SPACEX

Space Exploration Technologies Corp. | Nasdaq: SPCX | Launch, Starlink, AI computing and models | Starbase, Texas

Tommy Lau | 2 November 2026 | Initiation of coverage | Independent research

NO CALL	**Target price:** None (no call)	**Last price:** US$134.72 (Nasdaq close, 30 October 2026)	**Upside:** Base value US$112 (-17%)

SpaceX's price leaves about US$404 billion for businesses it does not yet report. Orbital compute is the largest of them.

My journal piece of 2 November argued that in orbit the power is nearly free and the heat is the bill: by the end of 2028 no compute satellite will be in service at SpaceX's own target of 100 kW per tonne launched, and no launch price will reach US$200 a kilogram. SpaceX reports no orbital compute business, so this note values the three it does report and asks how much of the price is left for orbit.

On my 2027 estimates, Starlink, the AI business and launch are worth about US$1.37 trillion. The market's enterprise value is US$1.78 trillion, which leaves about US$404bn, 23% of it, for Starship beyond launch, spectrum, chips and orbit. SpaceX states a "vehicle efficiency" of 75 kW per ton for its first AI satellite: a quarter short of its target if that is compute per metric ton.

My call: NO CALL, medium conviction. My base value is US$112, down 17%, inside my no-call band, within a range of US$45 (down 66%) to US$203 (up 50%). I would revisit above about US$150 or below about US$98.

Stock data

LAST PRICE
US$134.72, close 30 October 2026; IPO at US$135.00 on 12 June 2026; highest close US$211.39 (16 June 2026); lowest US$108.27 (5 August 2026)

MARKET VALUE
About US$1.83 trillion on 13,581m Class A and B shares (15 Oct 2026); EV US$1.78 trillion

BALANCE SHEET, 30 SEP 2026
Cash and securities US$89.9bn; debt and finance leases US$38.8bn

Q3 2026
Revenue US$14.6bn (up 161%); Adjusted EBITDA US$8.8bn; SI US$7.6bn, Starlink US$5.2bn, Space US$1.8bn

GUIDE
Q1 2027 revenue US$33bn to 37bn; Q4 2026 capex US$35bn to 40bn

CONSENSUS (YAHOO, 2 NOV)
2027 revenue US$180bn (range 72 to 290); EPS US$4.03; P/E 33.4x

CONTROL
Elon Musk about 82% of votes after the IPO; a controlled company

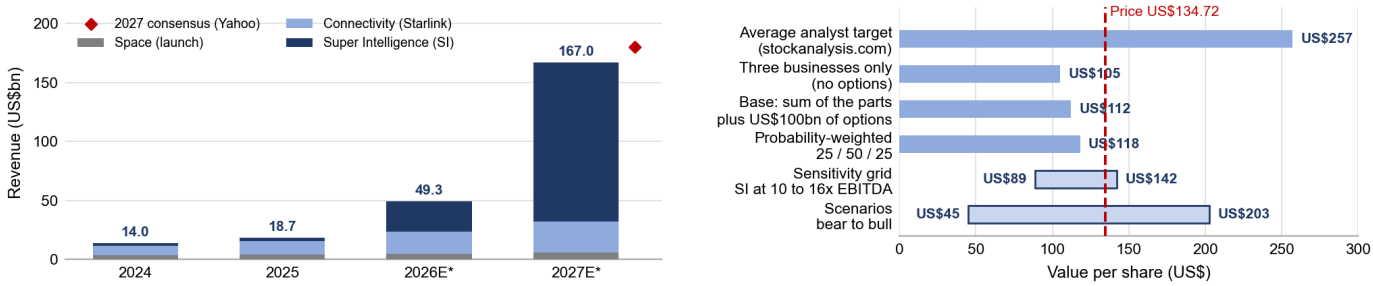
NEXT EVENTS
Starship Flight 15 (about November); 180 day lock-up ends 8 Dec 2026; Q4 results date not announced

Key financials (US$ billion; Segment Adjusted EBITDA is SpaceX's measure)

