



Buy These Stocks to Access a \$1 Trillion Industry About to Take Off

Description

The space industry is yet to become a major mainstream investment theme. However, there are numerous reasons why this is potentially the biggest growth sector imaginable. Space investing belongs in the realm of thematics, which are investment areas covering high concept movements.

Other thematics include AI, the Internet of Things, and electric vehicles. As momentum in these other areas has shown, thematics are hot right now.

For once, the sky is not the limit

The upside potential for space stocks is vast. **Morgan Stanley** has pegged the space industry's value at US\$1 trillion over the next two decades. But shorter-term growth is also achievable.

For instance, **Maxar Technologies** rocketed 27% in five days as of the start of the week. The explosive momentum was generated by NASA's first manned spaceflight from U.S. soil in nine years.

The historic event, made possible by NASA's high-profile partnership with **Tesla** sister company SpaceX, took place Saturday. The takeoff was 50/50 as weather conditions – which nixed its original scheduling – threatened to stall events for a second time.

However, the Crew Dragon spaceship successfully completed a 19-hour voyage to dock with the International Space Station, concluding May 31.

The event was part of a [resurgent American space program](#). NASA has partnered with a range of names that should be familiar to investors. SpaceX has close ties to Tesla via Elon Musk, while Blue Origin can be seen as an **Amazon** spinoff via Jeff Bezos.

One of NASA's primary industrial goals right now is the development of the Artemis Human Landing System, part of America's drive to return humans to the Moon by 2024.

A strong TSX stock for space industry exposure

Maxar is an especially strong play in this area. Its remit covers space tech and geospatial imagery, with a focus on satellites, data, and analytics. In terms of momentum, Maxar is up there with the best tech stocks.

This stock has gained 158% share price growth in 12 months. This name [satisfies the space thematic](#) and also ticks the box for green industries via its involvement in climate monitoring.

There are a few ways to play the rapid advance of the space industry. Investors can take the pure-play route for the most upside potential, but also the greatest potential risk. **Virgin Galactic** IPO'd last year, firing the starting pistol on the race to dominance in space tourism.

Investors can also mull relatively new ETFs, such as the **SPDR S&P Kensho Final Frontiers ETF**. Final Frontiers aims to be a catch-all for the space industry.

Alternatively, investors can seek lower exposure plays, such as **Rio Tinto** or **Lockheed Martin**. Miners are a lower risk play on space industry for their likely involvement in off-world mineral acquisition.

Rio Tinto is a fairly safe bet in particular, given its broad economic moat and stated interest in this venture. Meanwhile, aerospace stocks such as **Boeing** present beaten-up entry points for space industry partnerships.

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