



## Growth Investors: Space Investment Is Only Just Getting Started

### Description

Two big space industry deals made the headlines last week, with **Boeing** and **Maxar Technologies** impressing space investment bulls. It was a neat double-whammy for this event-driven sector, and investors were quick to pour funds into the two stocks amid a grueling week on the North American markets.

From space internet to the extraterrestrial extraction industry, there are some big bucks to be made in off-world commerce. Let's take a look at some frontrunning ideas for investors to get off to a flying start.

### Two key players worthy of investment

Maxar Technologies is an interesting [event-driven stock](#) that can peak and trough quickly after key announcements. The stock jumped last week by +5% after the news broke that the aerospace tech company would be doing business with the Air Force Research Laboratory. A multi-million-dollar deal to rustle up a geospatial intelligence analysis system won favour with investors.

Or take Boeing, with its \$20 million stake in Virgin Galactic. As Virgin Galactic's CEO George Whitesides put it, "There's nobody bigger or better at long range mobility than Boeing." Then again, investors could hold out for Virgin Galactic's IPO later this year.

Then again, investors looking for an indirect play and considering **Tesla** for its connection with SpaceX should bear in mind that these kinds of high-powered stocks aren't necessarily going to be good value for money. Tesla itself trades at almost eight times its actual value in terms of assets, for instance. Still, considering the huge growth potential of the space industry, even Boeing and Tesla could end up looking like ground-level investments.

### What to watch for future patterns

At the end of the day, what draws these companies together at the moment is partnerships. Indeed, buddying up is likely to be a major feature of the commercialization of space. Right now, the driving

force between most contracts is none other than NASA, making the U.S. space department the number one indicator to watch for current areas of investment.

Other sources of [space investment opportunities](#) will come from the private sector, with the Virgin Galactic partnership with Boeing being an illustrative example. While no big names in mining have yet stepped up to the plate, tapping the solar system for mineral resources is also likely to be a huge growth industry once it gets off the ground (pardon the pun), while space internet is another likely source of future upside for investors.

And if the race between **Amazon** and SpaceX to deliver global internet through whole constellations of satellites doesn't hook investors, there's also a source of medical upside: bio-engineering in low gravity could jumpstart breakthrough medical technologies and bring a whole new industry into being, offering ground-level investors potentially stratospheric returns.

## The bottom line

Boeing, Tesla, and Maxar are very different stocks, though they have their similarities. Boeing's involvement with Virgin Galactic takes the aviation stock further in the direction of space tourism — a sector that could see stratospheric growth as the medium becomes more widely affordable for the general public, making the Virgin spinoff a key IPO to watch.

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