

Aerospace Economic Indicators

Fourth Quarter 2007



Fourth quarter 2007 indicators illustrate solid growth for the aerospace industry. Sales increased more than 5% this quarter up to \$61 billion and orders increased a remarkable 27% to \$84 billion. Global demand for aerospace products pushed exports up almost 16% this quarter to \$28 billion. Employment continued to rise slowly, up to 651,500.

Economic Indicators			Quarterly	Year-Over-Year		Year-End		Annual
	<i>Values in billions of dollars</i>		Change:	Change:		Totals:		Change:
	4Q 2007	3Q 2007	3Q07 to 4Q07	4Q 2006	4Q06 to 4Q07	2005	2006	2005 to 2006
Aerospace Sales	\$61.26	\$58.14	5.4%	\$57.40	6.7%	\$197.23	\$210.19	6.6%
Profits	\$4.90	\$4.92	-0.3%	\$4.25	15.3%	\$12.57	\$14.20	13.0%
Orders	\$84.25	\$66.33	27.0%	\$68.45	23.1%	\$184.12	\$213.77	16.1%
Exports: Total	\$27.56	\$23.82	15.7%	\$23.89	15.4%	\$67.43	\$85.26	26.4%
Exports: Civil	\$23.88	\$21.10	13.2%	\$19.54	22.2%	\$57.59	\$71.86	24.8%
Exports: Military	\$3.68	\$2.73	34.8%	\$4.34	-15.4%	\$9.85	\$13.40	36.2%
Employment (in thousands)	651.5	648.0	0.5%	638.6	2.0%	611.7	631.8	3.3%

Source: U.S. Census Bureau, *Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations* and U.S. Bureau of Labor Statistics

Note that AIA reports two unique aerospace sales figures, which originate from two different U.S. Census Bureau sources. Data included in AIA's Statistic Series 8 (*Balance Sheet and Income Statement for Aerospace Industry*) and this Economic Indicators report are from the *Quarterly Financial Report* (QFR), while the sales figure reported on page 14 of AIA's annual statistical handbook *Facts and Figures* is derived from the *Current Industrial Report* (CIR).

Both the CIR and QFR surveys categorize data according to the North American Industry Classification System (NAICS). The CIR captures aerospace related activities within individual establishments, as identified by NAICS codes.

QFR surveys assign a single NAICS code to entire conglomerates, based upon the firm's dominant activity. Consequently, non-aerospace-related sales may be included if a diversified firm's predominant line of business is aerospace. Conversely, aerospace sales will be excluded if the firm's predominate line of business is not aerospace-related.