AVIATION SPECIAL | Page 4

Technical and regulatory milestones advance global eVTOL operations

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GULF TIMES
BUSINESS

QNBFS REPORT : Page 2

Qatar public sector deposits rise 3.2% in June; banking assets steady at QR2.197tn

Al Mahhar Holding profit rises 8.1% to QR28.8mn

Al Mahhar Holding Company (Al Mahhar) posted an 8.1% increase in net profit to QR28.8mn (QR26.7mn in H1 2025) over revenues of QR487.0mn in H1 2026.

Al Mahhar's H1 2026 revenue reflected continued operational momentum across its core business segments despite logistical challenges affecting the supply of equipment and materials during the period.

The revenue performance was supported by strong growth in equipment rental income of 11.6% year-on-year (y-o-y), which offset a moderation in equipment and spare parts sales, and by the increasing contribution of higher-margin service and rental activities, consistent with the company's strategic focus on energy-linked initiatives.

Equipment and spare sales remained the main contributor, accounting for 81.8% of total revenue, down from 82.8% in the previous year, followed by service income at 12.3% and equipment rental at 5.9%, both of which increased their share of revenue compared to the prior year.

Al Mahhar's H1 2026 revenue reflected continued operational momentum across its core business segments despite logistical challenges affecting the supply of equipment and materials during the period. The company continues to advance its internal efficiency initiatives, with a sustained focus on cost control, process optimisation and disciplined resource management. These initiatives have supported profitability and margin stability, reinforcing the company's focus on operational excellence and long-term value creation

Gross profit remained broadly stable at QR84.1mn, with gross margin improving to 17.3% from 17.0% in H1 2025, supported by a favourable shift in revenue mix towards the higher-margin rental division and a reduction in slow-moving inventory provisions.

Net profit margin improved to 5.9% in H1 2026 from 5.3% in the previous period, supported by internal efficiencies, disciplined cost management and increased contributions from its associate companies.

Additionally, net profit attributable to equity holders increased by 4.5% to QR27.3mn. The improvement was driven by higher contributions from equipment rental revenue, which carry comparatively higher margins, enhanced internal efficiencies, and lower finance costs.

The company maintains a strong financial position, with total assets increasing to QR681.8mn as of June 30, 2026, up from QR651.9mn as of December 31, 2025. Total equity increased to QR374.8mi, compared to QR371.9mn at year-end 2025.

Earnings per share for the period remained consistent with H1 2025 EPS of QR0.13. Al Mahhar paid a dividend of QR0.15 per share in 2025, totalling QR31.1mn, approved at the April 15, 2026 Annual General Assembly.

Cash and cash equivalents remained robust at QR103.6mn as of June 30, 2026, broadly in line with QR103.1mn as of December 31, 2025, providing continued financial flexibility.

The company continues to advance its internal efficiency initiatives, with a sustained focus on cost control, process optimisation and disciplined resource management. These initiatives have supported profitability and margin stability, reinforcing the company's focus on operational excellence and long-term value creation.

Al Mahhar chairman Fahad Alfardan said, "The results achieved in the first half of 2026 reflect the resilience of our business and the dedication of our team in navigating a challenging operating environment.

"Despite logistical headwinds affecting the broader region, we delivered growth in net profit and continued to improve our margins, which is a testament to the strength of our operational platform and the effectiveness of our cost discipline."

He added: "Qatar's energy sector continues to present meaningful and long-term opportunities for the group, and we remain well-positioned to support the significant national projects shaping the country's industrial future.

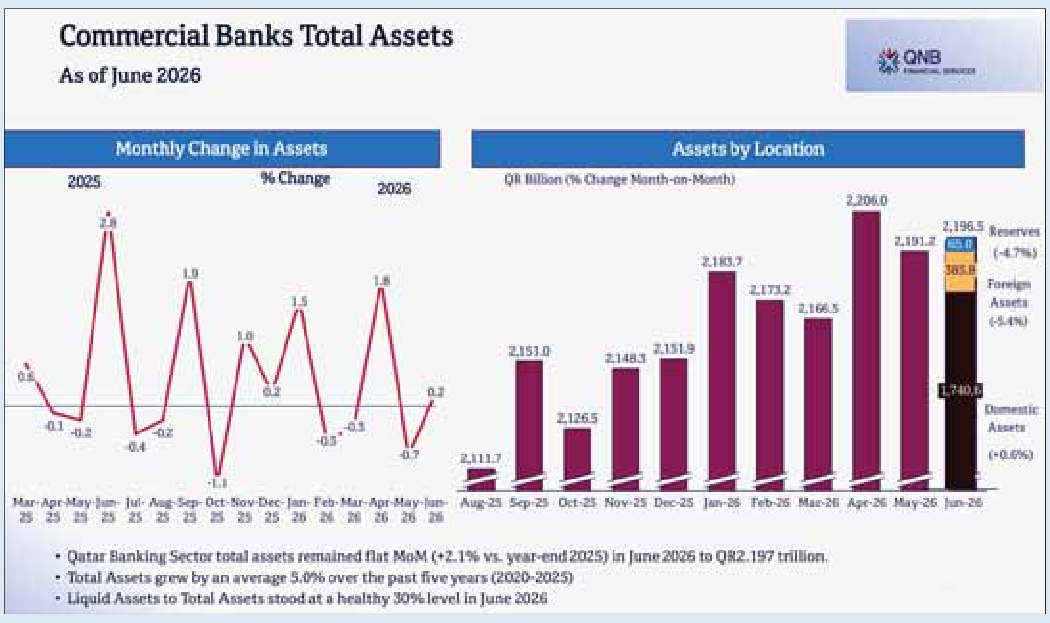
"As we look to the second half of the year, we are focused on building on this momentum, deepening our customer relationships, and executing our strategy with discipline and purpose to deliver sustainable value for our shareholders."

