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THE FINAL FRONTIER OF THE STOCK MARKET: ANALYZING RISK, RETURN AND OTHER
CHARACTERISTICS OF THE INCREASING NUMBER OF LISTED SPACE COMPANIES

Abstract

Space companies are increasingly utilizing the public equity markets to obtain late-stage financing to realize their business plans, notably via merging with special purpose acquisition companies (“SPACs”). Such SPAC mergers have the potential to significantly increase the number of publicly-listed space companies which, in turn, will facilitate the participation of non-accredited investors (“retail investors”) in the space sector. These trends make it desirable to understand the risk, return and other characteristics of public space investments and the growing dataset of publicly-listed space companies now makes such analyses increasingly feasible. This article represents a first attempt of such analyses, including investigating absolute and relative performance of public space investments, their risk metrics and correlations with other assets.