

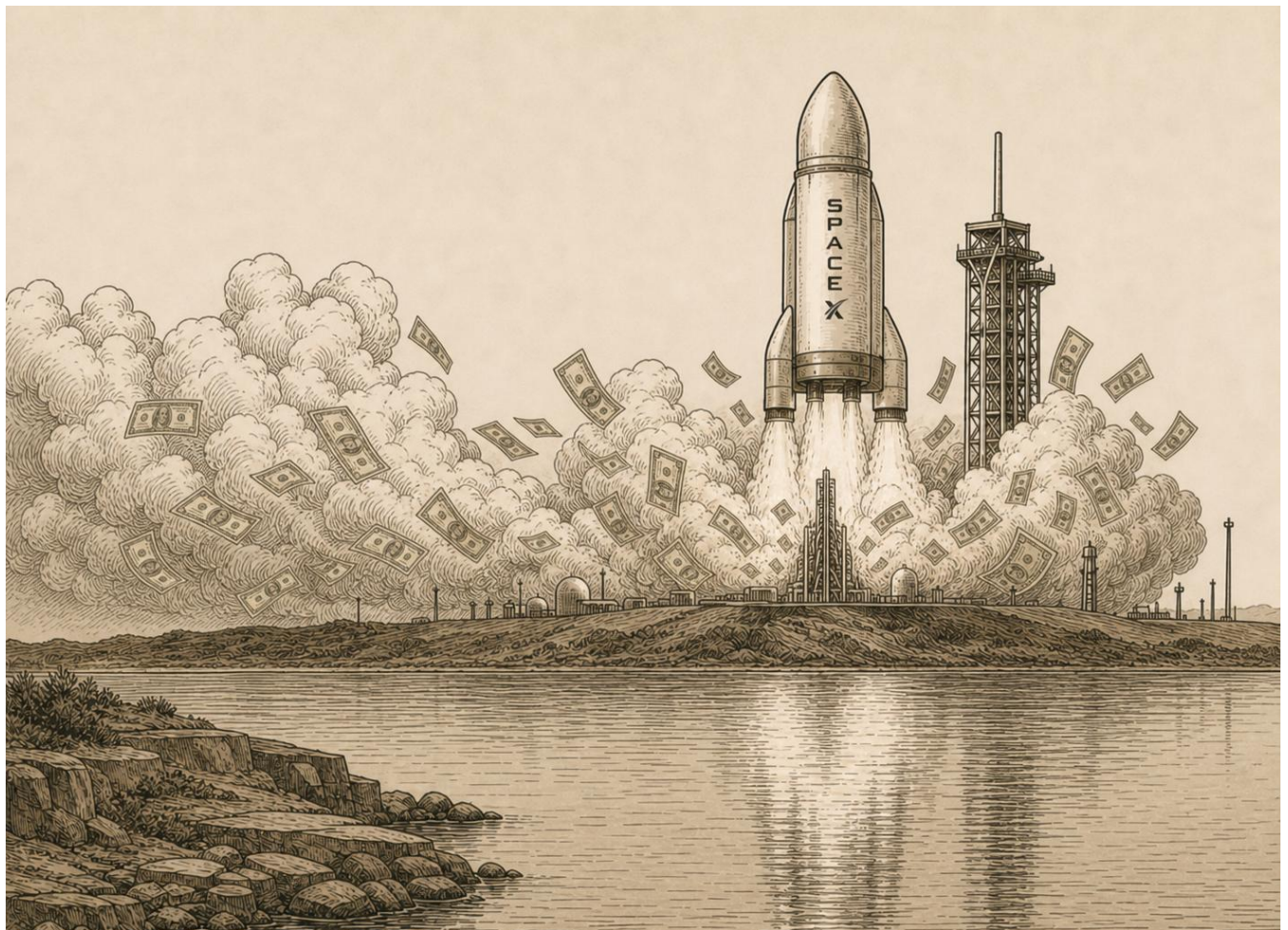
MARKET NOTE · JUNE 11, 2026

# SpaceX History Making IPO.

*The largest IPO in history. What it means. What we will do.*

*“The contemplated IPOs in the next year are going to be five, six percent of market cap...And then there'll be the unlocks. Much of the funding for these IPOs is going to come out of existing tech stocks”*