BUSINESS

Qatar public sector deposits rise 3.2% in June: QNBFS

By Peter Alagos
Business Editor

Qatar's banking sector saw public sector deposits expand by 3.2% month-on-month (m-o-m) in June to support overall liquidity, even as broader total assets hold steady at QR2.197tn, according to QNB Group.
The monthly gain in public sector funds brought year-to-date growth in the segment to 10.2%, data from the QNBFS Monthly Banking Sector Update for June 2026 showed.
Government institutions, which account for roughly 58% of public sector deposits, expanded by 7.2% m-o-m and rose 20.0% compared to year-end 2025. Semi-government entities, representing about 15% of public sector deposits, grew 4.3% m-o-m to record an 18.2% expansion against late 2025.
These gains helped offset a 5.1% monthly drop in the core government segment, which makes up 27% of public sector deposits and is down 9.4% against year-end 2025, according to the report.
It also reported that the total Qatar banking sector deposits held steady month-on-month at QR1.105tn in June 2026, marking a 5.8% increase compared to late 2025.
Private sector deposits slipped 0.9% over the month, though they remain up 4.1% compared with December 2025 levels.
Corporate and institutional funds pulled the private sector down by receding 2.0% sequentially, maintaining a 2.7% gain relative to year-end 2025.
Consumer deposits stayed flat m-o-m, preserving a 5.2% expansion since the start of the year, the report stated.
Non-resident deposits dropped by 2.7% m-o-m during June, while remaining up 1.7% compared to year-end 2025. Non-resident deposits as a percentage of total deposits held flattish at 18.0% in June against 18.6% recorded at the end of 2025.
The overall loan book was flat m-o-m at QR1.47tn, representing a 2.6% increase relative to late 2025.
Solid performance from public sector credit and strong gains in foreign lending counterbalanced lower activity across the private segment. Total public sector loans moved up 0.9% sequentially over the month, though the segment remains down 5.1% against year-end 2025.
Direct government credit, which accounts for around 40% of total public sector loans, was unchanged m-o-m and stands 15.0% above December 2025 figures, according to the report.
Government institutions, accounting for roughly 50% of public sector borrowing, expanded 0.9% m-o-m in June, leaving the segment down 29.3% compared to year-end 2025.
Semi-government entities, representing about 10% of public sector credit, added positive momentum by rising 2.4% m-o-m to post a 17.5% gain against late 2025.
Private sector credit receded by 0.8% m-o-m in June, holding a modest 0.8% expansion against year-end 2025.



A 27.2% contraction in industrial sector loans (-21.2% vs. December 2025) and a 2.5% decrease in real estate credit (-3.2% vs. December 2025) pulled private lending down, while all other segments were flat.
Loans outside Qatar expanded by 3.6% during June 2026, marking a 56.0% surge compared to year-end 2025. The sector's overall loan-to-deposit ratio (LDR) held steady m-o-m at 133% in June compared to 137% at the end of December 2025, the report stated.
Under the Qatar Central Bank framework, which factors in stable sources of funding, the system's LDR sits comfortably below the official 100% regulatory threshold, according to the report.
Asset quality indicators showed slight improvement as total loan provisions to gross loans eased to 3.8% m-o-m from 4.1% in May and 4.0% at year-end 2025. Total loan loss provisions fell by 6.8% over the month, standing 2.2% lower than year-end 2025 levels. Liquid assets relative to total assets stood at 30% in June, matching the 30% reported in May and December 2025 to reflect strong liquidity buffers across the sector, the report added.

QDB invests in sustainable AI firm Multiverse Computing

Multiverse to set up regional headquarters in Doha

Qatar Development Bank (QDB) has announced its investment in Multiverse Computing, a global leader in efficient and sustainable artificial intelligence (AI) and one of Europe's newest unicorns, during a signing ceremony held in Doha.
QDB's investment forms part of the company's €500mn Series C funding round, which values Multiverse Computing at €1.5bn.
Through its investment arm, QDB joins a consortium of global strategic investors participating in the round, which is co-led by Forgepoint Capital International, BNPP Solar Impulse Venture Fund, and Bullhound Capital.
Founded in Spain, Multiverse Computing specialises in developing AI language models and enhancing their efficiency through advanced compression and model architecture optimisation.
Its technologies help reduce energy consumption and computing costs while accelerating response times. The company develops its own models and can also compress third-party models, enabling AI tools to operate on standalone devices independently of large-scale cloud servers and providing users with greater sovereign control over their AI infrastructure.
Through its investment in Multiverse Computing and as part of this partnership, QDB will support Multiverse Computing in establishing Doha as its regional headquarters. Operating regionally from Qatar, the company will serve customers and pursue partnerships across the region, drawing on its expertise in efficient sovereign AI to contribute to the continued development of the technology and innovation ecosystem in Qatar and the wider region.

