

5 Public Space Companies to Invest in Over the Next Decade

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Always being on the lookout for emerging technologies with high growth potential is the basis of successful investing, particularly if you're open to making bold decisions. And when it comes to new tech, nothing's quite as exciting as space exploration.

Space – the final frontier – offers more than a few opportunities for the exploring investor. Moon rockets and space stations don't come cheap, and space was once the exclusive domain of national governments. But public and private companies are now involved in satellites, research, mining, communications and space tourism. The space business has branched into several distinct sectors, with hundreds of companies involved, and has even developed its own market index and specialized research sources.

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According to the Space Foundation, the revenue of the global space industry totaled almost \$415 in 2018. More importantly, however, predictions by the Bank of America Merrill Lynch put the worth of the industry at a massive \$2.7 trillion by 2045. So, if innovative technologies are your thing, now's the time to get in on the action and begin investing in space

companies.

We've all heard about SpaceX – the company behind the development of a reusable rocket and launch system, founded by Elon Musk. SpaceX is a privately funded company with no plans of going public, however, so at the time of writing it doesn't present any investment opportunities.

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However, there are several public companies on the market working in different areas of space exploration. Although they might not be receiving the same publicity as SpaceX, they're no less worthy of attention and investment.

1. Virgin Galactic (SPCE)

Virgin Galactic – part of Richard Branson's Virgin Group empire – was the first publicly traded commercial space tourism company. The majority of the company's efforts are focused on making passenger flights into space a reality.

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In addition to its ambition to conquer space, Virgin Galactic is also developing hypersonic travel technology, having entered into a Space Act Agreement with NASA. Hypersonic flights would revolutionize intercontinental travel, cutting down the transit time between London and New York to as little as two hours, instead of the eight it takes with current flight technology. A trip from London to Australia, meanwhile, would take just four and a half hours – instead of almost 22.

2. Boeing (BA)

In addition to designing, manufacturing and selling airplanes,

telecoms equipment, missiles and rotor craft, Boeing is also working on rockets.

Boeing's history with space travel reaches back further than most people realize: in 1969, the company was involved in the creation of the Saturn V rocket, which propelled Apollo 11 to the Moon. In the course of its work with NASA, the company has also built numerous satellites, as well as being responsible for managing the International Space Station.

Currently, Boeing is developing spacecraft capable of carrying astronauts to and from the International Space Station. The company's largest space project is the Space Launch System rocket, intended to explore deep space.

3. Northrop Grumman (NOC)

Northrop Grumman is one of the world's leading weapons manufacturers, with an annual revenue of over \$30 billion. Although recently, the company's been known mostly for its development of stealth bombers, it has been working in the field of space tech development for over 60 years.

At the moment, Northrop Grumman is working on building NASA's James Webb Space Telescope. The company is also involved in the development of the Chandra Space Telescope and the Dawn asteroid explorer, as well as taking part in programs intended to develop technology for observing Earth from space.

4. Lockheed Martin (LMT)

The world's largest defence contractor, Lockheed Martin is one of the major players in the space industry, too. As a contractor to NASA, the company built parts for the Apollo 11 spacecraft in the 1960s – as well as satellites and space probes. Lockheed Martin's other major space projects include the deep-space Orion spacecraft and the Mars InSight lander.

In terms of stock prices, Lockheed Martin is the highest on this list, having reached almost \$440 in February this year. During the crisis-related crash in mid-March, the company's stock dropped to just under \$300, suffering much less than the vast majority of other stocks. It also recovered very well, reaching over \$400 in the first week of June.

5. Procure Space ETF (UFO)

This exchange-traded fund focuses on investing in companies that are already profiting from the space industry, rather than looking to in-development tech and far-off revenue streams like space tourism. Specifically, the ETF's policy is that 80 percent of investments are into companies that receive at least half of their profits from the space industry.

An example of how profit can be made from space without involving space flight or related tech is how satellites are used for emerging technologies on Earth. 5G, blockchain and crypto currencies, for instance, are all dependent on satellites and other space-based systems.

Key holdings of Procure Space include Boeing (described above), Iridium Communications, Airbus and Maxar.

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