Morgan Stanley | RESEARCH

UPDATE

September 4, 2026 10:00 AM GMT

Aerospace & Defense | North America

Flyby: Labor Day – Boeing SPEEA IFPTE LOCAL 2001 Labor Negotiations

Ahead of the Labor Day weekend, we check in on the latest progress on negotiations between Boeing and SPEEA, its engineers' union. SPEEA would be set to go on strike on October 7th if no contract is reached.

Members Reject Offer; Wage Guarantees Lead Priorities

Members of Society of Professional Engineering Employees in Aerospace (SPEEA)'s Professional and Technical units, following a meeting on August 31st, rejected Boeing's proposed four-year agreements by 64.25% and 71.87% respectively, while 87.82% of the Professional unit and 89.71% of the Technical unit authorized a potential strike. Formal bargaining is set to resume on Tuesday, September 8th. Members' priorities center on an immediate guaranteed wage increase, above the 3% included in the rejected offer, improved annual wage pools with fixed minimum increases, and stronger cost-of-living adjustments. SPEEA is also seeking higher company 401(k) contributions, investment in the represented workforce, and changes to retention, overtime, and work-from-home provisions. The current contracts expire on October 6th, making October 7th the earliest possible strike date. With Boeing simultaneously ramping 737 MAX production and advancing certification of key platforms, including the 737 MAX 10 and 777X, any prolonged work stoppage could add execution risk to the company's recovery, in our view.

A Large, Specialized Workforce With Limited Strike History

SPEEA's two Boeing units cover ~17,000 aerospace professionals: ~13,000 engineers and scientists in the Professional unit and ~4,000 technicians, analysts and planners in the Technical unit. The workforce is smaller than the ~33,000 International Association of Machinists and Aerospace Worker (IAM) employees who went on strike against Boeing Commercial Airplanes for seven weeks in 2024 but substantially larger than the ~3,200 IAM employees who went on strike against Boeing Defense for 101 days in 2025. The strike history of SPEEA's Boeing Professional and Technical units is limited: SPEEA says the units have gone on strike once, in a 40-day action in 2000, and also noted a one-day walkout during negotiations in 1993, which suggests a lower propensity to strike relative to Boeing's IAM-represented workers. However, the overwhelming 2026 strike-authorization votes indicate that members are prepared to use that leverage if negotiations do not improve.

Certification Is the Clearest Operational Risk

Given SPEEA represents engineers and technical specialists, we believe a strike

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would affect certification and engineering support more directly than final assembly, creating a different operational profile from the 2024 IAM strike that halted 737 MAX, 767 and 777X production. Reuters reported that SPEEA members perform critical work supporting certification of the delayed 737 MAX 10 and 777X and that a stoppage could further delay their entry into service. For the MAX 10, flight testing is complete, but Boeing still must close development assurance reviews and system safety assessments and submit final deliverables to the Federal Aviation Administration (FAA), all of which is documentation-intensive work requiring engineering support. Reuters also reported that Boeing had put up job postings for contractors, to back-fill required labor in the event of a work stoppage, while Boeing says a wide range of qualified resources would support contingency plans focused on business continuity, safety, and quality. Those measures may help limit near-term disruption, although a prolonged work stoppage could add some uncertainty to certification timelines and the pace of Boeing's recovery.