Enrique Lizaso, co-founder and CEO of Multiverse Computing, and Mohamed al-Emadi, executive director of Incubation and Venture Capital Investment at QDB, after signing the agreement in the presence of QDB CEO Abdulrahman bin Hesham al-Sowaidi (***centre***).

QDB CEO Abdulrahman bin Hesham al-Sowaidi said, "Our investment in Multiverse Computing reflects the ambition of the Startup Qatar Investment Programme to attract high-growth technology companies that can contribute meaningfully to Qatar's innovation ecosystem, while reaffirming QDB's commitment to anchoring the industries of the future in Qatar.
"By supporting the establishment of the company's regional headquarters in Doha, we are bringing world-class expertise in efficient and sovereign AI closer to the local market, while creating new opportunities for partnerships, knowledge transfer and regional commercial growth."
He added: "This directly advances the objectives of Qatar's Third National Development Strategy (NDS3) 2024-2030, which places innovation and the attraction of cutting-edge technology companies as central building blocks in the development of a diversified, knowledge-based economy."
Enrique Lizaso, co-founder and CEO of Multiverse Computing, stated: "The AI industry's future relies on doing more with less by running powerful models efficiently, sustainably, and securely without being constrained by legacy infrastructure.
"Partnering with Qatar Development Bank and establishing our regional headquarters in Doha accelerates our ability to deliver this vision to the Middle East and beyond. Qatar's forward-thinking approach to sovereign AI and its strategic location make it the ideal launchpad as we scale our CompactifAI platform across new markets."
The investment forms part of the Startup Qatar initiative, which brings together key stakeholders from across Qatar's business ecosystem, including QDB, which leads the initiative's investment track for global companies. The initiative aims to attract leading technology companies to establish and expand their operations in Qatar.
Since Startup Qatar was launched in 2024, QDB has invested through the initiative in more than 40 startups from 15 countries worldwide.
During Web Summit Qatar 2026, QDB announced an expansion of the Startup Qatar Investment Programme. Its target portfolio is set to reach QR1bn by 2030, reinforcing Qatar's long-term commitment to building a globally competitive startup and innovation ecosystem.

Gulf shipping traffic steady amid uncertainty of peace talks

Reuters
Singapore

Shipping traffic at the key Middle Eastern maritime chokepoints of the Strait of Hormuz and the Bab el-Mandeb was little changed on Tuesday from the previous day, ship-tracking data showed.
Eight vessels transited the Strait of Hormuz, including five tankers and three bulk carriers, shipping data from Kpler showed, the same as the previous day. Six of the vessels, three tankers and three bulk carriers, were entering the strait, while a gas carrier and a tanker were exiting.
Roughly 130 to 140 ships would typically transit the waterway before the US-Israeli war with Iran began on February 28 and Iran responded by closing the strait.
Additionally, a liquefied natural gas tanker controlled by Abu Dhabi National Oil Co reappeared outside the Strait of Hormuz on Tuesday, carrying a cargo loaded from Das Island, according to LSEG and Kpler data.
The tanker Mubaraz departed Das Island, United Arab Emirates, on July 14 after picking up a cargo there, both LSEG and Kpler reported. It was last seen inside the strait on July 16, according to the ship-tracking data.
The tanker is currently off the western coast of India, both companies' data showed. LSEG data shows a discharge location of India's Dahej terminal in Gujarat, with an arrival date of August 5.
This is the third time the Mubaraz LNG tanker has exited the strait carrying cargoes from Das Island since the war began. The previous two cargoes were delivered to China and India.
In response to a request for comment, ADNOC said the company does not comment on the position, movements, or routing of its vessels as a matter of policy.
In the Bab el-Mandeb, 20 vessels crossed the strait on Tuesday, with 10 entering and 10 exiting the waterway, Kpler data showed, the same as the previous day.
Six tankers, three dry bulk carriers and a gas carrier entered the Bab el-Mandeb, while seven tankers and three bulk carriers exited, the data showed.

India central bank holds rates

India's central bank kept interest rates unchanged on Wednesday as it waits to see whether volatile oil prices caused by the Iran war feed wider inflationary pressures, reports AFP.
The Reserve Bank of India (RBI) said the benchmark repurchase rate, the level at which it lends to commercial banks, would remain at 5.25% after a unanimous vote by a six-member panel.
Emerging and frontier market central banks from Indonesia to Sri Lanka have raised rates to curb price rises and boost their currencies since the outbreak of the Middle East crisis in February.
Limited and staggered fuel price hikes by the Indian government have so far shielded citizens from the worst of the war's economic impact but there are signs that this may not hold.
Retail inflation rose to 4.4% in June — breaching the central bank's medium target of 4% for the first time in 17 months — though it remains within RBI's 2-6% tolerance band.
Bank governor Sanjay Malhotra said economic growth was supported by "resilient domestic demand" and inflation was not "broad-based" yet.
"The MPC (Monetary Policy Committee) noted that even though headline inflation is projected to increase, it is primarily on account of supply side pressures caused by food and fuel. It is not getting broad-based," Malhotra said.

