# NEWSLETTER

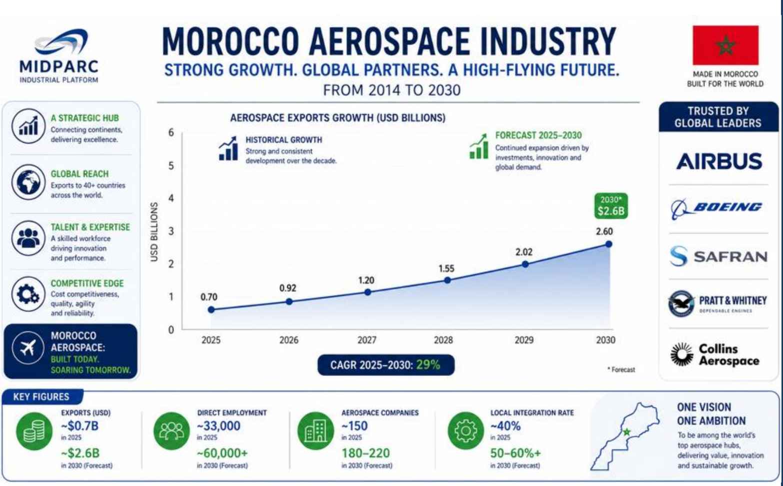
*2nd Quarter 2026*

ALPHAVEST CAPITAL


## In this issue

- Moroccan aerospace market snapshot
- Commercial airplane market update
- Aerospace manufacturing expansion continues in Morocco
- Morocco emerges as Mediterranean fastest-growing aerospace manufacturing hub
- GE Aerospace sees engine maintenance demand hold up despite higher fuel prices
- Alphavest Capital attends Farnborough Air Show

## Moroccan aerospace industry snapshot




The most important development in 2026 is Morocco's transition from a low-cost aerostructures supplier to a producer of higher-value aerospace products, including aircraft engines, landing gear systems, and advanced composites. This shift is attracting new foreign investment and strengthening Morocco's position as Africa's leading aerospace manufacturing center.

# Commercial airplane market update

| Manufacturer | Q2 2025 Deliveries | H1 2025 Deliveries | Q2 2026 Deliveries | H1 2026 Deliveries | Change (Aircraft) H1 2026 vs H1 2025 | Year-over-Year H1 2026 vs H1 2025 |
|---|---|---|---|---|---|---|
| Airbus | 171 | 306 | 238 | 393 | +87 | +28.4% |
| Boeing | 150 | 300 | 171 | 321 | +21 | +7.0% |

**1. Airbus regained clear delivery leadership**
Airbus delivered **238 aircraft** in Q2 versus **171** for Boeing.

**2. Boeing's recovery is gaining momentum**
Boeing posted its strongest delivery quarter in several years.

**3. Narrowbody aircraft remain the industry's growth engine.** Approximately **85% of all Airbus and Boeing deliveries** during Q2 were single-aisle aircraft.

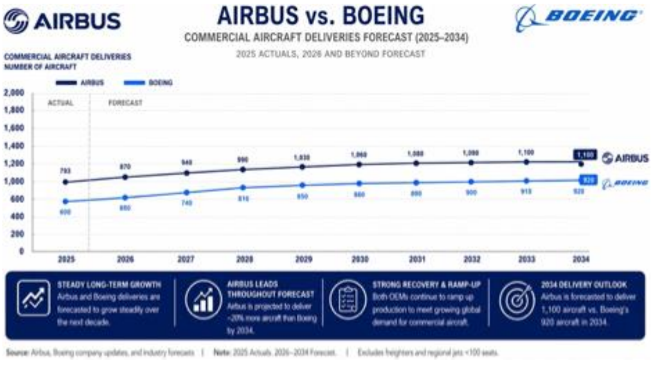
**4. Supply chain remains the primary constraint**
Although conditions have improved compared with 2024–2025, manufacturers continue to face engine shortages, aerostructure bottlenecks, cabin equipment delays, labor constraints throughout the supplier base. Production—not demand—remains the limiting factor for deliveries.

**5. Widebody market continues a gradual recovery.** Widebody demand remains healthy but production rates are increasing more slowly than for narrowbodies.

**6. Airline demand remains exceptionally robust**
The industry's order backlog remains near record levels.

**7. Asia remains the largest growth market**
Manufacturers continue to expect Asia-Pacific to account for roughly **half of future aircraft deliveries**.

**8. Long-term demand remains strong** despite a slightly lower forecast.




## Major aerospace manufacturing expansion continues in Morocco

French aerospace group Daher announced plans to transfer part of its Airbus aerostructures production and assembly work from Tarbes, France, to Morocco. The move reinforces Morocco's position as a preferred aerospace manufacturing hub for European OEMs and Tier-1 suppliers.

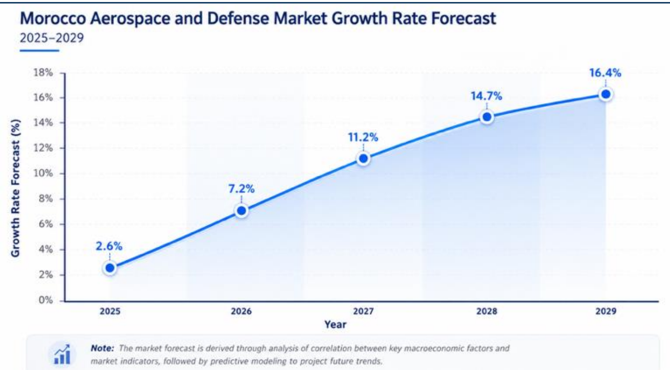
At the same time, Swedish industrial group Trelleborg opened its first Moroccan aerospace manufacturing facility at Midparc near Casablanca. The plant began operations in June and will support aerospace sealing and engineered polymer products.

