



AIRBUS A350-900 TO COVER EXTRA NAUTICAL MILES BY 2020

News / Manufacturer



The A350-900 version of the A350 XWB will offer better fuel efficiency and additional nautical miles by 2020.

After conducting the successful maiden flight of its first A350-900 for Cathay Pacific last week, Airbus Group SE is now looking forward to further improve the aircraft's performance in order to make it more competitive in the market. Earlier today, the aircraft manufacturer announced that its A350-900 will be able to fly even farther by 2020, due to increased fuel efficiency and an optional increased maximum takeoff weight.

Enhanced aerodynamics by Airbus combined with engine improvements in the Rolls-Royce Trent XWB powerplant would reduce fuel consumption by approximately 2% in the A350-900. This, along with an increased maximum takeoff weight of 280 metric tons, will allow the aircraft to cover 8,100 nautical miles—500 more nautical miles compared to the initial model of the aircraft introduced last year.

Through these upgrades, Airbus aims to boost the sales of its A350 wide-body aircraft, which has not received any new orders since the beginning of this year. Airbus received a total of 16 orders only during fiscal year 2015, which was an alarming situation for the aircraft manufacturer. Since the launch of the A350, the company has booked 777 orders, out of which only 15 jets have been delivered. Although the company has a healthy backlog of its A350s, investors are concerned about the future of the aircraft due to a lack of new orders.

Airlines Leaning Toward Single-Aisle Jets

One of the main reasons behind reduced demand for Airbus A350 is that airlines around the world are becoming more conscious about fuel efficiency to increase their unit revenue, which is why they are inclining toward single-aisle commercial jets. Based on this trend, Airbus had to upgrade the engines to offer better fuel consumption as compared to the previous versions. The aircraft manufacturer hopes to receive more orders of its A350 during fiscal year 2016 with these upgrades.

Impact of Low Crude Oil Prices

The decline in crude oil prices has positively affected aircraft manufacturers around the world, as airlines are expanding their flight operations due to low fuel expense. However, this factor has only benefited sales of single-aisle commercial jets, as airlines fear that fuel prices might recover and hike by next year, after which wide-body jets such as A350 would hurt the airlines' unit revenue. This is why the demand for single-aisle commercial jets has increased since mid-2014, as these aircraft would help airlines maintain unit revenue—even when fuel prices are high—and allow them to be more market competitive.

Tough Competition from Rivals

Another reason behind these upgrades is that Airbus is going head-to-head with its US rival Boeing Co that offers a variety of wide-body jets and has already taken the share of the medium and long-haul aircraft markets. Boeing booked more orders for bigger jets during fiscal year 2015 as compared to Airbus, which also raises investors' concerns. Last year, Boeing posted 99 orders for its 787 Dreamliner, 58 orders for 777, 49 orders for 767, and six orders for 747 jets, far more than Airbus's 170 orders of its wide-body jets.

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