



# To infinity & beyond?

SpaceX may be readying for lift-off but should investors hitch a ride?

Update  
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We seem to have gone properly space mad. Artemis II has just looped the moon, Katy Perry managed to fully eclipse Tim Peake with a heroic three minutes in zero gravity and the rumoured SpaceX IPO is looming over markets like Emperor Zurg (for Buzz Lightyear fans).

Which brings us, inevitably, to its mastermind. Love him or loathe him, Elon Musk has an extraordinary talent for making the rest of us feel, well, distinctly average. In 2025 alone he's treated us to the dubious DOGE chainsaw cosplay, caught a rocket on giant mechanical chopsticks and still found the time to father enough children to crew his own Mars mission. You have to admire the man's time management skills if nothing else.

Musk may be the last man on earth in need of free publicity but Netflix's Return to Space is a captivating account of SpaceX's early years. Launching a space startup just as NASA wound down its shuttle programme takes a particular brand of self-belief - or perhaps a pathological inability to read the room. Initial funding stretched to three Falcon 1 launches and all three failed in fairly spectacular fashion.

Fortunately private investors shared both Musk's vision and deep pockets, with launch number four proving the turning point for a \$1.6 billion NASA contract. Almost two decades on, SpaceX has gone on to redefine the space industry, pioneering the reusable rocket at a tenth of the traditional cost and blanketing the globe with the largest satellite constellation in history through Starlink.

## The trillion dollar question

Coming back to the IPO, SpaceX has seemingly fired the starting gun but will it land its stratospheric price tag? According to Reuters, a doubling of revenue in 2026 would imply forward price-to-revenue and EBITDA multiples of 56 times and 109 respectively, putting even Palantir and Tesla's lofty valuations in the shade.

SpaceX also sits in the unusual position of frankly not needing the money. It reportedly posted around \$15 billion in revenue last year from its Starlink and NASA contracts, making the potential \$75 billion raise a drop in the ocean, though it is at least carving out a generous 30% allocation for retail investors.

Then there's Musk's famously turbulent relationship with regulators, which has already prompted rebukes from the SEC over his public musings on Twitter and Tesla. Private backers may be happy to turn a blind eye to another controversial tweeter-in-

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chief, but public markets can be considerably less forgiving - as Tesla shareholders can sadly attest.

Still, one only has to watch the Musk vs. Bezos whose-rocket-is-bigger contest to appreciate that billionaires are a breed apart. Any valuation north of \$1.7 trillion would put Meta, and by extension Mark Zuckerberg, in the rear-view mirror, with Amazon next in the cross-hairs. It may be no coincidence that Musk recently bulked up SpaceX with the merger of AI startup xAI, which doesn't seem like a slam dunk on commercial logic alone.

## Keeping it under wraps

SpaceX isn't the only mega-cap to choose the relative anonymity of private markets. There's a veritable treasure trove of companies that haven't rushed to float, from AI pioneers OpenAI and Anthropic to Stripe and Databricks.

But it wasn't always thus. If you cast your mind back to the public debuts of the Magnificent Seven, Amazon and Apple were less than five years old at IPO, with Microsoft the elder statesman of the group at eleven.



That was great news for early-bird investors chasing the best of the growth spoils but the landscape looks markedly different today. The number of US public companies has halved over the past 25 years, private capital has filled the void and higher interest rates have dampened the incentive to list.

As Lucie Majstrova of Baillie Gifford's private companies team noted in **our recent Market Matters podcast**, ByteDance (owner of the infernal TikTok) already boasts 50 times the revenue and profits of Facebook at the time of its IPO.

As a result, retail investors are increasingly buying maturity over innovation by the time these private giants eventually come to market. However, help is at hand for investors wanting some pre-IPO growth action, with the investment trust structure offering a ready-made home for more illiquid, private investments.

**Seraphim Space (SSIT)** offers a one-stop shop for intergalactic purists. Perhaps surprisingly, it doesn't count SpaceX among its top holdings but it does hold a concentrated portfolio of space-based technology companies. It's been a bumpy ride at times though the trust has delivered an eye-catching 260% return over the past year.

Alternatively, **Schiehallion (MNTN)** casts a wider net across later-stage private companies and counts six of the world's largest among its portfolio, including SpaceX, ByteDance, Wise and Stripe (now public). After a challenging period, it's also achieved a stellar 130% return over the past year.

Finally, **Scottish Mortgage (SMT)** straddles both public and private markets, having first invested in SpaceX back in 2018 when the company was valued at less than \$40 billion. If SpaceX floats at the numbers currently being bandied about, that would represent a generous 44-fold return.

While SpaceX may be the headline act on the IPO call sheet for 2026, it's far from alone in the queue. Lurking in the wings are AI labs OpenAI and Anthropic and if SpaceX's valuation looks audacious, these two may require an oxygen mask. Both are growing at a breathtaking pace but they're also burning through a mountain of cash in the process. And that's before we factor in the ongoing Musk v Altman court battle over OpenAI's legitimacy as a for-profit entity. Private market valuations creeping into the \$800-plus billion range are starting to feel faintly reminiscent of the dotcom era - and we all know how that ended.

Either way, there's still options on the private table with ARK Invest recently buying \$240 million of OpenAI shares across three active ETFs, marking the first time retail investors can access OpenAI through a publicly traded

vehicle. For all things ETF, head over to our sister website **[Expert Investor](#)**.

Will it be to infinity or oblivion and beyond for the SpaceX IPO? Only time will tell but given rocketing valuations, there's a strong case for taking a broader approach to private company exposure rather than waiting for the main event.

*All data as at 21/04/2026 unless otherwise specified and based on share price total returns.*



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