CORPORATE RESULTS

SpaceX revenue surges on strong growth in Starlink business

SpaceX has reported a 92% rise in revenue for the April-June quarter, in its first earnings since going public, buoyed by strong growth in its Starlink satellite-internet and AI businesses.
It reported revenue of $7.8bn, compared with $4.1bn a year earlier.
Second-quarter revenue beat expectations of $6.93bn, according to LSEG data. The company posted a net loss of $541mn attributable to shareholders for the three months ended June 30.
The company said it invested $18.37bn in AI infrastructure, Starship and Starlink expansion.
The company's stock has declined 8% since its record-breaking initial public offering in June that valued the company at about $1.75tn. The stock could face additional pressure from the expiry of SpaceX's post-IPO lock-up period starting on Thursday, which may unleash a wave of insider and early-investor shares on the market.
Starlink and SpaceX's broader connectivity operations remain the company's primary financial engine, underpinning CEO Elon Musk's push to build an AI-first business that extends beyond renting compute capacity to developing frontier models, consumer and enterprise software, and, eventually, data centers in space.
The company's satellite-internet unit has continued to expand its global subscriber base, aided by launches of additional satellites and a growing range of consumer, enterprise, aviation, maritime and government services.
But that expansion has come with tradeoffs: average revenue per user (ARPU) has dropped as SpaceX has entered more international markets and rolled out lower-priced plans.
Investors are watching whether SpaceX can maintain growth while improving the economics of its network, particularly as it spends heavily to expand coverage, increase capacity and develop direct-to-device mobile services.

Disney

Disney reported better-than-expected profits Wednesday, citing a strong performance in its theme park business amid lingering worries about macroeconomic weakness.
The entertainment giant's third-quarter profits came in at $2.6bn, about half the level compared with the year-ago period, which was boosted by a large one-time tax benefit.
Revenues rose 6.8% to $25.2bn.
Disney pointed to growth across its "Experiences" business, saying Walt Disney World had a "standout quarter" and that forward booking at the US theme park in Florida "remain robust."
The parks division had been seen as potentially vulnerable due to inflation that has weighed on consumers.
However, the company acknowledged a slowdown in the number of international visitors to its US venues.
Disney scored higher revenues in its entertainment business behind growth in streaming subscriptions.

Siemens Energy

German turbine-maker Siemens Energy said Wednesday that its core profit had tripled as the company gains from surging electricity demand driven by the AI boom.
Excluding one-offs such as last year's sale of a business in India, Siemens Energy's profit surged to €1.62bn ($1.87bn) in the three months to end-June, up from €497mn in the period last year.
Order intake — a measure of future sales — rose 8.5% to almost €18bn for the quarter, the company said, leaving it with a total backlog of work worth €162bn.

AMD

AMD forecast quarterly revenue above Wall Street estimates on Tuesday, banking on strong demand for its chips from massive data-center capacity expansions to power AI technologies.
The company is regarded as chip giant Nvidia's closest rival in the market for graphics processing units, as major technology companies and governments worldwide ramp up spending on AI infrastructure.
The company expects third-quarter revenue of about $13bn, plus or minus $300mn, while analysts estimate $12.52bn, according to data compiled by LSEG.
Adjusted gross margin is expected to be about 56%, largely in line with the estimate.
Second-quarter revenue rose 50% to $11.54bn, beating the estimate of $11.28bn.
Data-center revenue more than doubled to $6.72bn, also exceeding expectations of $6.48bn.
Adjusted profit came in at $1.66 per share, ahead of the estimated $1.62.

McDonald's

McDonald's reported slower sales growth in the US market in the second quarter as executives blamed too many simultaneous promotional offers, including a World Cup campaign that disappointed.
The fast-food chain said it remains committed to a value-oriented menu that has resonated in recent years amid inflation-weary consumers in its home market and overseas.
But US restaurants were overwhelmed in the just-finished quarter with "too many deployments," according to McDonald's Chief Executive Christopher Kempczinski.
"We don't have a strategy problem," Kempczinski said on a conference call with analysts. "We simply didn't execute at the level we needed to in the second quarter."
Profits edged up 5% to $2.4bn, while revenues rose four % to $7.1bn.
But comparable sales in the US grew just 0.8%, much below the 3.9% posted in the first quarter. The average check size increased in the US, but guest counts fell.
Executives said McDonald's World Cup promotions had underperformed versus expectations, while suggesting that inconsistent implementation of value-oriented promotional deals was a bigger factor.

US dollar to retain strength; yen intervention no game changer

Reuters
New York

The US dollar will hold firm in coming months before weakening later in the year, according to FX strategists surveyed by Reuters who also generated some of the weakest consensus Japanese yen forecasts since polling began in the early 1990s.