*– Paul Tudor Jones, “Invest Like the Best Podcast”, April 28, 2026<sup>1</sup>*



<sup>1</sup>Transcript Invest Like the Best Podcast – “Legendary Trader Paul Tudor Jones on AI Risk Bubbles and Buffett” – April 28, 2026 - [LINK](#)



## 01 – FACTS &amp; FIGURES

# SpaceX - Ticker: SPCX

*Set for June 12, 2026. The SpaceX IPO will be the largest in the history of the stock market.*

SpaceX will begin trading on the Nasdaq Stock Exchange on June 12, 2026, under the ticker SPCX. The offering is expected to price at \$135 per share, raise \$75 billion in capital and imply a total enterprise value of approximately \$1.75 trillion.<sup>2</sup>

## 01 / MARKET CAP

The value of SpaceX has risen exponentially<sup>3</sup>

- Jul 2025 - \$400B new share sale to insiders
- Dec 2025 - \$800B tender offer, expansion of Starlink
- Feb 2026 - \$1.25T following the acquisition of xAI
- Jun 2026 - \$1.7T valuation at IPO

## \$1.7T

Market Cap at  
IPO price

## 02 / RANKING &amp; INDEX INCLUSION

SpaceX's market cap would be the 7<sup>th</sup> largest in the United States. Nasdaq and FTSE/Russell index providers have relaxed their standard 90-day rule for index inclusion down to 15 and 5 days respectively. S&P Dow Jones will maintain their current requirement of 12 months + 4 quarters of GAAP profits. Although SpaceX will be included in some indices over the coming weeks, it will only have small representation (less than 0.2%) due to only ~4% of SpaceX shares being freely tradable in the market after IPO. The index weight will increase as more shares are made available to the public.

## #7

Largest company  
listed in US

## 03 / VALUATION

According to SpaceX filings, FY 2025 sales was \$18.67B.<sup>4</sup>

At the current valuation, that's a ~90x price multiple vs the previous year's sales. To put that number into context, some of the biggest (and most profitable) companies in the world are valued between 10-30x trailing twelve-month sales (TTM). "The aggregate price-to-sales ratio of the S&P 500 is 3.38, according to FactSet. Tesla had a price-to-sales ratio of 16.73 at the end of 2025."<sup>3</sup>

## ~90x

Sales Multiple  
(FY 2025)

<sup>1</sup>Reuters / Bloomberg News. SpaceX targets \$135/share, 556.6M shares, \$75B raise, \$1.75T valuation. Reuters, June 3, 2026; Bloomberg News, June 3, 2026. [LINK](#)

<sup>2</sup>Wall St Journal. "Terms Revealed for SpaceX's Unconventional \$75 Billion IPO", June 4, 2026. [LINK](#)

<sup>3</sup>Forbes. "8 Things to Know Before SpaceX Goes Public", June 3, 2026. [LINK](#)



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# A Remarkable Company. Too Expensive to Own.

*Paying 90x sales for a long-term story does not fit our philosophy for our client portfolios.*

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We are not participating in SpaceX's IPO. The volatility inherent in IPOs does not fit our philosophy or allocation framework for client portfolios.

We have no philosophical objection to SpaceX as a business. Starlink is a genuinely durable, high-margin franchise. The launch business holds a structural monopoly that is difficult to replicate. The government revenue base provides stability that most technology companies do not have. Participating in IPOs is not part of our core process and the high-profile SpaceX IPO represents some of the particular risks we want to avoid:

1. **Valuation.** At ~90x 2025 sales and approximately 220x earnings before interest, taxes, deductions, amortization (EBITDA), SpaceX prices in a narrative of a distant future. The margin of safety for a new investor entering at \$135 per share is thin. The upside requires Elon's most ambitious projects to achieve success.
2. **The meme-stock dynamic.** SpaceX carries euphoric interest from retail investors. The IPO offering is ~30% retail-allocated by design, an unusual structure for a deal of this size.<sup>5</sup> Demand is reportedly 4x oversubscribed.<sup>6</sup> ProShares is launching a leveraged ETF on day one.<sup>7</sup> These are the conditions that can produce first-day price spikes followed by multi-month mean reversion as enthusiasm normalizes and lock-up expirations create supply.