Aerospace & Defense Coverage

Exhibit 1: MS Estimates

MS Estimates		Rating	Price	YTD Stock Performance	Market Cap ($mn)	EV ($mn)	Price Target	% Upside	2026 Net Debt/EBITDA	EV/EBITDA			P/E			FCF Yield		
										CY26	CY27	CY28	CY26	CY27	CY28	CY26	CY27	CY28
GE-US	GE Aerospace	OW	$333.48	8.3%	$346,006	$356,099	$400	20%	~0.8x	~29.7x	~26.5x	~23.5x	~42.5x	~36.6x	~31.1x	~2.5%	~1.8%	~2.2%
RTX-US	RTX	OW	$202.13	10.2%	$272,422	$306,383	$240	19%	~1.6x	~17.9x	~16.6x	~15.6x	~27.9x	~25.8x	~23.8x	~3.2%	~3.7%	~4.1%
BA-US	Boeing	EW	$210.51	-3.0%	$166,381	$191,032	$250	19%	~4.7x	~38.6x	~18.1x	~13.7x	~280.1x	~39.7x	~23.0x	~1.3%	~3.6%	~6.0%
HWM-US	Howmet	OW	$260.49	27.1%	$103,884	$105,790	$335	29%	~1.1x	~32.6x	~28.3x	~25.6x	~49.1x	~41.6x	~36.8x	~1.8%	~2.2%	~2.4%
TDG-US	Transdigm	EW	$1,157.83	-12.9%	$64,001	$97,027	$1,400	21%	~5.5x	~17.6x	~16.0x	~15.0x	~28.3x	~25.0x	~22.5x	~3.2%	~3.8%	~4.3%
HONA-US	Honeywell Aerospace	OW	$154.96	NM	$49,115	$63,254	$205	32%	~2.8x	~12.9x	~11.6x	~10.6x	~20.0x	~16.6x	~14.8x	~3.1%	~5.8%	~6.5%
HEI-US	Heico	EW	$325.70	0.7%	$38,213	$48,611	$365	12%	~1.4x	~31.8x	~28.5x	~26.2x	~52.2x	~46.6x	~41.6x	~2.2%	~2.4%	~2.7%
AER-US	AerCap	EW	$146.48	1.9%	$22,621	$63,911	$165	13%	~5.7x	~9.0x	~8.9x	~8.7x	~7.9x	~8.0x	~7.4x	~27.9%	~8.2%	~10.0%
FTAI-US	FTAI Aviation	OW	$199.39	1.3%	$20,479	$22,428	$360	81%	~1.8x	~14.4x	~11.9x	~9.9x	~29.5x	~20.4x	~16.3x	~0.8%	~2.4%	~3.4%
RBC-US	RBC Bearings	OW	$490.78	9.4%	$15,538	$16,322	$655	33%	~0.5x	~23.0x	~20.6x	~18.8x	~33.3x	~30.3x	~28.1x	~2.8%	~3.1%	~3.3%
ARXS-US	Arxis	OW	$53.24	NM	$22,041	$22,647	$62	16%	~1.1x	~28.3x	~24.4x	~22.1x	~49.5x	~41.1x	~36.5x	~1.8%	~2.4%	~2.7%
TXT-US	Textron	EW	$79.37	-8.9%	$13,651	$16,472	$98	23%	~0.9x	~8.4x	~7.8x	~7.4x	~12.0x	~10.8x	~9.8x	~5.4%	~6.5%	~8.1%
EMBJ-US	Embraer	OW	$73.61	14.4%	$13,645	$13,682	$100	36%	~0.2x	~13.1x	~11.4x	~10.5x	~23.4x	~20.5x	~17.5x	~1.9%	~2.9%	~3.7%
CAE-CA	CAE	UW	$33.74	-19.2%	$10,812	$13,305	$37	10%	~2.4x	~11.3x	~10.9x	~10.3x	~28.0x	~23.6x	~20.5x	~3.4%	~4.3%	~5.2%
SARO-US	StandardAero	EW	$24.64	-14.1%	$8,154	$10,383	$33	34%	~2.0x	~11.5x	~9.9x	~8.7x	~16.3x	~14.1x	~11.8x	~3.5%	~5.1%	~6.6%
HXL-US	Hexcel	EW	$92.43	25.1%	$6,990	$7,916	$110	19%	~1.9x	~19.7x	~16.8x	~15.3x	~39.0x	~28.5x	~23.8x	~3.0%	~4.0%	~4.8%
DPC-US	DPC Holdings PLC	EW	$41.56	NM	$6,033	$5,640	$59	42%	-~0.8x	~32.3x	~26.2x	~21.4x		~26.7x	~20.3x		~1.1%	~1.8%
LOAR-US	Loar	EW	$69.74	2.6%	$6,534	$7,313	$82	18%	~2.9x	~27.0x	~23.7x	~21.0x	~51.5x	~42.6x	~36.5x	~1.5%	~1.7%	~2.5%
VSEC-US	VSE Corporation	EW	$202.58	17.3%	$5,685	$6,578	$245	21%	~2.4x	~19.2x	~15.0x	~13.4x	~29.9x	~24.8x	~21.5x	~0.2%	~2.2%	~3.0%
	Aerospace							**~20%**	**~1.8x**	**~19.2x**	**~16.6x**	**~15.0x**	**~29.7x**	**~25.8x**	**~22.5x**	**~2.7%**	**~3.1%**	**~3.7%**
LMT-US	Lockheed Martin	EW	$532.95	10.2%	$123,000	$139,588	$690	29%	~1.1x	~12.4x	~11.8x	~11.3x	~17.6x	~16.3x	~15.3x	~5.8%	~5.1%	~6.3%
GD-US	General Dynamics	OW	$365.87	8.7%	$98,989	$104,727	$465	27%	~0.4x	~15.3x	~13.9x	~12.8x	~21.7x	~19.5x	~17.5x	~4.9%	~5.0%	~5.4%
NOC-US	Northrop Grumman	OW	$528.24	-7.4%	$75,043	$89,337	$745	41%	~1.4x	~14.5x	~13.5x	~12.6x	~18.2x	~17.0x	~15.5x	~4.4%	~4.6%	~4.9%
ESLT-US	Elbit Systems	EW	$701.22	21.4%	$32,988	$34,443	$845	21%	~0.1x	~31.1x	~26.2x	~22.2x	~44.1x	~38.2x	~32.5x	~2.1%	~2.2%	~2.5%
CW-US	Curtiss-Wright	OW	$568.72	3.2%	$21,005	$21,516	$860	51%	~0.1x	~25.6x	~22.9x	~21.0x	~37.4x	~33.3x	~30.0x	~2.8%	~3.0%	~3.3%
MOG.A-US	Moog	EW	$370.12	52.0%	$11,715	$12,791	$405	9%	~1.3x	~20.0x	~18.1x	~16.8x	~34.9x	~31.6x	~28.5x	~1.7%	~2.6%	~3.2%
DRS-US	Leonardo DRS	EW	$37.02	8.6%	$9,880	$9,952	$47	27%	-~0.8x	~19.1x	~17.1x	~15.6x	~28.4x	~25.2x	~23.2x	~2.7%	~3.2%	~3.7%
AADX-US	Applied Aerospace & Defense	EW	$12.53	NM	$2,160	$2,517	$24	92%	~2.2x	~16.6x	~13.5x	~11.1x		~32.5x	~24.1x		~4.5%	~3.9%
	Defense							**~28%**	**~0.4x**	**~16.6x**	**~15.5x**	**~14.2x**	**~25.1x**	**~28.4x**	**~23.6x**	**~2.8%**	**~3.9%**	**~3.8%**
										EV/Sales			EV/Sales/Growth			FCF Yield		
										CY26	CY27	CY28	CY26	CY27	CY28	CY26	CY27	CY28
RKLB-US	Rocket Lab	OW	$63.81	-8.5%	$38,188	$37,564	$105	65%		~40.7x	~28.0x	~20.5x	~0.8x	~0.6x	~0.6x		~0.0%	~0.4%
PL-US	Planet Labs	EW	$18.35	-6.9%	$6,109	$6,663	$35	91%	~2.6x	~15.2x	~11.3x	~9.4x	~0.4x	~0.3x	~0.5x	~0.3%	~0.6%	~2.4%
FLY-US	Firefly Aerospace Inc	EW	$21.06	-5.9%	$3,526	$2,827	$37	76%		~6.5x	~3.8x	~2.4x	~0.0x	~0.1x	~0.0x			~1.3%
HAWK-US	HawkEye 360	OW	$17.32	NM	$1,697	$1,242	$41	137%	-~14.9x	~5.7x	~4.5x	~3.7x	~0.1x	~0.2x	~0.2x	~0.7%	~0.6%	~2.2%
VOYG-US	Voyager Technologies	UW	$32.68	25.0%	$1,806	$2,116	$37	13%		~7.3x	~4.0x	~2.0x	~0.1x	~0.0x	~0.0x			
SPCE-US	Virgin Galactic	UW	$2.96	-7.8%	$449	$306	$2.00	-32%		~260.5x	~1.1x	~0.6x	-~10.9x	~0.0x	~0.0x			
	Space Technology							**~70%**		**~11.3x**	**~4.3x**	**~3.1x**		**~0.1x**	**~0.1x**	**~0.5%**	**~0.6%**	**~1.7%**
JOBY-US	Joby	EW	$6.87	-48.0%	$6,795	$5,097	$13	89%		~41.6x	~33.4x	~20.7x	~0.3x	~1.4x	~0.3x			
BETA-US	Beta Technologies	OW	$20.81	-26.2%	$4,691	$3,460	$33	59%		~75.4x	~10.2x	~4.1x	~2.6x	~0.0x	~0.0x			
	eVTOL							**~74%**		**~58.5x**	**~21.8x**	**~12.4x**	**~1.5x**	**~0.7x**	**~0.2x**			

