IATA MRO SMARTHUB

Harnessing Industry Data to Quantify Recovery From The COVID Pandemic Within the USM Market

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6 October 2022, Geneva
Quantifying the recovery within USM market
Quantifying the recovery within USM market

- Whitepaper February 2021
- Today's presentation

Lockdowns begin

Alpha

Delta

Omicron
Data and calculation methodology

8 M+ applicable datapoints for FMV calculation

15+ companies contribute data

History from Jan 2018 onwards

Unique and secure

Anonymized customer data
- Purchase & sales orders
- Repair orders
- Generic material information
“New parts sales fared better than USM”
- January 2020: -64%

“The historic pricing data of USM from MRO SmartHub shows a wild variance in part prices in 2020 as compared to 2019.”

“The spare parts market felt the effects of COVID early.”
- January 2020: -76%
- April & May: -82%

Changes compared to January 2019
Total transaction volume – Jan 2020 – Dec 2021

Initial drop to 25% of Jan 2019 level, continuous but slow recovery in 2020 and 2021

Monthly average. Index calculated relative to Jan 2019 = 100.

Analysis based on +281k parts with +1.4m transactions total.
Transaction volume – Year by year

USM highly volatile with significant changes. Slow recovery of NEW in 2021.

Analysis based on +281k parts with +1.4m transactions total.
USM prices start to stabilize in 2021, prices for NEW material increase fluctuation.
Price level – Year by year

Price for NEW steadily increasing. USM price level relative to demand level.

Price level change relative to previous year

Analysis based on +10k parts with +418k transactions total.
Does the role of surplus material change after COVID?

Market share of USM 2021 still lower than 2019. No change in the role of USM visible.

Analysis based on +281k parts with +1.4m transactions total.
Does the role of surplus material change after COVID?

Until end of 2021 no significant change in surplus pricing observable.

90 day rolling mean - SV price relative to price in NE condition = 100.

Analysis based on +1.5k parts with +29k transactions total. Parts with a price in NEW condition of less than $10,000 are classified as cheap.
✓ Parts market **recovery ongoing**
✓ **USM more volatile** than NEW
✓ USM pricing tends to **stabilize in 2021**
✓ The role of USM has **not yet changed**

**Coming next**
- Publication of whitepaper with extended results
- Include data from 2022 into analysis

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Visit the product page
www.iata.org/mro-smarthub

Download the COVID Whitepaper from Feb 21
www.iata.org/mro-smarthub/#tab-6

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