## EXPOSURE THROUGH EXISTING ETF HOLDINGS

On June 4, S&P Dow Jones Indices formally rejected a proposal to fast-track large IPOs into its flagship index, reaffirming both the 12-month seasoning requirement and four consecutive quarters of positive GAAP earnings. SpaceX posted a \$4.94 billion net loss in 2025. It will not be eligible for the S&P 500 until at least mid-2027.<sup>8</sup>

This distinction matters directly to our clients' portfolios. Our ETF holdings are predominantly indexed to S&P Dow Jones benchmarks. That means our portfolios are largely insulated from the immediate forced-buying dynamic.

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<sup>5</sup>CNBC. "SpaceX IPO explained: The price is set, but the retail allocation still up in the air", June 9, 2026. [LINK](#)

<sup>6</sup>Bloomberg. "SpaceX IPO Is Said to Be More Than Four Times Oversubscribed", June 10, 2026. [LINK](#)

<sup>7</sup>Business Wire. "ProShares Expected to Launch SPCF ETF, Targeting 2x Daily Returns of SpaceX on June 12", June 9, 2026. [LINK](#)

<sup>8</sup>CNBC. "SpaceX blocked from early U.S. benchmark index entry as S&P reaffirms existing rules", June 4, 2026. [LINK](#)