Exhibit 2: Consensus Estimates

Consensus Estimates		Rating	Price	YTD Stock Performance	Market Cap ($mn)	EV ($mn)	Mean PT	% Upside	2026 Net Debt/EBITDA	EV/EBITDA			P/E			FCF Yield		
										CY26	CY27	CY28	CY26	CY27	CY28	CY26	CY27	CY28
GE-US	GE Aerospace	OW	$333.48	8.3%	$346,006	$356,099	$408	22%	~0.7x	~29.6x	~26.3x	~23.3x	~42.1x	~36.6x	~32.2x	~2.6%	~2.8%	~3.1%
RTX-US	RTX	OW	$202.13	10.2%	$272,422	$306,383	$237	17%	~1.8x	~19.5x	~17.9x	~16.3x	~27.9x	~25.6x	~23.0x	~3.2%	~3.8%	~4.3%
BA-US	Boeing	OW	$210.51	-3.0%	$166,381	$191,032	$275	31%	~6.0x	~44.0x	~21.8x	~15.1x		~52.2x	~26.0x	~1.5%	~3.7%	~5.6%
HWM-US	Howmet	OW	$260.49	27.1%	$103,884	$105,790	$343	32%	~1.1x	~32.4x	~27.5x	~24.0x	~48.8x	~40.0x	~33.8x	~1.8%	~2.2%	~2.7%
TDG-US	Transdigm	OW	$1,157.83	-12.9%	$64,001	$97,027	$1,524	32%	~5.6x	~17.1x	~15.6x	~14.3x	~27.0x	~23.1x	~20.0x	~3.4%	~4.0%	~4.7%
HONA-US	Honeywell Aerospace	OW	$154.96	NM	$49,115	$63,254	$215	39%	~2.9x	~13.4x	~12.1x	~10.9x	~19.7x	~16.9x	~15.0x	~2.5%	~5.0%	~6.2%
HEI-US	Heico	OW	$325.70	0.7%	$38,213	$48,611	$402	23%	~1.3x	~31.1x	~28.0x	~25.7x	~50.7x	~44.7x	~39.4x	~2.2%	~2.5%	~2.9%
AER-US	AerCap	OW	$146.48	1.9%	$22,621	$63,911	$179	22%	~5.6x	~9.3x	~9.2x	~9.4x	~7.8x	~8.0x	~7.3x	~4.3%	~5.6%	~9.6%
FTAI-US	FTAI Aviation	OW	$199.39	1.3%	$20,479	$22,428	$368	85%	~2.1x	~16.6x	~9.9x	~7.8x	~33.4x	~14.9x	~10.9x	~3.2%	~6.3%	~9.8%
RBC-US	RBC Bearings	OW	$490.78	9.4%	$15,538	$16,322	$657	34%	~0.6x	~24.2x	~21.7x	~20.5x	~34.3x	~30.3x	~30.4x	~2.5%	~2.8%	~3.1%
ARXS-US	Arxis	OW	$53.24	NM	$22,041	$22,647	$62	16%	~1.3x	~28.1x	~24.3x	~21.6x	~120.8x	~61.3x	~50.7x	~1.9%	~2.3%	~2.8%
TXT-US	Textron	OW	$79.37	-8.9%	$13,651	$16,472	$102	29%	~0.9x	~8.6x	~8.4x	~7.9x	~12.3x	~10.9x	~9.9x	~5.4%	~7.0%	~8.0%
EMBJ-US	Embraer	OW	$73.61	14.4%	$13,645	$13,682	$90	22%	-~0.1x	~12.4x	~10.9x	~9.8x	~24.7x	~21.5x	~18.4x	~0.0%	~2.6%	~3.7%
CAE-CA	CAE	OW	$33.74	-19.2%	$10,812	$13,305	$45	32%	~2.0x	~11.5x	~10.9x	~10.1x	~27.0x	~23.6x	~19.7x	~3.9%	~4.4%	~4.5%
SARO-US	StandardAero	OW	$24.64	-14.1%	$8,154	$10,383	$35	43%	~2.1x	~11.5x	~10.1x	~9.0x	~20.8x	~16.4x	~13.1x	~3.6%	~4.1%	~5.8%
HXL-US	Hexcel	EW	$92.43	25.1%	$6,990	$7,916	$113	22%	~1.9x	~19.3x	~16.5x	~14.4x	~38.5x	~29.5x	~24.2x	~2.8%	~3.7%	~4.2%
DPC-US	DPC Holdings PLC	OW	$41.56	NM	$6,033	$5,640	$61	46%	-~0.9x	~30.2x	~24.2x	~19.6x	~69.1x	~38.4x	~30.4x		~0.8%	~1.7%
LOAR-US	Loar	OW	$69.74	2.6%	$6,534	$7,313	$90	29%	~2.9x	~27.1x	~24.0x	~21.4x	~50.9x	~43.1x	~36.7x			~2.8%
VSEC-US	VSE Corporation	OW	$202.58	17.3%	$5,685	$6,578	$270	33%	~2.3x	~19.4x	~15.3x	~13.5x	~29.8x	~25.3x	~22.4x	~0.6%	~1.9%	~1.0%
	Aerospace							**~30%**	**~1.9x**	**~19.4x**	**~16.5x**	**~14.4x**	**~31.6x**	**~25.6x**	**~23.0x**	**~2.6%**	**~3.7%**	**~4.2%**
LMT-US	Lockheed Martin	OW	$532.95	10.2%	$123,000	$139,588	$636	19%	~1.2x	~12.3x	~11.7x	~11.2x	~17.5x	~16.3x	~15.1x	~5.8%	~5.4%	~5.7%
GD-US	General Dynamics	OW	$365.87	8.7%	$98,989	$104,727	$425	16%	~0.4x	~15.3x	~14.1x	~13.3x	~21.6x	~19.7x	~18.2x	~4.9%	~4.9%	~5.3%
NOC-US	Northrop Grumman	OW	$528.24	-7.4%	$75,043	$89,337	$653	24%	~1.4x	~14.4x	~13.5x	~12.7x	~18.3x	~17.3x	~16.0x	~4.4%	~4.6%	~4.8%
ESLT-US	Elbit Systems	EW	$701.22	21.4%	$32,988	$34,443	$825	18%	-~0.9x	~30.8x	~26.4x	~24.8x	~47.7x	~39.9x	~34.6x	~2.2%	~2.2%	~2.7%
CW-US	Curtiss-Wright	OW	$568.72	3.2%	$21,005	$21,516	$791	39%	~0.2x	~25.2x	~22.9x	~20.7x	~37.2x	~33.2x	~29.5x	~2.8%	~3.1%	~3.3%
MOG.A-US	Moog	OW	$370.12	52.0%	$11,715	$12,791	$446	21%	~1.3x	~19.2x			~32.0x	~30.6x		~2.3%		
DRS-US	Leonardo DRS	OW	$37.02	8.6%	$9,880	$9,952	$55	48%	-~0.8x	~18.6x	~16.9x	~15.5x	~26.8x	~25.3x	~23.0x	~2.8%	~3.2%	~3.7%
AADX-US	Applied Aerospace & Defense	OW	$12.53	NM	$2,160	$2,517	$25	101%	~2.2x	~16.5x	~13.5x	~11.0x		~31.7x	~24.2x		~4.6%	~4.0%
	Defense							**~24%**	**~1.2x**	**~16.5x**	**~13.8x**	**~13.0x**	**~24.4x**	**~25.3x**	**~20.6x**	**~3.6%**	**~4.6%**	**~4.4%**
										EV/Sales			EV/Sales/Growth			FCF Yield		
										CY26	CY27	CY28	CY26	CY27	CY28	CY26	CY27	CY28
RKLB-US	Rocket Lab	OW	$63.81	-8.5%	$38,188	$37,564	$114	78%		~39.1x	~26.9x	~20.2x	~0.7x	~0.6x	~0.6x			~0.1%
PL-US	Planet Labs	OW	$18.35	-6.9%	$6,109	$6,663	$42	128%	-~31.1x	~15.7x	~12.0x	~9.2x	~0.4x	~0.4x	~0.3x	~0.1%	~0.3%	~0.4%
FLY-US	Firefly Aerospace Inc	OW	$21.06	-5.9%	$3,526	$2,827	$39	83%		~6.4x	~4.1x	~2.6x	~0.0x	~0.1x	~0.0x			~0.3%
HAWK-US	HawkEye 360	OW	$17.32	NM	$1,697	$1,242	$34	98%	-~13.8x	~5.7x	~4.6x	~3.7x	~0.1x	~0.2x	~0.2x			~1.8%
VOYG-US	Voyager Technologies	OW	$32.68	25.0%	$1,806	$2,116	$47	42%		~7.3x	~4.3x	~2.4x	~0.1x	~0.1x	~0.0x			
SPCE-US	Virgin Galactic	EW	$2.96	-7.8%	$449	$306	$4	20%		~135.6x	~1.2x	~0.6x	~3.0x	~0.0x	~0.0x			~22.3%
	Space Technology							**~81%**		**~11.5x**	**~4.4x**	**~3.2x**	**~0.2x**	**~0.1x**	**~0.1x**	**~0.1%**	**~0.3%**	**~0.4%**
JOBY-US	Joby	EW	$6.87	-48.0%	$6,795	$5,097	$11	54%		~42.0x	~23.1x	~11.6x	~0.3x	~0.3x	~0.1x			
BETA-US	Beta Technologies	OW	$20.81	-26.2%	$4,691	$3,460	$32	54%		~73.8x	~10.5x	~3.8x	~2.3x	~0.0x	~0.0x			
	eVTOL							**~54%**		**~57.9x**	**~16.8x**	**~7.7x**	**~1.3x**	**~0.2x**	**~0.1x**			

Aerospace & Defense Valuation

Exhibit 3: Defense Valuation

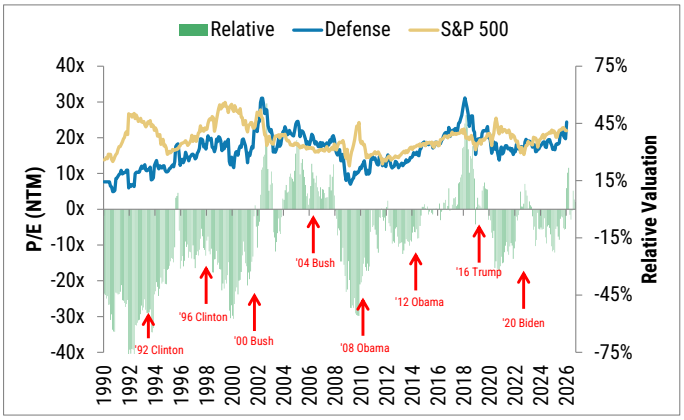
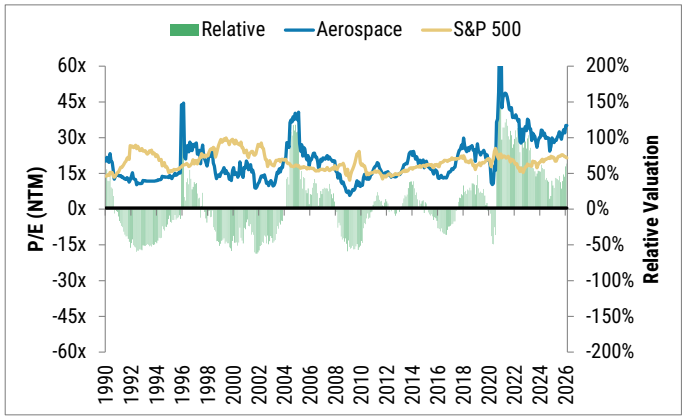