Fuelled by interventions from Tokyo and coordinated action with Washington in recent days, the yen rallied about 4% against the dollar but was not able to reclaim a peak from the previous intervention by the Japanese authorities in May.

Nearly 95% of about 60 respondents in the July 31-August 5 survey said future Japanese currency interventions alone would not sustainably curb the currency's weakness. Nearly every respondent who said that also said the Bank of Japan would have to raise interest rates to make a lasting impact.

So far, the BoJ has been reluctant to raise borrowing costs quicker than once every six months, in part because of a weak economy, although interest rate futures now show another rate rise in October following June's hike to 1%.

With the US economy performing well, the Federal Reserve may need to raise interest rates sooner rather than later to contain inflation pressures stemming from the US-Israeli war with Iran. That means the 2% rise in the dollar so far this year may hold for a while. According to the poll the euro will hold around $1.15 in the next three months before strengthening about 1% to $1.16 by end-January and to $1.18 in a year. Those results extend a recent shift away from forecasts of steeper dollar declines. Nearly half of respondents, 25 of 53, also expected current long-dollar positions to be little changed by end-August while 22 saw them decreasing. Six forecast a further increase.

"I still have an underlying view the dollar will remain strong as long as the US economy remains strong. But I don't think it's going to go dramatic distances - we're either going to be range-bound or go another leg higher depending on how the incoming economic data turn out," said Kit Juckes, chief FX strategist at Societe Generale.

"Left to itself, the yen is a cheap currency on most measures because it's got a weak economy supporting it and while interest rates may be going up they're pretty low. There are still long-term debt concerns out there. There are still questions about potential growth given the population metrics. And so all of that's weakened the currency."

Median forecasts showed the yen, currently trading at around 158/$, weakening to 159/$ in three months before gaining to 157/$ in six and 154/$ in a year as the dollar declines. The three- and six-month dollar/yen medians were upgraded from 158.5/$ and 156/$, the weakest consensus views on the Japanese currency since Reuters polling began in 1993.

The yen is down around 1% against the dollar this year and roughly 30% since early 2022, despite multiple interventions in that period. "Intervention ... can be effective in slowing the pace of depreciation, reducing excessive market moves and providing short-term support, but history suggests without a change in the underlying fundamentals, its impact fades relatively quickly," said Ales Koutny, head of international rates at Vanguard.

"We have previously seen large-scale interventions produce meaningful moves for a matter of days or weeks rather than months."

A lasting yen recovery would require a more hawkish BoJ, a meaningful narrowing in US-Japan rate differentials, lower energy prices or a broader slowdown encouraging Japanese investors to repatriate capital, Koutny added.

Derek Halpenny, head of global markets research EMEA at Mitsubishi UFJ Financial Group, broadly agreed. "Intervention is probably done. I don't think the US will be coming in again ... it is a significant development and I think it limits the appetite for buying dollar/yen to a much greater extent than in previous episodes of intervention when it was only Japan intervening," he said.

The US dollar will hold firm in coming months before weakening later in the year, according to FX strategists surveyed by Reuters who also generated some of the weakest consensus Japanese yen forecasts since polling began in the early 1990s

Asia stock markets extend rebound

AFP
Hong Kong

Asian equities climbed again on Wednesday, tracking another record on Wall Street, as tech firms enjoyed a recent revival after a month-long rout and with confidence boosted by the Trump administration touting an imminent deal to reopen the Strait of Hormuz.

In Tokyo, the Nikkei 225 closed up 3.7% to 66,300.44 points; Hong Kong - Hang Seng Index ended up 0.2% to 25,915.82 points; Shanghai - Composite closed up 1.5% to 3,878.43 points; and Seoul - Kospi ended up 3.8% to 6,598.26 points yesterday.

After spending four weeks unloading their positions over fears that the AI-led rally had come to a shuddering halt, investors were piling back into the sector to extend a rebound that began in breathtaking fashion on Friday.

Strong earnings and positive forecasts from market heavyweights including Amazon, Microsoft and data-mining giant Palantir have injected fresh interest in tech, helping overcome worries about massive spending on artificial intelligence and when that will see a return.

All three main indexes on Wall Street chalked up gains Tuesday, with the S&P 500 and Dow hitting records -- while there were also new peaks for Paris, Milan, Frankfurt and Madrid.

That optimism filtered through to Asia where Seoul -- which has been at the forefront of extreme volatility in the tech sector over the past month -- climbed 3.8%.

Tokyo, which has also benefited from the AI boom, was up more than 3%, while Taipei added 2.9%.

There were also gains in Hong Kong, Shanghai, Sydney, Wellington, Mumbai and Jakarta.

The gains come as a relief to traders after a wave of tech selling, which was also linked to worries of higher US interest rates, saw Seoul fall more than 40% from its June record high.

The losses were led by chipmakers SK hynix and Samsung, which collapsed up to 50% from their own peaks. Friday's rebound -- the Kospi surged almost 18% and SK hynix 30% -- came on the back of bargain-buying and positive earnings among other things.