	2024A	2025A	9M 2026A	2026E*	2027E*	2027 consensus
Space (launch) revenue	3.8	4.1	3.3	4.7	6.0	
Connectivity (Starlink) revenue	7.6	11.4	12.8	18.6	26.0	
Super Intelligence (SI) revenue	2.6	3.2	10.9	25.9	135.0	
Total revenue	14.0	18.7	27.1	49.3	167.0	180.4
Connectivity Segment Adjusted EBITDA	3.8	7.2	8.2	12.1	17.7	
SI Segment Adjusted EBITDA	0.3	(1.2)	5.5	12.2	64.8	
Space Segment Adjusted EBITDA	1.2	0.7	(0.2)	(0.05)	0.6	
Capital spending	11.2	20.7	48.1			

**2026E is the first nine months as reported plus my fourth quarter; 2027E is mine, not SpaceX's. 2024 and 2025 from the final prospectus (424B4, 12 June 2026; 2024 segment revenue derived from the reported 2025 increases); 9M 2026 from the results release of 20 October 2026. SI was reported as the AI segment until the third quarter. Consensus: Yahoo Finance, 37 analysts, 2 November 2026. Brackets are negative.*

Two charts: where the revenue is going, and a valuation that sits below the price

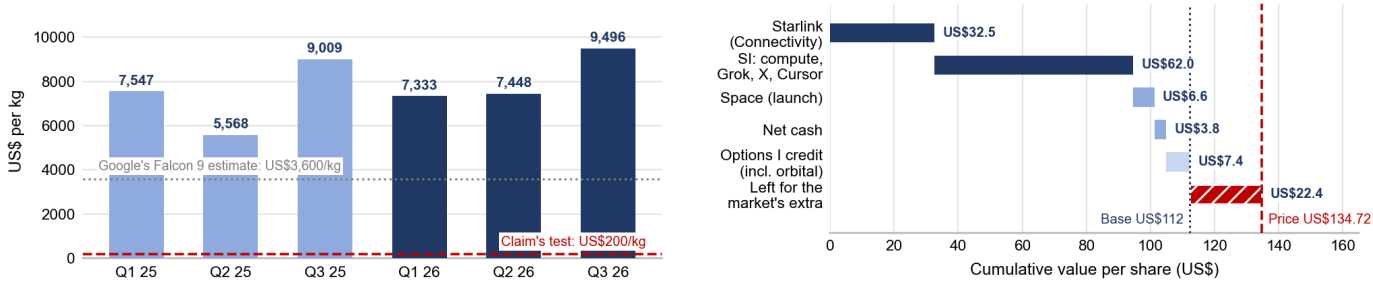


Left: revenue by segment; 2026E and 2027E are mine, the red marker the 2027 consensus. Right: value per share from the scenarios, the sensitivity grid, the weighted cases, my base and the three businesses alone, against the US$134.72 price (red) and the average analyst target.

The thesis: the courier, the phone network, and fins nobody has weighed

Think of a sealed vacuum flask on a sunny windowsill with a laptop inside. The sun charges it for nothing, but the flask traps the heat, so the laptop needs a black fin to glow the heat away, and every fin goes up by courier, charged by the kilogram. A buyer of SpaceX buys the courier, a phone network in the sky and a large ground data centre business. The buyer is also asked to pay for fins nobody has yet weighed in orbit.

SpaceX reports three segments. Space is launch: Falcon 9, Falcon Heavy, Dragon and Starship's development. Connectivity is Starlink. Super Intelligence holds xAI, X and, since 14 August, Cursor, bought for an implied US$60bn. It rents computing capacity and sells Grok, advertising and software. In the third quarter SI brought in US$7.6bn, against US$5.2bn for Starlink and US$1.8bn for Space, and earned US$5.0bn of Segment Adjusted EBITDA. One SI customer, Customer B, supplied 34.5% of all revenue. Orbital compute appears in none of this; the 10-Q of 22 October does not mention it.