Exhibit 4: Aerospace Valuation



Commercial Aerospace Highlights

Future Deliveries Due by Global Region

Exhibit 5: Total Aircraft Deliveries Due

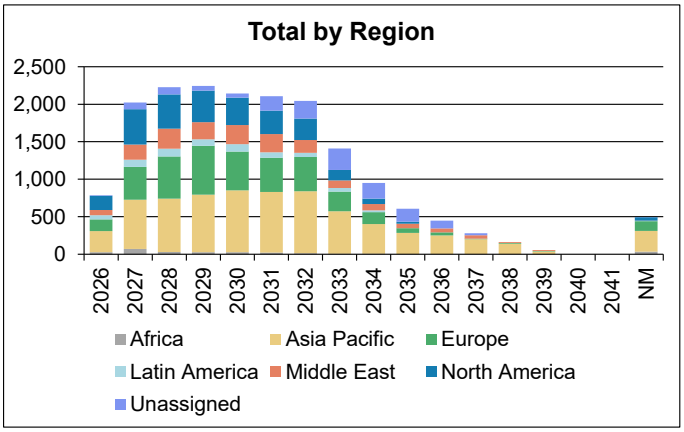


Exhibit 6: Narrowbody Aircraft Deliveries Due

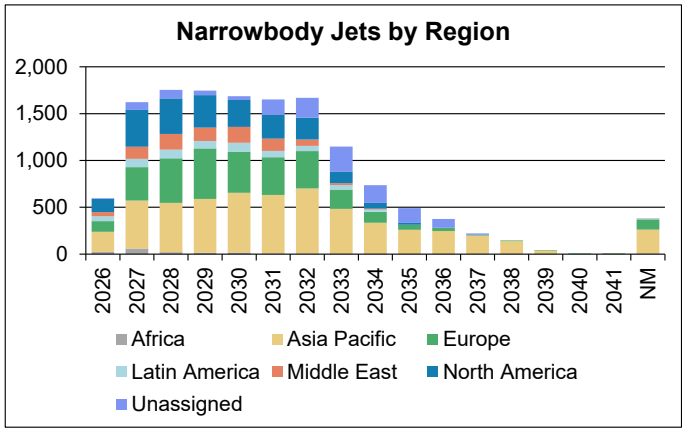


Exhibit 7: Widebody Aircraft Deliveries Due

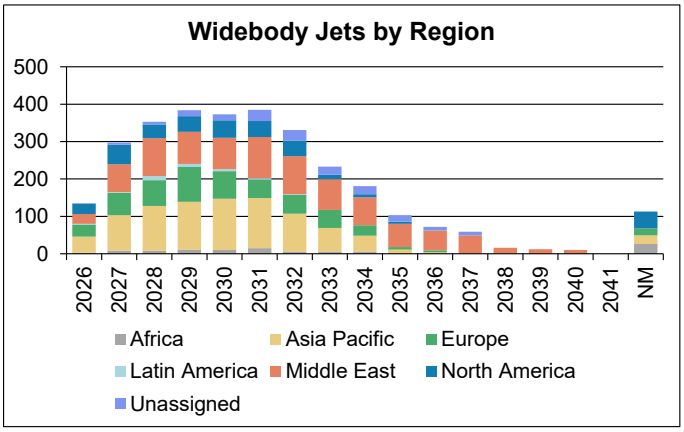


Exhibit 8: Regional Aircraft Deliveries Due

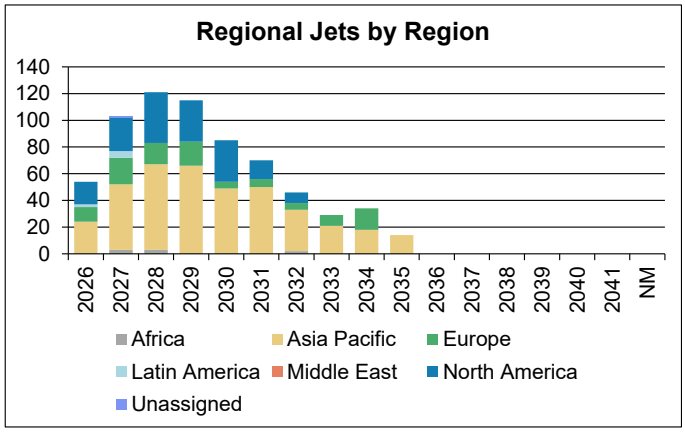


Exhibit 9: Boeing Deliveries Due

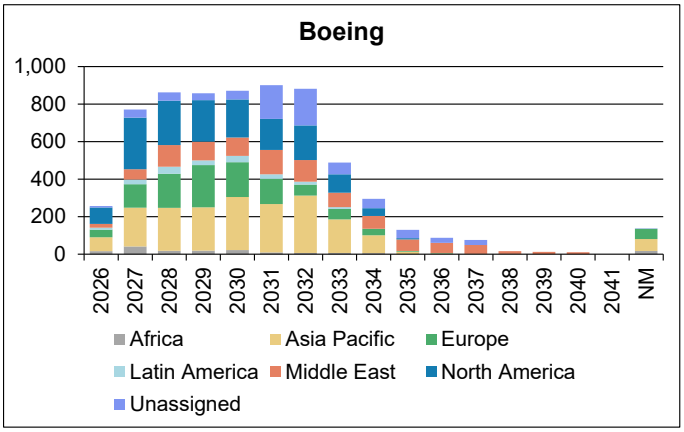


