50 years on from the first moon landing a new space race is underway

Investment is growing...

SPACE EXPLORATION AND DEVELOPMENT COMPANIES
FOUNDED 2000-2017

with falling launch costs creating new opportunities for rocket-led space missions...

...broadening the range of potential wider long-term investment opportunities

Source: Northern Sky research as at 10 July 2018.

*As of 21 March 2019. Antares/Falcon Heavy and SLS launch costs estimated. Source: NASA, ESA, CBO, Company data, SpaceNews, Goldman Sachs Investment Research. LEO = Low Earth Orbit and refers to orbits lower than 2,000km from earth.

Source: Northern Sky research as at 10 July 2018.

Shows the percentage of investment per segment in 2017 and the first two quarters of 2018.

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As technology improves, interest in space travel has once again increased. This year marks the 50th anniversary of the first moon landing and today, a generation of dedicated entrepreneurs and other investors are driving a new space race and helping develop this field. Where once the U.S. and ex-Soviet Union vied for supremacy in space travel, countries like India and China are also now heavily involved with the sector.

While I believe this is a very long-term prospect, improvements in technology and innovation, plus falling costs look set to drive progress in space travel and could drive further investment in areas such as space tourism or even, in the longer term, exploiting valuable mineral reserves on asteroids or other planets.

In my opinion investing in the companies developing rockets could be highly speculative, but looking at the supply chain, any reduction in weight could lead to significant fuel savings and 3D printing techniques in particular appear well suited to developing new structures that reduce material and weight, while aiming to ensure structural strength is retained. All of this could lead to potential investment opportunities in this and other space-related areas in the future.

Paul Flood, portfolio manager. Newton, a BNY Mellon company
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