Left: launch services revenue over customer payload mass, US$ per kg, my arithmetic from the 8-K releases of 4 August and 20 October 2026; Q1 figures are the half year less the second quarter. Not a list price. Right: my base sum of the parts per share, built up part by part; the hatched red bar is what the price pays beyond it.

SpaceX's own Starmind page, read on 2 November, describes its AI satellite, AI1: up to 250 kW of compute at peak and 175 kW on average, a 160 m² liquid radiator, a 210 kW solar array and a "vehicle efficiency" of "75 kW / ton", without saying whether that is compute or solar power, or which ton. Read as compute per metric ton, it is 25% short of the 100 kW target the claim tests. On average compute it implies about 2.3 tonnes a satellite, on my arithmetic; a radiator of that area at the space station's 14 kg per m² would weigh about 2.2 tonnes on its own.

The launch side says the same from SpaceX's books. In the first nine months of 2026 launch customers paid US$2,108m for 251 tonnes of payload: about US$8,400 a kilogram, 42 times the US$200 the claim tests. Revenue per kilogram is a mix of missions, not a price list, and Starship has flown only SpaceX's own payloads. Nothing in the record points to US$200 soon.

The first satellites fly in 2027. On the third quarter call of 20 October, Gwynne Shotwell, SpaceX's president, said, in SpaceX's own transcript, "we'll begin flying Mobile V2 and Starmind satellites in 2027", and the Starmind page plans "thousands of AI satellites starting as soon as late 2027", a year ahead of the prospectus. No satellite in service has yet shown what a kilowatt in orbit weighs; the 75 kW per ton on the AI1 page is a design figure, with its basis unstated. The claim stands: the test may come a year sooner, and the design figure SpaceX has shown, read as compute per metric ton, sits below the target the claim names.

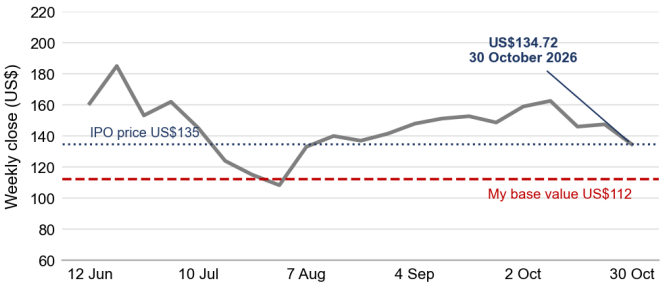
Variant perception: what the market prices in, and where I differ

At US$134.72 SpaceX trades at 33.4 times the 2027 consensus EPS of US$4.03, and its enterprise value is 9.9 times 2027 consensus revenue of US$180bn. The estimates run from US$72bn to US$290bn of revenue. The guide is steep: US$33bn to 37bn of revenue in the first quarter of 2027 alone, US$100bn of annualised revenue by the end of 2026, nameplate compute of 2.5 to 3 GW by then, and, in Musk's words, surprise at less than 13 GW by the end of 2027. Fourth quarter capital spending is guided at US$35bn to 40bn.

What the price leaves. I take most of that at face value. The three businesses come to about US$1.37 trillion on my 2027 estimates, against an enterprise value of US$1.78 trillion. The difference, about US$404bn or 23%, about US$30 a share, is what the price pays for beyond them: Starship beyond its launch revenue, Starlink Mobile, the Terafab chip plant, and orbital compute, the largest and the one SpaceX puts at the centre of its story.

The gap in the piece's units. My SI value is about US$65bn per GW of the 13 GW Musk expects by the end of 2027. At that rate the gap buys about 6.2 GW of orbital compute, before any discount for time: about 36,000 AI1 satellites, or about 83,000 tonnes at 75 kW per ton read as compute per metric ton, about 38 times all the mass SpaceX launched in 2025.