Safran continues to expand aggressively in Morocco:

A €280 million landing-gear manufacturing facility near Casablanca was announced earlier this year.
The company recently inaugurated its LEAP-1A engine assembly plant, making Morocco one of the few countries assembling complete commercial jet engines. The facility is expected to assemble up to 350 engines annually by 2028.

These investments are moving Morocco further up the aerospace value chain from component manufacturing toward engine assembly and advanced systems production.

Pratt & Whitney Canada recently opened a new engine-parts manufacturing facility in Morocco. The operation is expected to create approximately 200 jobs by 2030 and strengthens Morocco's growing aerospace propulsion ecosystem.




# Morocco emerges as Mediterranean fastest-growing aerospace manufacturing hub

Mediterranean's fastest-growing aerospace manufacturing hub, drawing sustained investment from global industry leaders seeking cost efficiency, supply chain resilience and proximity to European markets.

Already Africa's top aerospace manufacturing hub, the North African kingdom has transformed its aerospace sector over the past two decades into a key pillar of industrial growth with more than 150 aerospace companies generating roughly $2.6bn–$3bn in annual exports.

The scale of demand now outstrips available space at Morocco's main aerospace industry hub in Nouaceur near Casablanca. Spanning 128 hectares, the dedicated industrial zone is approaching saturation as global manufacturers compete for a foothold.

Industry officials say project pipelines have surged well above normal levels, driven by new high-value investments in engine assembly and advanced components. The influx has prompted plans for expansion, underlining both the intensity of investor interest and Morocco's growing role as a strategic manufacturing base for the global aerospace industry.

Cont'd…

Recently, French aerospace group Safran has expanded its footprint with major projects near Casablanca, including an aircraft engine assembly and maintenance complex and a €280m landing gear manufacturing facility. These projects introduce advanced industrial capabilities—such as engine production and critical aircraft systems—traditionally concentrated in Europe.

US aerospace giant Boeing is also deepening its presence, working with Moroccan partners to expand component manufacturing and develop new engineering and production capabilities.
The company's long-term strategy aims to build a fully integrated supplier ecosystem in the country.

Industry analysts say Morocco's growing appeal reflects a combination of structural advantages that few competitors in the Mediterranean can match.
The country benefits from a qualified and increasingly specialized workforce, supported by dedicated training institutes aligned with international aerospace standards. The sector employs tens of thousands of workers, with strong growth in engineering and technical roles.

Morocco also offers modern industrial infrastructure and logistics connectivity, including specialized aerospace zones and efficient export platforms linked to major ports and airports. These assets enable manufacturers to integrate seamlessly into global supply chains.

Crucially, the kingdom's extensive network of free trade agreements (FTAs) provides preferential access to key markets such as the European Union and the United States, allowing companies to optimize production and streamline exports.

Geography further reinforces Morocco's position. Located just hours from Europe, the country has emerged as a leading nearshoring destination, allowing manufacturers to relocate production while maintaining close links to core markets.

# GE Aerospace sees engine maintenance demand hold up despite higher fuel prices

GE Aerospace has not seen airlines pull back on engine maintenance or parts orders despite higher fuel prices and softer flight departures, CEO Larry Culp said, signaling continued strength in the aircraft engine maker's high-margin aftermarket business.

Speaking at a Bernstein investor conference, Culp said departures had softened over the past eight weeks, with growth now "relatively flat." But he said GE Aerospace had seen no operational impact or change in commercial behavior from airline customers.

"We feel very good about the second quarter," Culp said, citing continued strength in spare-parts orders and shop-visit activity. Culp said parked aircraft had declined in May from April and were down from the start of the year, a sign GE Aerospace does not see a looming wave of aircraft retirements.

Spare-parts orders, which rose 30% in the first quarter, have grown closer to 40% over the past roughly 60 days, while GE is seeing more engines taken off aircraft for maintenance, he said.

Aircraft departures are a key driver of its services business, as more flying increases engine wear and maintenance needs. But, GE Aerospace has said the impact on services revenue and profit this year should be limited because much of its 2026 maintenance workload is already locked in and demand for spare parts continues to outstrip supply.

The engine maker said last month it remained on track to hit the high end of its 2026 profit outlook, while warning that elevated oil prices, fuel supply constraints and slower global growth had made the backdrop more uncertain. The company has forecast adjusted profit of $7.10 to $7.40 per share for 2026.

Culp said strong demand for both new engines and aftermarket work was putting stress on GE's supply chain, with some suppliers hesitant to invest because they remain skeptical of aircraft production ramp-up plans. But he said suppliers also need to account for rising demand from GE's installed engine base, not just Boeing or Airbus production rates.

GE and France's Safran co-own CFM International, which makes engines for Boeing and Airbus narrowbody jets. Culp suggested relations with Airbus had improved after earlier tensions over engine supply, saying the companies had moved away from "arm wrestling" and public finger-pointing toward more direct problem-solving.

Culp said LEAP shop visits are shifting from early, lighter maintenance work to more extensive performance-restoration visits, which should bring in more revenue. He said GE has not yet seen the full benefit of price increases in some long-term LEAP aftermarket contracts.

## Alphavest Capital Attends Farnborough Int'l Airshow

Alphavest's management team attended the prestigious Farnborough Airshow from June 19 thru 23. Participating as part of the Morocco Now exhibit, the team met with leading customers, partners, and potential investment targets in pursuit of its investment strategy.

Airshows are unique gatherings for deal-making with the global aerospace community in a concentrated setting. Next up is Marrakech in October 2026.