Exhibit 10: Airbus Deliveries Due

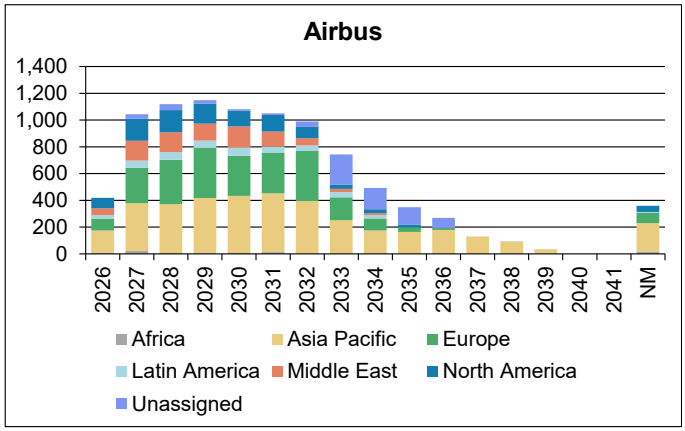


Exhibit 11: Boeing 737 MAX Deliveries Due

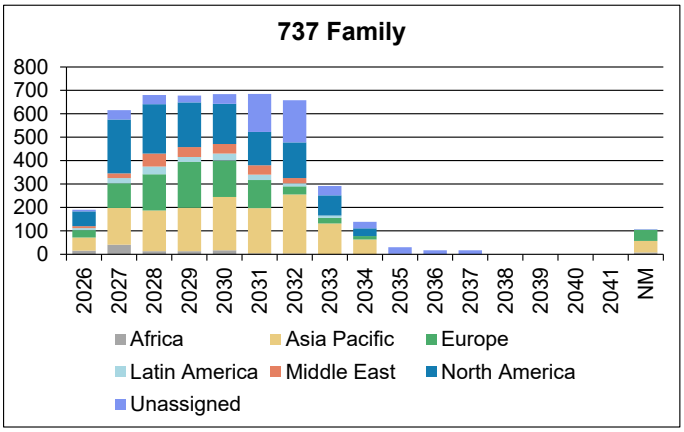


Exhibit 12: Airbus A320 Deliveries Due

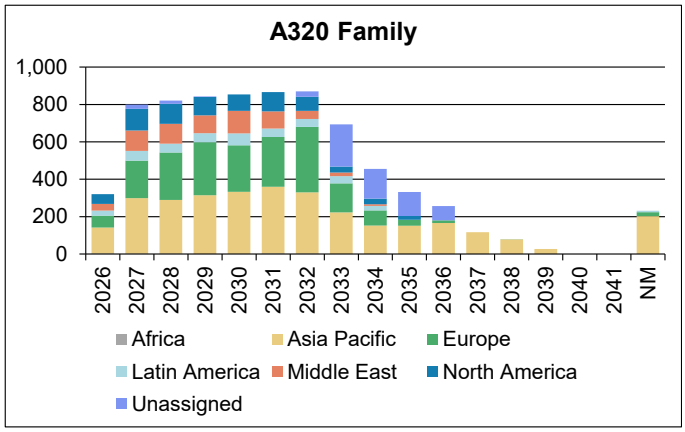


Exhibit 13: Boeing 787 Deliveries Due

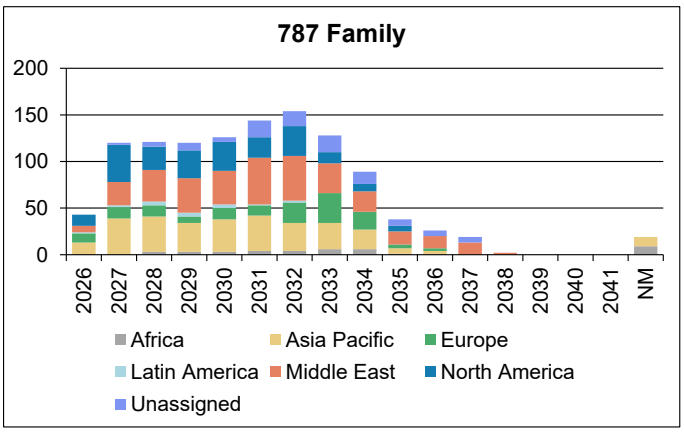


Exhibit 14: Airbus A350 Deliveries Due

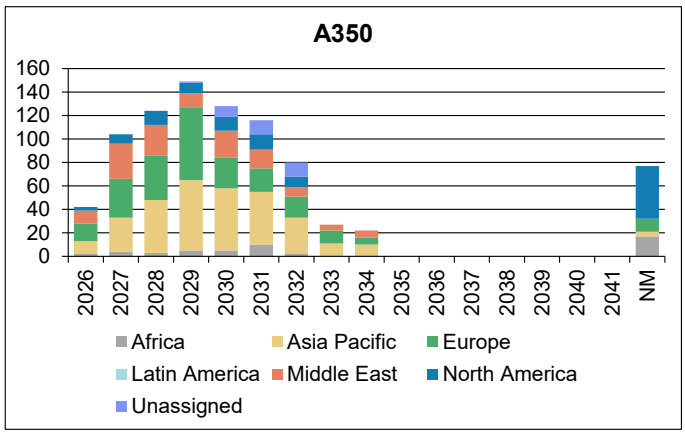


Exhibit 15: Airbus A220 Deliveries Due

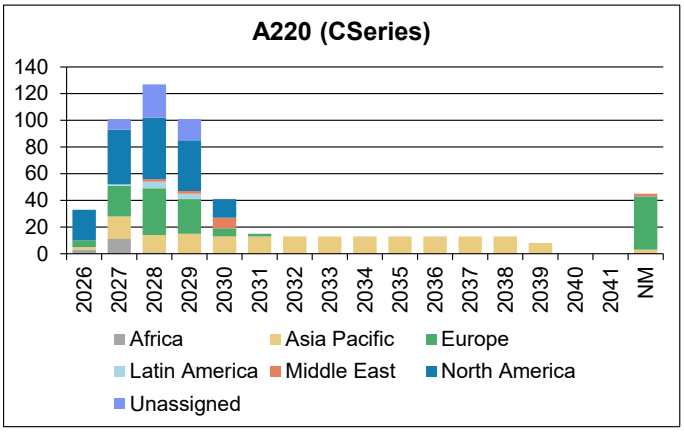
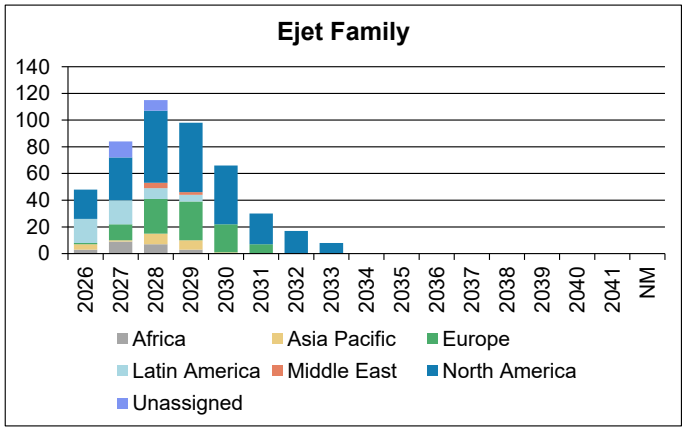