Gains have been helped this week by hopes that the US-Iran truce will be reset after weeks of tit-for-tat strikes. Investors are keeping tabs on the release this week of crucial US jobs data that should provide them with a fresh idea about the state of the economy, and guide the Fed as it considers its next move.

Boeing's smallest 737 Max jet finally secures FAA approval

By Alex Macheras

On Monday, the Federal Aviation Administration (FAA) granted Boeing an amended type certificate for the 737 Max 7, the smallest member of the Max family. The aircraft first flew in March 2018. It arrives at certification more than eight years later, an interval that tells you most of what you need to know about the decade Boeing has just lived through.

The company had once expected the Max 7 approved before the end of 2022. What followed was a sequence of setbacks that became familiar to anyone who watches this industry. Two fatal crashes grounded the Max 8 and Max 9.

A global pandemic hollowed out the order book. New certification requirements arrived from a Congress determined to tighten the rules after those crashes. Then came the engine anti-ice problem, which surfaced in 2023 and became the single largest technical obstacle standing between Boeing and the finish line. The CFM LEAP-1B engines could overheat when the anti-ice system ran continuously.

Boeing redesigned the system. That redesigned system now sits in the baseline configuration of the Max 7 and the Max 10, and it is being introduced on newly built Max 8s and Max 9s and retrofitted across the fleet already flying.

For the paperwork alone, the significance

of Monday is modest. The Max 7 is a niche product. Southwest Airlines is effectively its only major customer, with 269 aircraft on order. Boeing is pursuing FAA certification only for now, rather than joint approval with the European Union Aviation Safety Agency, because the future operator base sits in the United States. First deliveries are expected in early 2027.

The real weight of the announcement rests with what it signals about the Max 10.

The Max 10 is the aircraft that matters to Boeing's balance sheet. It is the most stretched variant, the direct competitor to the Airbus A321neo, and it carries more than 1,500 orders. That figure represents over a quarter of Boeing's outstanding Max backlog. The aircraft shares the redesigned anti-ice system and much of the regulatory workstream with the Max 7, which is why Monday's certificate reads as a leading indicator. Boeing concluded the Max 10 certification flight campaign in late July. That campaign logged 976 flights across more than 2,060 flight hours.

What remains is the FAA's documentation process, the development assurance reviews and system safety assessments that turn a completed test programme into a signed certificate. Boeing expects certification during 2026, with deliveries following in 2027. Around 40 completed Max 7 and Max 10 airframes already sit in inventory, built and waiting. Then there is the 777X, the programme that has tested Boeing's patience more than any other.

The widebody was launched in 2013 and was meant to enter service in 2020. It is now running roughly seven years late.

The delays read like a catalogue of everything that can go wrong on a clean-sheet derivative: Engine compressor anomalies that pushed the first flight into 2020, a cracked thrust link discovered on a test aircraft in 2024 that grounded the fleet for five months, and an engine durability issue identified in 2025 that Boeing is still working through with its supplier and the regulator. In October 2025, the company took a $4.9bn pre-tax charge on the programme. Cumulative charges across the 777X development now exceed $15bn.

Boeing maintains that the recent slippage stems from the certification process itself rather than any newly discovered technical fault. Kelly Ortberg, the chief executive, has made that case repeatedly to investors. The FAA has indicated the 777X will be certified after the two Max variants clear their final gates, which places the widebody's approval at the back of the queue. Boeing continues to guide first delivery of the 777-9 to Lufthansa in 2027. The first production-standard aircraft flew in Everett in May. The 777-8 freighter follows about two years behind the 777-9, and the 777-8 passenger aircraft is not expected before 2030.

Is Boeing in a better place? Well, sort of. In the second quarter of 2026, Boeing generated $631mn of free cash flow. That was its first positive quarter in more than a year, and it landed well ahead of the cash burn analysts had modelled. Revenue reached $24.6bn, up 8% year on year. Commercial deliveries hit their strongest quarterly count in eight years.

The backlog stands at a record $715bn. The 737 line is transitioning to 47 aircraft per month, with 52 the next target, and Boeing has opened a fourth 737 assembly line in Everett. The FAA has restored Boeing's authority to issue its own airworthiness certificates for the Max and the 787, which Ortberg frames as evidence of rebuilt trust with the regulator. Analysts covering the earnings call described the tone as more confident than in previous quarters, with management talking about operational stability rather than turnaround.

Ultimately, caution belongs in the same paragraph as optimism. Boeing still carries $45.9bn dollars of debt. Its fixed-price defence contracts keep producing charges, including a fresh $280mn hit on the Air Force One programme this quarter that pushed the core loss well past what analysts expected. Every certification delay adds cost that Boeing cannot recover. Ortberg put it plainly to staff. Two quarters do not make a year.

The Max 7 certificate now clears the path for the Max 10, which is the aircraft that will actually move Boeing's revenue and cash. The 777X remains the long pole in the tent. And financial recovery is measurable, but unfinished.

