraft would suggest airlines were confident about a sustained growth in the passenger traffic needed to fill them, he said.

There were some orders from large international airlines at Farnborough, notably Dubai's Emirates, which said it would [buy 30 of Boeing's 777 wide-bodied jets](#).

But it may be some time before large global airlines open their chequebooks in a big way, given that the industry collectively lost close to \$26bn in the two years since the last Farnborough air show, according to the International Air Transport Association.

"Airlines are still a little bit bruised," said Paul Sheridan, Ascend's head of risk advisory for Europe, the Middle East and Africa. "They've had three years of losses and while they may come out of it this year, even for the airline industry, that is a lot."

Some of the show's large leasing company announcements were also not quite as new as they seemed.

Dublin-based RBS Aviation Capital featured in Wednesday's order news by confirming \$7.6bn worth of orders for 52 of Airbus's A320 narrow-bodies and 43 of Boeing's 737 jets.

These were actually ordered in late 2008, the group's chief executive, Peter Barrett, later said in an interview, explaining the group made disclosures about past orders "when it's relevant to the business".

One thing that Airbus, Boeing and most air show observers agreed on on Wednesday was that it was a surprise not to see [Bombardier](#) of Canada announcing any new orders for the CSeries jet it launched at the last Farnborough show.

Despite much speculation the new fuel-efficient jet would pose a threat to Airbus and Boeing's narrow-bodies, it has so far only achieved 90 orders and has been outdone at Farnborough by Brazil's Embraer as well as the two leaders.

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