Exhibit 16: Embraer E-Jet Deliveries Due



Orders & Deliveries

Exhibit 17: T12 Boeing Narrowbody Orders

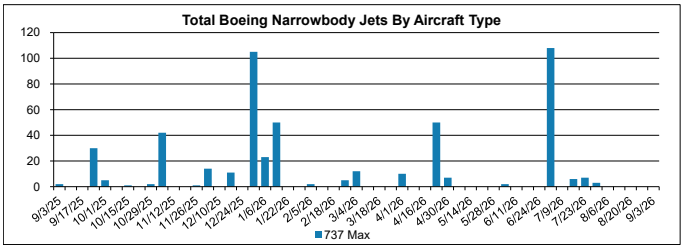


Exhibit 18: T12 Airbus Narrowbody Orders

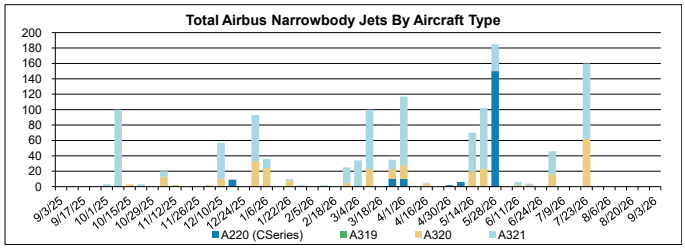


Exhibit 19: T12 Boeing Widebody Orders

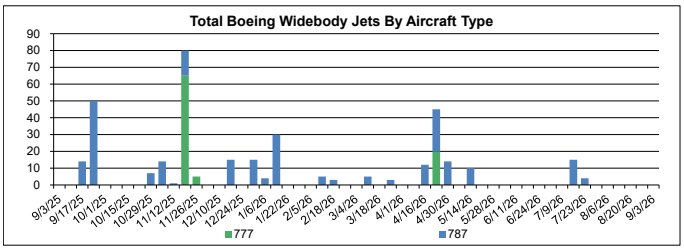


Exhibit 20: T12 Airbus Widebody Orders

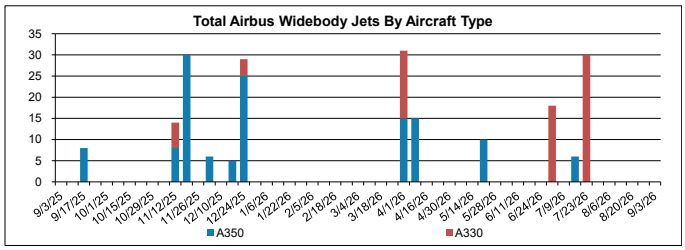


Exhibit 21: T12 Boeing Narrowbody Deliveries

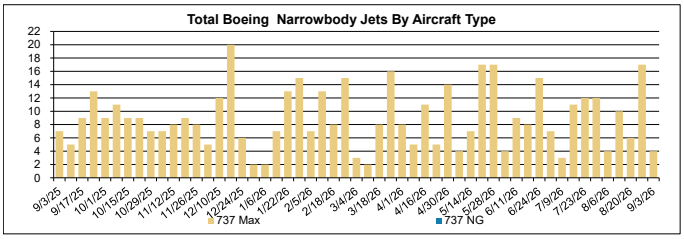


Exhibit 22: T12 Airbus Narrowbody Deliveries

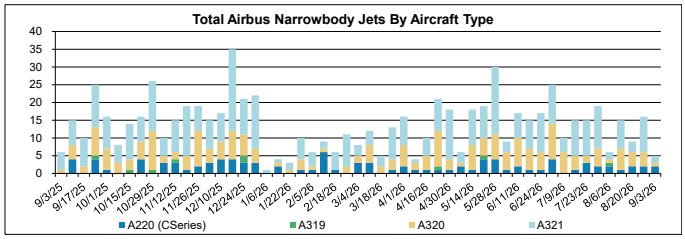


Exhibit 23: T12 Boeing Widebody Deliveries

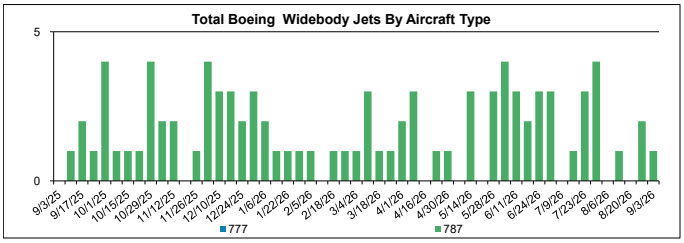
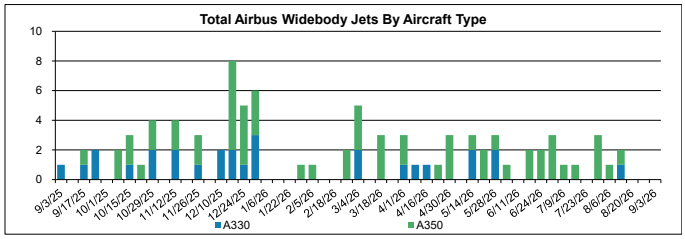


Exhibit 24: T12 Airbus Widebody Deliveries



Aircraft in Storage

Exhibit 25: Total Aircraft in Storage

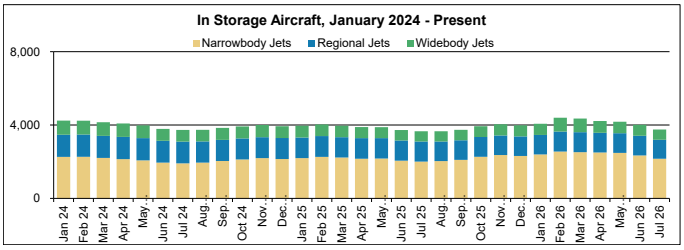


Exhibit 26: Narrowbody Aircraft in Storage

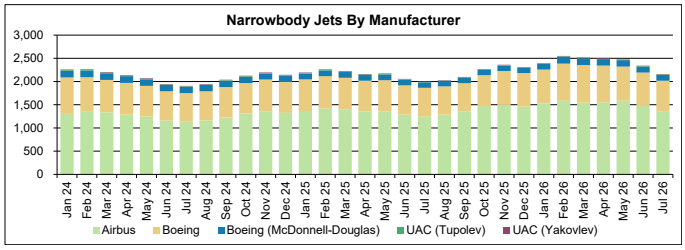


Exhibit 27: Widebody Aircraft in Storage

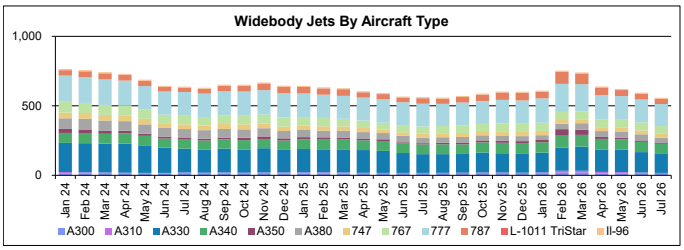
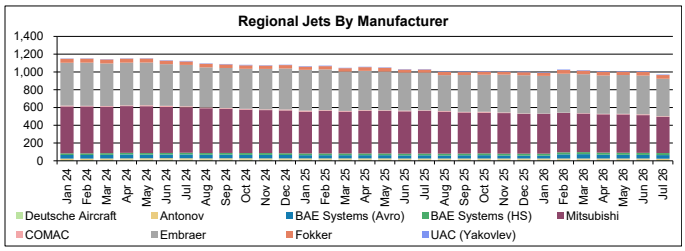


