

SpaceX IPO

Key takeaways and investment implications

June 10, 2026

The largest IPO in history

SpaceX is expected to begin trading Friday, June 12, in one of the largest and most highly anticipated IPOs in history. The company is set to raise around \$75 billion, selling roughly 555 million shares — which represent only 4%–5% of total shares outstanding — for a valuation of approximately \$1.75 trillion.

Pre-IPO demand has been strong, driven by institutional and retail investor interest. Retail investors are expected to account for approximately 30% of IPO allocations, well in excess of most other IPOs, setting the stage for an active and potentially dislocated opening. The offering structure includes multiple share classes. Public investors will receive Class A shares, while insiders and early stakeholders will retain super-voting shares, preserving concentrated control after the listing. Elon Musk will retain ownership of more than 40% of the company and control more than 80% of voting power.

The initial free float is relatively limited because insiders and existing investors hold the majority of shares. This constrained supply, combined with elevated demand, increases the likelihood of heightened price volatility, particularly during the early trading sessions.

Importantly, index-inclusion dynamics are likely to drive additional near-term demand — and volatility — as passive funds and benchmark-aware investors move quickly to establish positions following the listing. Several major index providers, including FTSE Russell and MSCI, have granted SpaceX fast-track entry — notably, S&P Dow Jones has not. Despite the company's large market capitalization, its initial index weight is expected to remain relatively modest due to float-adjusted weighting, which should temper the scale of these flows.

As is typical, lockup agreements are expected to restrict insider selling for approximately 180 days, with the potential for staggered or conditional early releases tied to performance thresholds. These lockup expirations represent future supply events that could introduce additional volatility later in the year.

Overall, the combination of record scale, dual-class structure, limited float, strong demand, and incremental index-driven flows sets the stage for significant near-term trading volatility, both at the open and in the months ahead as additional shares are introduced to the market.

Insights from the &Partners Investment Team

We believe the risk/reward is skewed to the downside by elevated valuation, extremely high expectations to justify that value, concentrated ownership, unusually weak governance, and expected volatility in early trading.

From a valuation perspective, SpaceX is coming to market at a very elevated multiple of revenue (approximately 90x, as it remains unprofitable). This valuation is extremely rich, even compared to high-growth AI and infrastructure companies. It is driven by anticipated value creation, particularly from Starlink's future scale, margin expansion, AI adoption, space exploration, orbital data centers, and colonization of Mars. While these long-term opportunities are substantial, most remain unproven and are subject to execution, future technology, and capital-intensity risks.

We also want to set a practical expectation that trading could be choppy initially for the reasons discussed in this note. Nasdaq can impose trading halts, for example, if a stock's price moves 10% or more in five minutes (T5), if there is extraordinary market activity (T6), or if there is an order imbalance or influx of orders (operational halt).

Stepping back, and as illustrated in the chart below, IPO performance tends to be highly uncertain. We caution investors against any "easy trades" that may be promoted in the popular media.

In summary, we believe the SpaceX IPO offers limited margin for error, with the stock likely to be highly sensitive to any signs of slower growth, pricing pressure, or execution risk. Investors should assess whether SpaceX, or any other investment, aligns with their long-term objectives and consult with their financial advisor.

Largest IPOs by capital raised

Name	Year	IPO size USD	Exchange	Sector	Country	Performance IPO day	Price performance +1 year after IPO
Saudi Aramco	2019	\$25.6B	Tadawul	Energy	Saudi Arabia	-9%	-8%
Alibaba	2014	\$21.8B	NYSE	Technology	China	37%	-5%
SoftBank Corp	2018	\$21.1B	TSE	Telecom	Japan	-15%	-4%
NTT DoCoMo	1998	\$16.1B	TSE	Telecom	Japan	19%	-41%
Visa	2008	\$17.9B	NYSE	Finance	USA	28%	28%
AIA	2010	\$17.8B	HKEX	Finance	Hong Kong	17%	22%
ENEL	1999	\$16.3B	Borsa Italia	Energy	Italy	0%	1%
Facebook	2012	\$16.0B	NASDAQ	Technology	USA	1%	-29%
GM	2010	\$15.8B	NYSE	Automotive	USA	4%	-34%
ICBC	2006	\$14.0B	SSE/HKEX	Finance	China	15%	133%

source: Bloomberg

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