Where I differ. If the claim holds, the satellites flown by the end of 2028 will be heavier per kilowatt than the target and launch will still cost far more than US$200 a kilogram, so orbit cannot earn its share of the gap within any horizon I can value. I credit US$100bn to all unreported options together, which leaves about US$304bn, roughly US$22 a share, for orbit and the other bets to earn. That argues for caution, not a short: the price sits about 20% above my base, not twice it, and the bigger twelve-month swing is the ground business, whether SI reaches its guide, at what margin, and whether Customer B stays.



Date	What happened	Close
12 Jun 2026	IPO at US$135.00; first close	US$160.95
16 Jun 2026	Highest close; intraday high US$225.64	US$211.39
5 Aug 2026	Lowest close; Q2 results were filed on 4 August	US$108.27
21 Oct 2026	Day after Q3 results, +7.8%	US$159.31
30 Oct 2026	Latest close, 36% below the high	US$134.72

Left: SpaceX weekly close since the IPO, against the IPO price and my base value (red). Yahoo Finance history pages, read 2 November 2026. Right: closes on dates that matter; results are released after the market closes.

Valuation, with the working

I value SpaceX as a sum of its parts on my 2027 estimates, the year the market will price by October 2027. Starlink and SI are valued on Segment Adjusted EBITDA; Space on revenue, because Starship spending holds its earnings near zero. I add net cash of US$51.0bn at 30 September and divide by 13,581m shares. I do not deduct fourth quarter capital spending or the US$40bn Apollo GPU lease committed to on 24 October, because both buy capacity my 2027 estimates assume. SI's margin is 48%, between the second quarter's 45% and the third's 66%; the finance chief expects fourth quarter company gross margins closer to the second quarter's, citing one-time benefits and customer mix in the third. My 2027 revenue sits 7% below consensus.

Sum of the parts, base case

Part	Basis, US$bn	Multiple	Value, US$bn	Share	Per share
Connectivity (Starlink)	2027E EBITDA 17.7	25x	442	29%	US$32.5
Super Intelligence	2027E EBITDA 64.8	13x	842	55%	US$62.0
Space (launch)	2027E revenue 6.0	15x	90	6%	US$6.6
Net cash, 30 Sep 2026			51	3%	US$3.8
Options, including orbital compute*			100	7%	US$7.4
Equity value			**1,525**	**100%**	**US$112.3**

**My estimate of everything not in the three segments today. Multiples are mine, set against trailing peers (table below): Starlink at 25x against T-Mobile US at 7.9x, because it grew 69% last quarter at a 67% margin; SI at 13x forward, below CoreWeave at 20.1x and Oracle at 15.3x trailing, because rented computing needs constant new chips; Space at 15x revenue, below Rocket Lab's 39.7x, because Falcon is mature.*

Scenarios: three cases, twelve months out

Case	What happens	SI 2027 EBITDA	SI multiple	Options	Value	Change	Weight
Bear	Rented-compute prices fall; SI US$90bn at 40%; Starlink 15x	US$36bn	8x	none	US$45	down 66%	25%
Base	SI US$135bn at 48%; Starlink 25x	US$64.8bn	13x	US$100bn	US$112	down 17%	50%
Bull	SI US$175bn at 55%; Starlink 35x; orbit priced	US$96bn	16x	US$300bn	US$203	up 50%	25%
Weighted	**25 / 50 / 25**				**about US$118**	**down 12%**	

Space and Starlink revenue also move in each case (Assumptions and Scenarios tabs in the model). Net cash is held at 30 September. The bull case is the one in which the market's extra is earned, orbital compute included.

Sensitivity: SI 2027 EBITDA against its multiple

SI EBITDA	10x	13x	16x
US$52.0bn	US$89	US$100	US$112
US$64.8bn	US$98	**US$112**	US$127
US$78.0bn	US$108	US$125	US$142

With everything else at base, only 1 of the nine cells, the bottom right, sits above the price, and 3 sit 25% or more below it. None sits 15% above. Under my rule a short needs the base 25% or more below the price and a long needs it 15% above. At 17% below, the base is a no call.

