THE WORLD IS NOT ENOUGH: SPACEX & CO

Reflection Albin Kistler AG
June 2026

Recent years have been marked by extraordinary technological progress. Companies such as SpaceX, Anthropic, and OpenAI exemplify this transformation and, in some cases, are now preparing to go public. We place these developments in context and examine the extent to which the ambitious visions underpinning these business models can withstand sober economic scrutiny.

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In brief
- Innovative companies such as SpaceX, Anthropic and OpenAI are moving towards public listings
- As these major companies approach the public markets, investors face a reality check
- For risk-conscious investors, a selective and disciplined approach remains essential

Assessment of the Current Development
In recent quarters, the rapid advancement of new technologies, particularly in the field of artificial intelligence, has had a significant impact on economic activity. At the same time, advances in space technology and the entrepreneurial achievements of SpaceX have captured the public imagination. Under Elon Musk's leadership, the company has significantly reduced the cost of space travel and, through Starlink, provides satellite-based internet connectivity.

These innovations deserve our highest respect and clearly demonstrate how courage, ingenuity, and entrepreneurial initiative drive economic and social progress. The advantages of market-based solutions are particularly evident in the space industry, where the publicly funded NASA has fallen behind the privately organized company SpaceX in terms of both cost efficiency and innovation. While highly dynamic companies continue to push technological boundaries, many governments are becoming increasingly burdened by structural inertia and rising social expenditures, leading to mounting levels of debt.

Despite the enthusiasm surrounding such entrepreneurial achievements, our central task as asset managers is to allocate our clients' valuable capital selectively to those companies that invest prudently and are highly likely to generate sustainable returns over the long term.

A vision of what the distant future could look like - for example, SpaceX operating data centers in space or, further ahead, colonizing Mars - should therefore have only a limited influence on valuation, given the considerable uncertainties involved and the very long investment horizon.

From our perspective, the decisive factors are a company's current competitive position and market leadership, its medium-term prospects over the coming years, and the risks associated with its business model.

This is precisely where the challenge lies for companies such as SpaceX, Anthropic, and OpenAI. These are undoubtedly impressive and innovative business models, yet they are already valued today at levels that imply an exceptionally successful future despite the considerable uncertainties involved. Against this backdrop, their business models, opportunities, and risks must be critically assessed and evaluated relative to other potential equity investments.

SpaceX
Opinions may differ on Elon Musk as an individual, but his entrepreneurial abilities and track record of success are undisputed. Following the success of the payments pioneer PayPal, he challenged the automotive industry with Tesla and outperformed established players in rocket technology with SpaceX. In both cases, he created new business models and, at least temporarily, achieved market leadership.

Nevertheless, his long-term promises and visions should be viewed with a degree of humility. What we find particularly compelling about SpaceX is its strong market position in Starlink's profitable satellite communications business, as well as its leading position in rocket technology. In the context of a potential public listing, however, the company has also assumed considerable risks. With xAI, another highly capital-intensive business segment that is likely to remain loss-making for an extended period has been added to the group. In addition, certain aspects of the broader space vision – particularly those relating to space-based infrastructure – may be technically feasible, but they remain extremely costly and operationally challenging to implement.

At the same time, the company is reportedly seeking an extremely ambitious valuation in connection with a potential public listing, which could provide existing owners and investors with a highly lucrative opportunity to realize gains. As is often the case with founder-led technology companies, a dual-class share structure is envisaged, allowing Elon Musk to retain effective control through superior voting rights. Overall, the picture is mixed, combining considerable operational strengths with notable weaknesses, an ambitious valuation, and governance structures that warrant scrutiny.

Anthropic & OpenAI

From today's perspective, OpenAI and Anthropic, with their ChatGPT and Claude models, are among the technological leaders in generative AI and large language models. Both companies are growing at an extraordinary pace and are valued by investors at hundreds of billions of US dollars.

Despite the impressive technological progress, however, a sustainable competitive advantage remains difficult to identify. Performance differences between the leading models are relatively small and can change from one generation to the next. Users can switch between providers with relative ease, calling long-term differentiation into question. As with SpaceX, profitability remains a central challenge. Operating state-of-the-art AI models is extremely costly due to the immense computing power required. OpenAI, for example, continues to expect significant losses despite rapidly growing revenues and does not anticipate reaching profitability until the latter part of the decade. From an investor's perspective, potential IPOs of OpenAI and Anthropic therefore offer significant opportunities but also considerable risks. While both companies occupy key positions in the AI ecosystem, their valuations already appear highly ambitious. As long as neither a clear technological moat nor sustainably profitable business models are evident, any investment should be subjected to careful scrutiny.

Conclusion

At Albin Kistler, every investment is subject to rigorous fundamental analysis, evaluating both the quality and valuation of a company relative to alternative investment opportunities. Rather than relying on ambitious promises and profit expectations far into the future, we favor companies that already combine earnings growth with solid financing structures and sustainable profit margins.

Many of our established portfolio companies also benefit indirectly from current growth themes. Investments in artificial intelligence and the prospect of further expansion in space technology create opportunities throughout existing value chains for companies that provide the necessary infrastructure, components, and services. Examples include Linde, the global leader in industrial gases and a supplier to SpaceX, as well as financial institutions such as Moody's and Morgan Stanley, which benefit from increased debt and equity issuance used to finance large-scale capital investments.

It cannot be ruled out that public listings of companies such as SpaceX, OpenAI, and Anthropic will be accompanied by strong share-price gains. In an environment characterized by elevated expectations, however, we deliberately rely on a diversified portfolio of companies that have already demonstrated their earnings power and established market-leading positions.

Our gaze is directed neither at the Moon nor at Mars. The world as it stands today already offers ample high-quality investment opportunities for value-oriented investors.

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The periodically published studies are available for download as PDFs on the Albin Kistler website: www.albinkistler.ch