



Safran expands aerospace footprint in Morocco

Safran Landing Systems has signed an agreement with Morocco to build a €280m landing gear manufacturing facility near Casablanca, supporting production of the Airbus A320 family.

The plant will help Safran meet rising aircraft production rates while preparing for the next generation of single-aisle aircraft. The investment highlights Morocco's growing role as a competitive aerospace manufacturing hub linking Europe and Africa.

Reuters, February 2026

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Middle East and Africa: emerging aviation growth markets

The Middle East continues to establish itself as one of the fastest-growing civil aviation markets. The sector is valued at \$28.4 billion in 2025 and is projected to reach \$35.2 billion by 2030, representing an average annual growth rate of 4.4%. At the same time, Africa remains a largely untapped market with significant long-term sustained potential. Improvements in connectivity, infrastructure and regional cooperation could unlock an aviation market estimated at \$44.8 billion within the next five years.

Aviation Week, Regional Focus: Middle East & Africa, February 2026

Aerospace and defense private equity activity rebounds

Private equity activity in the aerospace and defense sector rebounded significantly in Q3 2025, with 87 transactions (+78%) totaling \$6.5 billion (+44%). The recovery was driven by greater clarity on tariff policies, the prospect of a U.S. defense budget approaching \$1 trillion, and the gradual ramp-up of Boeing 737 production.

Investors are particularly targeting commercial aerospace parts and maintenance, repair and overhaul (MRO) segments, which offer strong consolidation opportunities in fragmented markets. Exit activity remains relatively limited as investors await more certainty regarding financing costs and trade policies. However, expected interest rate cuts could improve the exit environment in 2026.

PitchBook, Q3 2025 Aerospace & Defense Report



Supply Chain resilience drives aerospace investment

The aerospace industry continues to face supply chain constraints as manufacturers ramp up production to meet strong global demand. This environment is creating investment opportunities in critical supplier segments such as precision machining, advanced materials, avionics, and maintenance services. Private equity investors are increasingly targeting specialized SMEs positioned within the supply chains of major aerospace groups such as Safran, Airbus, and Boeing. Strengthening supplier capacity and technological capabilities has become a strategic priority for the industry as it works to support the next phase of aviation growth.

Deloitte, 2025 Aerospace and Defense Industry Outlook





Defensive maneuvers

Rising geopolitical tensions and ongoing conflicts are driving a surge of investor interest in the aerospace and defense sector. M&A deals, IPOs and fundraisings are accelerating as governments and private investors increase spending on military technologies. Recent examples include the potential \$4 billion sale of Ultra Maritime and new capital flowing into drone and defense-tech companies.

Across Europe, defense groups—from tank manufacturers to anti-drone system developers—are attracting strong valuations and preparing listings. Despite broader market uncertainty, aerospace and defense dealmaking continues to expand as demand for advanced military capabilities grows.

Bloomberg News, March 2026



MRO market expands as global fleets age

The global Maintenance, Repair & Overhaul (MRO) market is expanding as airlines rely on aging fleets to meet record travel demand. In 2025, global MRO spending reached \$136 billion, up from \$126 billion in 2024, driven by increased flight hours and delayed aircraft deliveries.

Supply-chain constraints and large aircraft backlogs are forcing airlines to operate older aircraft longer, increasing maintenance needs. Industry forecasts indicate that global MRO demand could approach \$193 billion by the end of the decade, making it one of the most resilient segments of the aviation value chain. For investors, the MRO sector offers strong long-term growth supported by fleet expansion and higher aircraft utilization.

Global Fleet and MRO Market Forecast 2026–2036, January 2026



First Quarter 2026 Airplane Deliveries

Airbus	2026	2025	Boeing	2026	2025
A220	19	17	B737 Max	114	105
A320/321	81	106	B767	6	5
A330	3	4	B777	8	7
A350	11	9	B787	15	13
Total	114	136		143	130

Market focus: the effect of the war in Iran on the aerospace industry

The war in Iran is having a significant and far-reaching impact on the global aerospace industry, disrupting aviation-related commerce while simultaneously boosting defense-related activity.

One of the most immediate effects is on commercial air travel. The conflict has led to widespread airspace closures across the Middle East, a critical corridor connecting Europe, Asia, and Africa. Airlines have been forced to reroute flights over longer distances, increasing fuel consumption and operating costs. In many cases, flights have been cancelled altogether, stranding passengers and reducing airline revenues. Major regional hubs have also been affected, contributing to thousands of daily cancellations and widespread operational disruption.

Rising fuel costs are another major consequence. The war has triggered one of the largest global energy shocks in recent history, with oil prices surging sharply due to disruptions around the Strait of Hormuz. Since fuel is one of the largest expenses for airlines, this has severely impacted profitability. Many carriers have responded by increasing

ticket prices, reducing capacity, or cutting unprofitable routes, placing additional pressure on global air travel demand.

The aerospace manufacturing sector is also under strain. The conflict has disrupted global supply chains by restricting shipping routes and increasing logistics costs. Critical materials and components are taking longer to transport, delaying aircraft production and deliveries. In addition, shortages of key inputs—such as helium, which is essential for certain aerospace and high-tech applications—are emerging due to supply disruptions linked to the war.

Despite these challenges, the war is benefiting the defense aerospace segment. Governments are increasing military spending in response to heightened geopolitical tensions, driving demand for fighter aircraft, drones, missiles, and surveillance systems. This is providing a counterbalance to weakness in commercial aviation.

In conclusion, the Iran war is creating a divided aerospace landscape: commercial aviation faces rising costs, operational disruption, and uncertainty, while defense aerospace experiences renewed growth. The longer the conflict persists, the more likely these structural shifts will reshape the industry.

Aviation Tech Today, April 2026

