

The Big Picture

Aerospace & Defense: The Next Generation Fighter

Industry Overview

Key takeaways

- Projecting power over distance and fielding the most advanced weapons systems have been pillars to U.S. strategic deterrence.
- The USAF's Next Generation Air Dominance and Navy's F/A-XX are crucial to deterring more sophisticated adversaries.
- Altogether, we believe the two fighter programs and their unmanned counterparts could unlock over \$15bn opportunity.

6th generation: range, speed, stealth, uncrewed wingman

Projecting power over distance and maintaining the most advanced weapons systems in the world have been key pillars to U.S. strategic deterrence policy. The threat environment has shifted away from less sophisticated and asymmetric threats to advanced near peer threats. The upcoming sixth-generation fighter aircraft, such as the US Air Force's Next Generation Air Dominance (NGAD) and the Navy's F/A-XX, are therefore crucial to deterring more sophisticated adversaries. We expect a sixth-generation fighter could possess smaller, more swept wings and a variable V-tail design that would allow for superior high angle-of-attack (AoA) performance. Dual engines would allow for greater speed, faster climb. Aside from being faster, stealthier, and having longer range than its predecessors, these new platforms are also expected to reflect strides in material technology, propulsion, connectivity, and interoperability with unmanned counterparts. Altogether, we believe the two fighter programs and their unmanned counterparts could unlock over \$15bn opportunity.

28 February 2024

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Global
Aerospace & Defense

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Timestamp: 28 February 2024 05:00AM EST

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