For now, Boeing has earned the right to slightly exhale. What comes next is harder. The Max 10 must convert a completed flight campaign into a signed certificate. The 777X must survive a certification process that has punished every optimistic date Boeing has set against it. The cash flow must hold across a second half that carries the weight of the full-year guidance. Each of these depends on execution rather than announcement, and execution is the thing Boeing has spent a decade proving it cannot take for granted.

■ *The author is an aviation analyst.*
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Technical milestones boost global eVTOL operations

By Peter Alagos
Business Editor

The global electric vertical take-off and landing (eVTOL) industry is entering a critical stage of commercial readiness following a series of technical breakthroughs and regulatory milestones.
Eve Air Mobility and Skyports Infrastructure stated that recent advancements have established the operational foundations required to move aircraft from experimental phases to regulated urban networks.
In the Gulf region, the UAE certified "the world's first purpose-built commercial vertiport" in Dubai last month, according to a recent announcement by the General Civil Aviation Authority (GCAA) and Skyports Infrastructure (Skyports).
The GCAA confirmed that the facility is the first to receive regulatory certification, paving the way for commercial air taxi services in Dubai.
GCAA director general Saif Mohammed al-Suwaidi stated the achievement reflects the maturity of the national regulatory system and the capability to enable innovation while maintaining safety.
Saudi Arabia is also accelerating its involvement through a strategic agreement between its General Authority of Civil Aviation (GACA) and Vertical Aerospace to advance air mobility certification.
The GACA stated the collaboration seeks to establish the regulatory and operational foundations needed to prepare the Saudi aviation ecosystem for the safe introduction of electric aircraft.
These initiatives are supported by Saudi Arabia's Public Investment Fund (PIF) 2026-2030 strategy, which identifies aviation and advanced manufacturing as key economic ecosystems for future growth.
Qatar established an early foundational role in the regional sector following the successful

Qatar achieves milestone in sustainable mobility with successful trial of its first unmanned urban eVTOL flight (***Gulf Times* file photo**).

trial of its first unmanned passenger eVTOL flight from Doha Port to the Katara Cultural Village in November last year.
The Ministry of Transport (MoT) stated that the trial operation was part of initiatives to develop Qatar's public transportation system using unmanned aircraft as a safe and eco-friendly urban mobility option.
The Minister of Transport HE Sheikh Mohammed bin Abdulla bin Mohammed al-Thani explained that the initiative is a direct result of the MoT Strategy 2025-2030, which aims at "creating a smart, resilient transportation system."
The minister noted that the trial constitutes an advanced step forward toward a future enabled by innovation and environmentally friendly technologies.
On an international level, Eve Air Mobility announced recently that its engineering prototype successfully completed its first partial transition flight in Florida.
The company stated that the aircraft activated its rear pusher propulsion system while in flight, attaining a stabilised speed of 27 knots at an altitude of 90 feet.
Eve Air Mobility CEO Johann Bordais stated that validating the pusher propulsion design brings the firm closer to delivering scalable air mobility solutions.
In the US, Joby Aviation and Atoms recently formed a strategic partnership to develop a network of multimodal transportation hubs.
Joby Aviation stated these vertiports are designed to connect electric air taxis with autonomous ground vehicles and ridesharing services to create seamless passenger connections.
Joby Aviation founder and CEO JoeBen Bevirt noted that making electric flight part of everyday life will require a new generation of hubs connecting aircraft with communities.
The growing commercial maturity of the industry is also reflected in the entry of specialised aviation finance companies into the market, according to Eve Air Mobility, which has signed a Letter of Intent with Shearwater Global Capital for up to 16 aircraft to provide asset-based financing for air mobility operators.
However, the sector still faces significant commercial hurdles, as shown by the recent insolvency of the German pioneer Volocopter.
Despite conducting a public autonomous demonstration in Dubai in 2017, the company entered formal insolvency proceedings in March 2025 after failing to secure funding.
As the industry moves forward, the MoT emphasised that it remains committed to assessing international standards to integrate these systems into the national network.
Sheikh Mohammed noted that the adoption of these options will contribute to reducing traffic congestion and providing smart mobility choices for residents.
The minister further pointed out that leadership in the sector is achieved "when technology meets governance."

Jetstar to charge for carry-on bags in overhead lockers

Reuters
Sydney

Jetstar, the budget arm of Australia's national carrier Qantas, will require passengers who want to store carry-on bags in overhead lockers to pay extra from February, as the airline overhauls its cabin baggage policy. The carrier will allow one bag that can fit under the seats, such as a backpack, handbag, or laptop bag for no extra cost, but a larger bag could cost between A$25 and A$52 ($18 and $37) per flight depending on the route, according to examples provided by the airline.
The move brings Jetstar's carry-on baggage policy closer to systems used by several low-cost airlines globally, which charge passengers for access to overhead locker space while including a smaller under-seat bag in the base fare.
Passengers requiring additional carry-on luggage will be able to pre-purchase "Priority Carry-on", which includes a larger overhead locker bag and early boarding access and removes the previous 7-kg (15-pound) weight limit.
Fees for baggage, excess luggage, seat selection and priority boarding account for a growing share of revenue for low-cost airlines. The charges have drawn criticism from some consumer groups, which argue that advertised base fares do not always reflect the full cost of travel. Jetstar's policy, which the airline said would help speed up the boarding process, sparked angry reactions from some travellers and politicians.
Opposition Senator Bridget McKenzie said in a social media post the new baggage changes amounted to a "cash grab".
The airline said the shake-up followed extensive customer and crew research that found bag weigh-ins at the gate and competition for overhead locker space were among the most stressful parts of the airport experience.
Jetstar CEO Stephanie Tully said the new model would help improve on-time departure performance, adding the changes were consistent with the airline's low-fares philosophy.
"You only pay for what you need - travelling with less means paying less, and you can always add more if you need," she said in a statement. A spokesperson for Federal Transport Minister Catherine King said airlines should clearly disclose any additional charges to passengers when tickets are purchased to avoid "surprises" at the airport.