Exhibit 28: Regional Aircraft in Storage



Cancellations & Retirements

Exhibit 29: T12 Boeing Narrowbody Cancellations

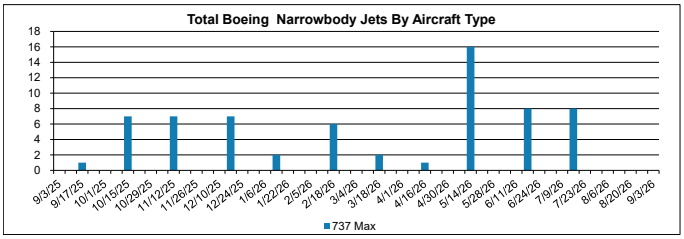


Exhibit 30: T12 Airbus Narrowbody Cancellations

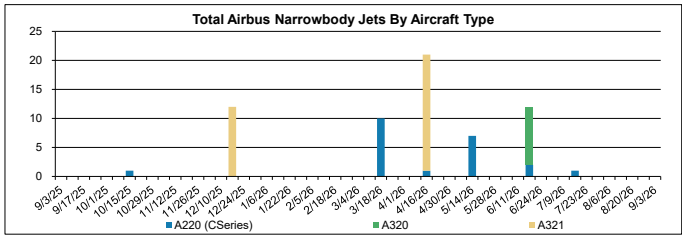


Exhibit 31: T12 Boeing Widebody Cancellations

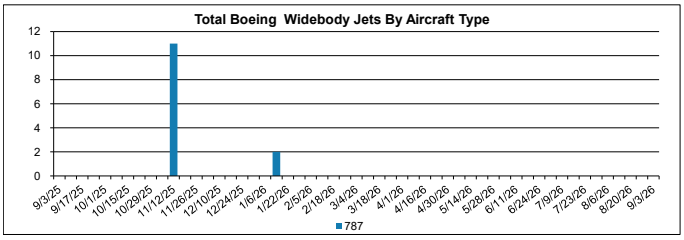


Exhibit 32: T12 Airbus Widebody Cancellations

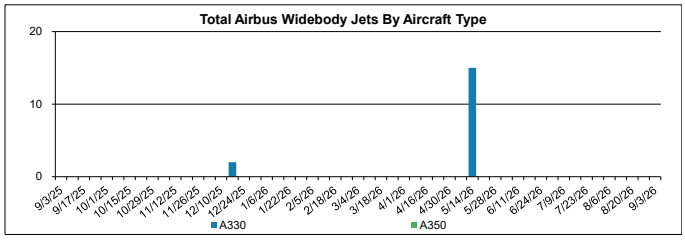


Exhibit 33: T12 Boeing Narrowbody Retirements

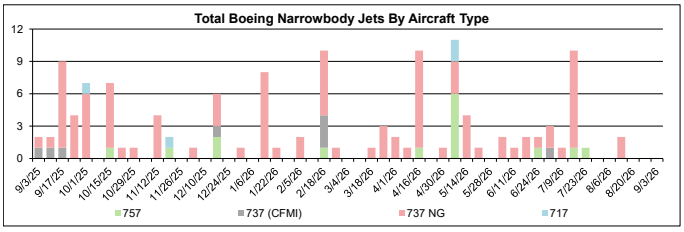


Exhibit 34: T12 Airbus Narrowbody Retirements

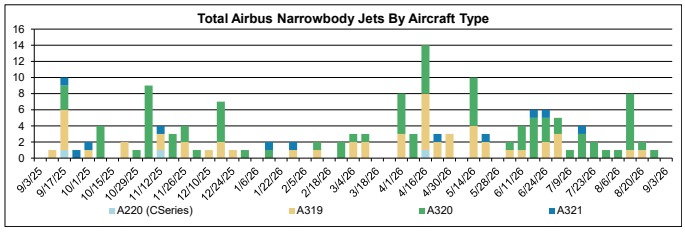


Exhibit 35: T12 Boeing Widebody Retirements

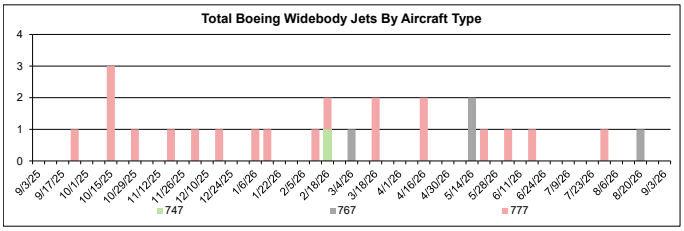
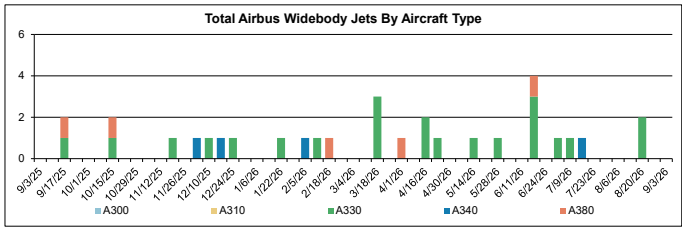


Exhibit 36: T12 Airbus Widebody Retirements



Defense Highlights

Exhibit 37: Defense Capabilities by Company

Crowding out	Advanced Computing	Big Data Analytics	Artificial Intelligence	Autonomy	Robotics	Directed Energy	Hypersonics	Biotechnology
LMT	★★★	★★★	★★★	★★★	★★★	★★★	★★★	★★★
NOC	★★★	★★★	★★★	★★★	★★★	★★★	★★★	★★★
RTX	★★★	★★★	★★★	★★★	★★★	★★★	★★★	★★★
GD	★★★	★★★	★★★	★★★	★★★	★★★	★★★	★★★
TXT	★★★	★★★	★★★	★★★	★★★	★★★	★★★	★★★
BA	★★★	★★★	★★★	★★★	★★★	★★★	★★★	★★★

Exhibit 38: Military Program Involvement

	Air Force	Army	Marine Corps	Navy	Space Force	Joint / Other
LMT	★★★	★★★	★★★	★★★	★★★	★★★
NOC	★★★	★★★	★★★	★★★	★★★	★★★
RTX	★★★	★★★	★★★	★★★	★★★	★★★
GD	★★★	★★★	★★★	★★★	★★★	★★★
TXT	★★★	★★★	★★★	★★★	★★★	★★★
BA	★★★	★★★	★★★	★★★	★★★	★★★

Exhibit 39: Modernization Strength by Company

	Space	Nuclear	Multi-Domain Operations
LMT	★★★	★★★	★★★
NOC	★★★	★★★	★★★
RTX	★★★	★★★	★★★
GD	★★★	★★★	★★★
TXT	★★★	★★★	★★★
BA	★★★	★★★	★★★

Weekly Financial Metrics

Risk Reward

Exhibit 40: Defense Risk Reward

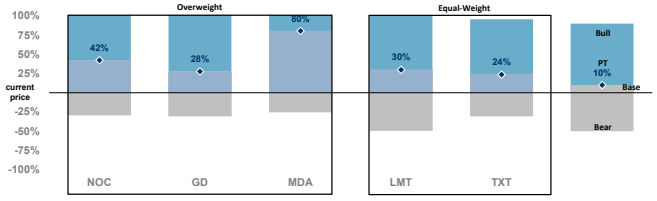
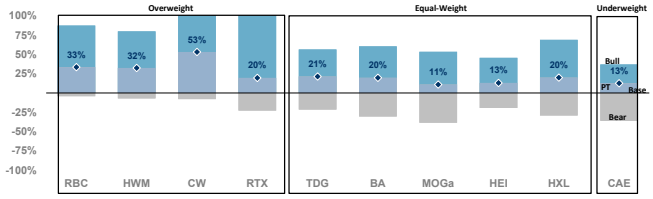
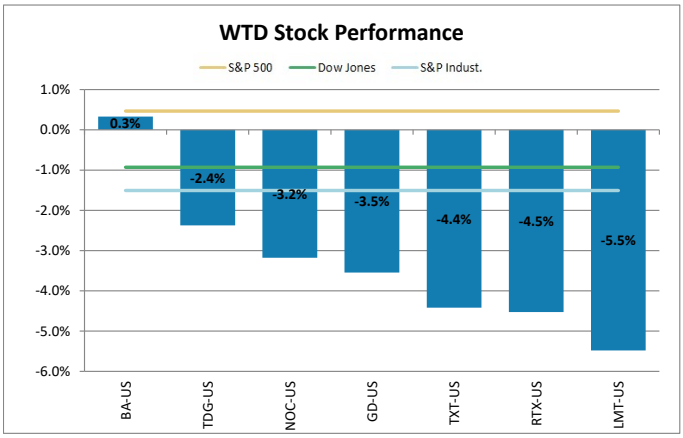


Exhibit 41: Commercial Aerospace Risk Reward



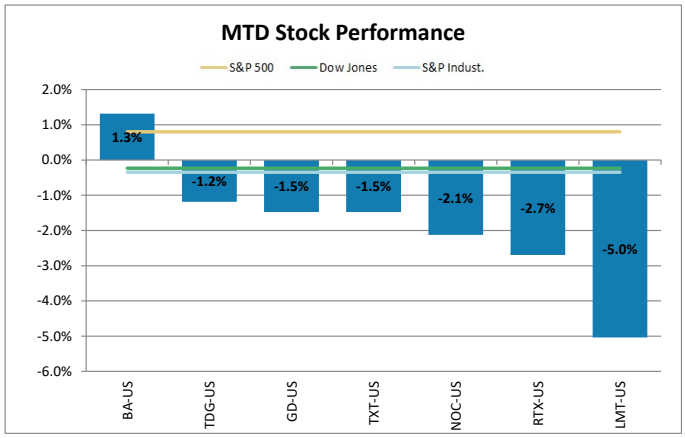
Stock Performance

Exhibit 42: Stock Performance, Week to Date



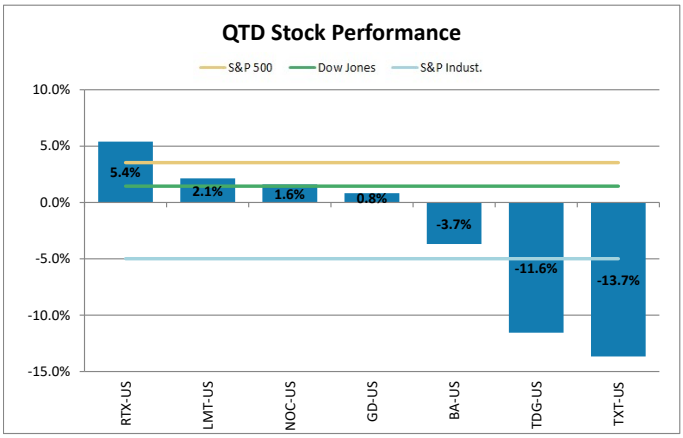
Source: Factset. Past performance is not necessarily a guide to future performance.