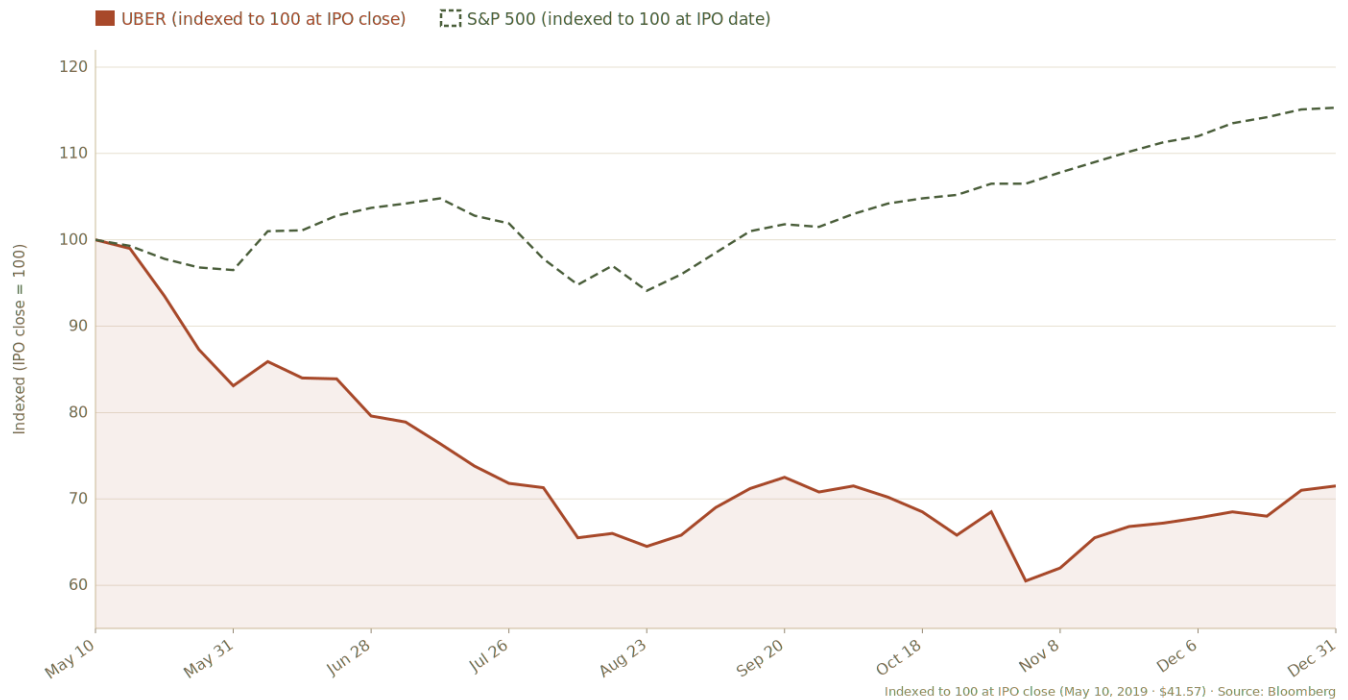
COMPARATIVE HISTORICAL EXAMPLE

Uber listed its IPO on May 10, 2019, at \$45 per share. By the end of that year, it was below \$30 per share, while the S&P 500 had risen +15% over the same period. Uber was a highly anticipated IPO in 2019, during a bull-market run for US stocks. Over the course of 2019, while the S&P 500 gained +15% from May 10, 2019, to the end of the year, Uber stock was down -34% from its IPO price.<sup>9</sup>

UBER  
**+55%**  
 SINCE MAY 2019  
 TO JUNE 2026

S & P 5 0 0  
**+180%**  
 SINCE MAY 2019  
 TO JUNE 2026

UBER IPO price <b>\$45.00</b> May 10, 2019	Day 1 close <b>\$41.57</b> -7.6% from IPO price	UBER year-end close <b>\$29.74</b> -34% vs IPO price	S&P 500 same period <b>+15%</b> May 10 → Dec 31
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<sup>9</sup>Bloomberg, June 10, 2026



## 03 – HOW WE TRADE

## Get Paid to Wait.

*When a sector becomes overvalued, the question is not whether to participate. It is at what price.*

Our in-house portfolio strategies do not hold individual equities. Idiosyncratic risk, the risk specific to a single company rather than a theme or sector, is not an appropriately compensated risk for our client portfolios. When a theme or sector is relevant but expensive, we look for strategies that provide exposure at a lower entry-point, with defined outcomes and risks.

The SpaceX IPO is a useful illustration of that discipline in practice. The themes supporting SpaceX valuation do have genuine long-term relevance. The current IPO valuation prices those themes in full, years in advance, with no public earnings track record and no credible guidance cycle. When a theme or sector of this significance has produced several quarters of public earnings and the market for its options has developed sufficient liquidity, the strategy described below is one we may consider.

### STRATEGY EXAMPLE

Defined-outcome derivatives strategies are designed to do two things simultaneously: generate income in the interim and establish a potential entry into that sector at a cost basis we believe is long-term attractive. This strategy would sell an option at a strike price materially below the current market, typically 30% to 50% lower. We are generally aiming for an income range of 5% - 10% p.a.<sup>10</sup>

### THESIS

- 1. Do not participate at high valuations:** Collect premium rather than paying high prices hoping growth assumptions are correct. We agree to purchase at a meaningfully lower price.
- 2. If prices fall to our level:** We are assigned a position at a pre-defined price, further reduced by the premium already collected. We own exposure at a significantly lower cost basis.

### TWO SCENARIOS

01

#### STOCK STAYS ABOVE OPTION STRIKE

Sold options expire worthless. We keep full premium collected and do not acquire exposure.

02

#### STOCK FALLS BELOW OPTION STRIKE

Purchase exposure at pre-determined price, 30-50% below current price. This scenario carries mark-to-market risk, depending on the speed and depth of the price decline.

<sup>10</sup>Options strategies require account approval and are evaluated for individual suitability before implementation. All derivatives strategies described are illustrative. Implementation depends on individual client suitability, plan design, and risk capacity. Not all strategies are appropriate for all clients. The position is sized within each client's risk capacity allocation, not their lifestyle protection allocation, and is only implemented where consistent with the client's plan.



04 – YOUR TEAM AT LAKEWOOD

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## The Partners.

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### FROM THE PARTNERS

*"SpaceX is a genuinely remarkable business. The launch franchise, the Starlink margin profile, the government relationship, these are real competitive advantages. Our hesitation is not about the company, it is about the price, and the structure of opportunity. Paying ~90x sales the day a company goes public, for a company that has negative earnings on a GAAP basis, in one of the most anticipated IPOs in history, is not where we earn returns for our clients. The market has engineered a situation where passive capital will be obligated to buy this stock at any price."*

Jon Kline, Panos Grivakis, Alex Lippitt, CFA · Managing Partners, Lakewood Financial Group

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