Air India appoints new CEO

AFP
New Delhi

Air India appointed former Ethiopian Airlines Group head Tewolde Gebremariam on Wednesday as its chief executive officer, to steer the carrier after a turbulent period.
Tewolde succeeds Campbell Wilson, who resigned after leading the airline since its return to Tata Group ownership in 2022.
Tata Sons chairman N Chandrasekaran said the carrier was now entering a "critical execution and expansion era".
Tewolde led Ethiopian Airlines Group for more than a decade.
Air India praised his experience in managing large-scale airline transformations. Since Tata Group regained control of the formerly state-owned airline in 2022, it has embarked on an ambitious revival, placing record aircraft orders, upgrading its ageing fleet and integrating Air India with other group airlines.
The biggest setback to the airlines came in June 2025 when Air India Flight 171, a London-bound Boeing 787-8 Dreamliner, crashed shortly after take-off from Ahmedabad, killing 241 of the 242 people on board and 19 people on the ground.
The airline has faced increased regulatory scrutiny after the crash, receiving several show-cause notices over other safety-related lapses.

Aviation industry conserves aircraft windows in tight market

Reuters
Montreal

Planemakers, airlines and repair shops are conserving aircraft windows after an incident at a key California factory worsened shortages of a part needed for both new aircraft and routine maintenance, companies and industry sources said.

GKN Aerospace, one of the world's biggest suppliers of cockpit and passenger windows, halted production in late May at its factory in suburban Los Angeles after an overheating tank raised fears of an explosion and prompted the evacuation of 50,000 nearby residents for several days.

While the incident has not derailed new plane production or airline operations, sources and executives said, it has led to parts delays and industry concerns over the supply of cockpit and passenger windows.

US planemaker Boeing said it had communicated with operators on steps to manage window inventories after the incident. Boeing advised airlines to replace windows only when necessary rather than for other reasons, such as aesthetics, according to a source at a North American carrier.

Boeing said in a statement it continues "to work with our supplier and are taking steps to mitigate any potential impacts." GKN, owned by London-listed Melrose Industries, produces windows for several Boeing models including the 737 Max, along with rival Airbus' A220 and A350 jets.

Melrose said on Friday it was working to restore the now partially opened window factory to full production by the end of 2026.

The shortages highlight some lingering post-pandemic weaknesses in the aerospace supply chain despite noticeable improvements in parts availability this year. Companies and analysts say demand from planemakers increasing aircraft

The engine of a 737 Max on the final assembly production line in Renton. Planemakers, airlines and repair shops are conserving aircraft windows after an incident at a key California factory worsened shortages of a part needed for both new aircraft and routine maintenance, companies and industry sources said.

production is colliding with demand from maintenance shops needing replacement windows to keep aircraft flying, echoing engine shortages.

"There is a significant aftermarket for windows," said Matteo Peraldo, aerospace and defense partner at AlixPartners. "So the demand is not just production but is also compounded with the aftermarket."

Airbus has experienced A220 window shortages, but that had not delayed production, according to a source familiar with the program.

A spokesperson for the A220 programme said with GKN Aerospace restarting production, they are "seeing positive progress so far toward a return to normal."

Maintenance provider Lufthansa Technik said the supply of aircraft windows for planes from both major aircraft manufacturers had long been strained. "Lead times have increased substantially, while procurement costs have risen markedly," Lufthansa Technik said. For most Boeing aircraft it services, window supply is often limited to instances when the part is absolutely needed to fix a grounded aircraft, Lufthansa Technik said. Challenges in window supply have also impacted private jet makers including Canada's Bombardier and Brazil's Embraer, along with repair shops.

On Thursday, Bombardier CEO Eric Martel told reporters the incident's impact on window supply is among the supply chain challenges "we've had to manage." GKN Aerospace produces windows for the company's flagship Global 8000 jet.

Private and commercial jet maker Embraer had already faced supply constraints for aircraft windows, and the GKN incident was causing fresh concern, a source said. Kenn Ricci, chairman of private jet operator Flexjet, which flies Embraer Phenom and Praetor jets, told US podcast Technology Business Programming Network in February that windows posed a problem for Embraer's supply chain.

"If you ask Embraer, ask (Executive Jets President) Mike Amalfitano, ask them why are your deliveries slipping, they say it's the windows," Ricci said.