Exhibit 43: Stock Performance, Month to Date



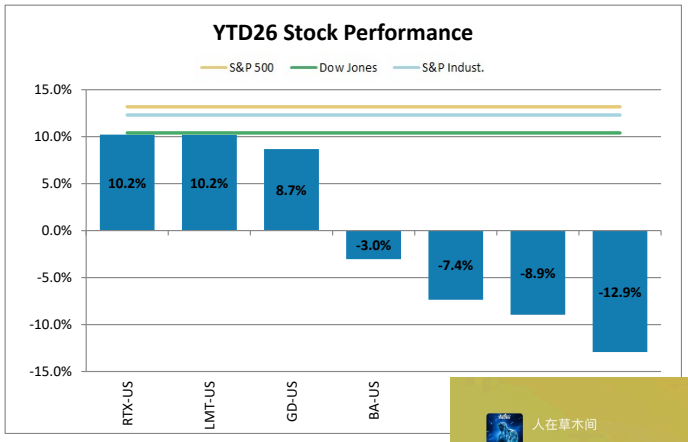
Source: Factset. Past performance is not necessarily a guide to future performance.

Exhibit 44: Stock Performance, Quarter to Date



Source: Factset. Past performance is not necessarily a guide to future performance.

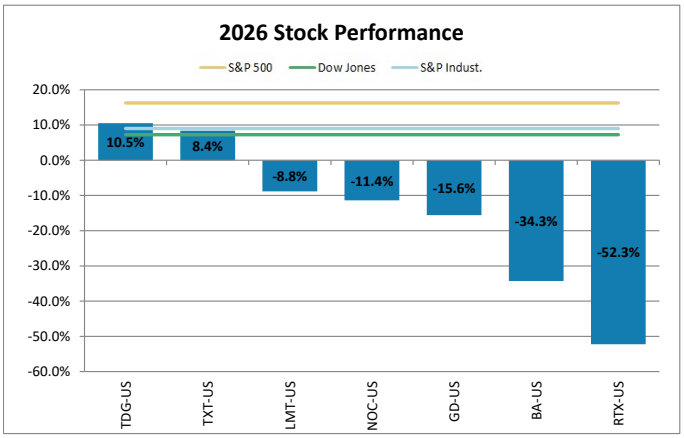
Exhibit 45: Stock Performance, Year to Date



Source: Factset. Past performance is not necessarily a guide to future

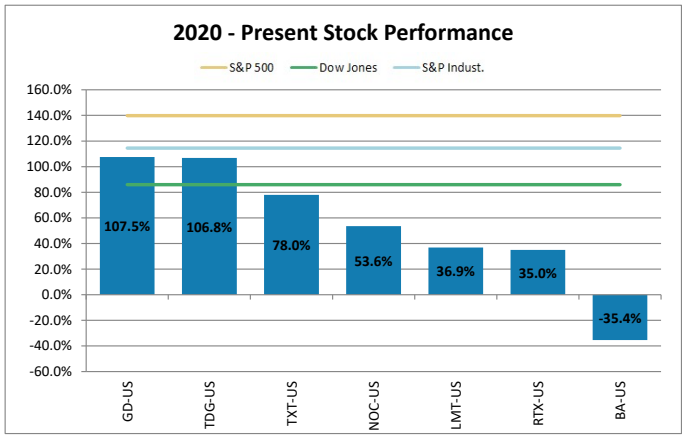
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Exhibit 46: Stock Performance, FY2025



Source: Factset. Past performance is not necessarily a guide to future performance.

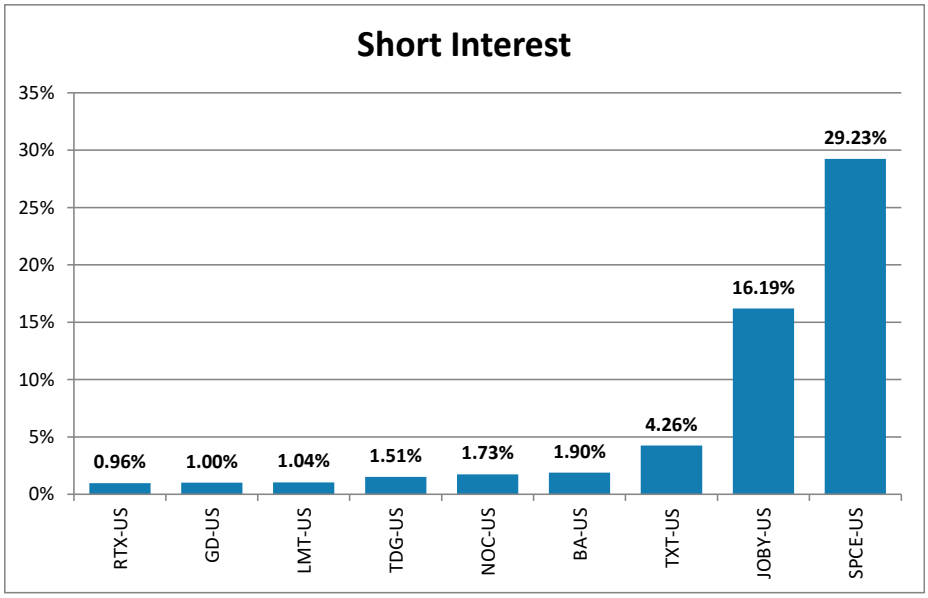
Exhibit 47: Stock Performance, Jan. 2020 - Present



Source: Factset. Past performance is not necessarily a guide to future performance.

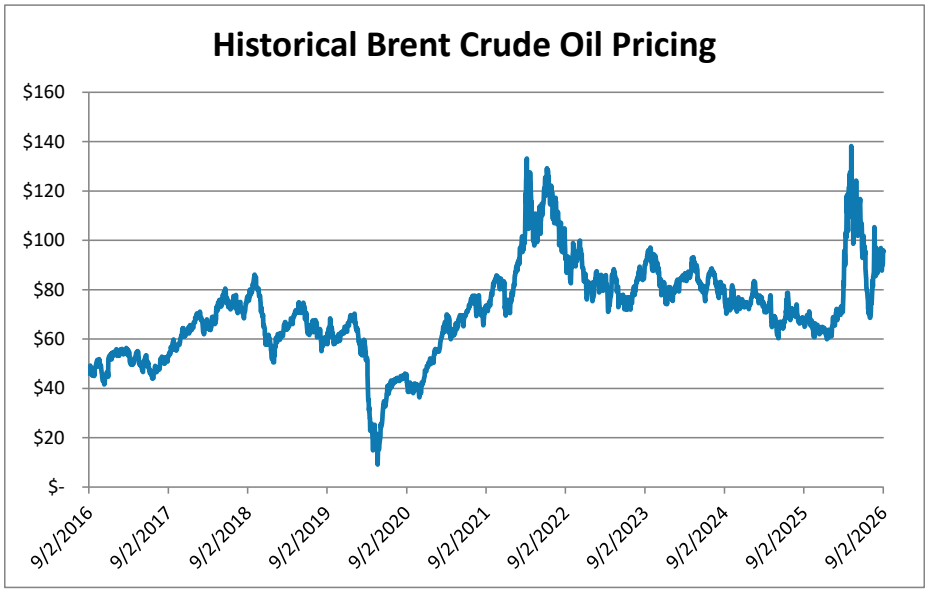
Exhibit 48:

Short Interest by Company



Source: Factset

Exhibit 49: Oil Price history over the past 10 years



Source: Factset

Note: Brent Crude Oil

Valuation Methodology and Risks

Boeing Co. (BA.N)

We arrive at our PT of $250 using 20x 2028 P/FCF and 2028 FCF/share of $12.29. Considering the sizeable headwinds from the 777X program, which are more significant in 2025, 2026 and 2027, we continue to expect the market to value Boeing on a go forward "normalized" free cash flow. A 20x 2028 P/FCF multiple is a ~3x turn discount to RTX and a ~8x turn discount to GE, but is a premium to the company's history of ~10x-15x P/FCF.

Risks to Upside

- Supply Chain Constraints Ease Earlier than Expected
- BDS Execution Improves, Driving Higher than Expected Margins
- Investors Willing to Pay a Higher Multiple Despite Limited Visibility to Supply Chain Easing
- Incremental Orders for New Aircraft

Risks to Downside

- Supply Chain Constraints Sustain Longer than Expected
- BDS Execution Missteps Continue
- Another Extraordinary Event
- Geopolitical Risk