Peer landscape

Company	Ticker	EV, US$bn	EV/EBITDA	EV/sales	What they do
SpaceX	SPCX	1,780	n/m	55.5x	Launch, Starlink, AI compute and models
Oracle	ORCL	528	15.3x	7.4x	Cloud and AI data centre capacity, software
CoreWeave	CRWV	76	20.1x	10.1x	Rents GPU computing capacity
Nebius	NBIS	44	n/m	32.8x	Rents GPU computing capacity
T-Mobile US	TMUS	279	7.9x	3.0x	Mobile and broadband network
AST SpaceMobile	ASTS	17	n/m	144.4x	Satellite to phone broadband (pre-revenue scale)
Rocket Lab	RKLB	30	n/m	39.7x	Small launch and spacecraft

Trailing multiples from stockanalysis.com, 2 November 2026, at the 30 October close; n/m where EBITDA is negative or not meaningful (Nebius 172x). SpaceX's own EV/sales is trailing. Multiples only set my ranges; no view on the peers' shares is expressed.

Catalysts

When	Event	What I watch
About November 2026	Starship Flight 15, with an attempt to catch both stages	Reuse is what moves cost per kg
8 December 2026	Last of the 180 day lock-up ends (424B4); Musk's and the extended lock-ups run to mid 2027	Supply of shares
By end 2026	Apollo GPU lease (about US$40bn) expected to close	Funding of the 2027 ramp
Early 2027 (date not announced)	Q4 2026 results	SI revenue and margin; Customer B; the 2027 path
2027	First Starmind (AI1) satellites; Google and Planet's prototypes	Any weighed kW per tonne in service
Open	Tesla and SpaceX special committees	Terms, and who pays whom
31 December 2028	My piece's claim is tested	100 kW per tonne in service; US$200 per kg published

Risks: what would hurt the view, either way

SI misses the ramp. Revenue must more than double from the third quarter of 2026 to the first of 2027. Musk aims to "rent at effectively the spot-market rate" rather than sign long-term deals; if rented-compute prices fall as capacity floods in, revenue and margin fall together. That is most of the bear case.

One customer. Customer B was 34.5% of third quarter revenue, and one customer held 27.7% of receivables on 30 September. SpaceX does not name it.

Cash and debt. Capital spending was US$48.1bn in nine months, with US$35bn to 40bn more guided for the fourth quarter, US$25bn of bonds issued in June and a binding commitment to a US$40bn GPU lease. A slower ramp leaves that spending earning less.

Control and Tesla. Musk held about 82% of the votes after the IPO. Both boards have special committees studying a combination with Tesla; the terms could move value either way, and any deal also needs Musk's approval as controlling shareholder.

Orbit works. If a satellite flies at 100 kW per tonne by 2028, or launch reaches US$200 a kilogram, the gap could be earned. That is the bull case's option value, and the claim's falsifier.

What would change my mind

Towards a short: a price above about US$150, where my base would sit 25% below it. **Towards a long:** a price below about US$98, where it would sit 15% above, or a weighed AI satellite in service at 100 kW per tonne, which would break my claim and lift the option value.

The view is wrong if the shares close above US$175 or below US$90 on 29 October 2027, or SpaceX's reported 2027 revenue lands below US$130 billion or above US$260 billion, either of which would put my base value outside the no-call band at today's price.

Conclusion

The November piece argued that in orbit the heat is the bill. SpaceX's own disclosures since say the same: its first AI satellite is designed at a stated 75 kW per ton against a 100 kW target, and its launch customers paid about US$8,400 a kilogram this year against a US$200 test. The first satellites are due in 2027. For the shares, orbit is a gap, not the whole price. The three reported businesses explain about three quarters of the enterprise value; the rest, about US$404bn, rests on bets that earn nothing yet. My call: NO CALL, medium conviction; base value US$112, range US$45 to US$203.

Appendix: forecast assumptions

Assumption	2026E	2027E	Basis
Starlink revenue growth	63%	40%	Q3 2026 grew 69% year on year; 13.6m consumer subscribers
Starlink margin	65%	68%	Q3 2026: 66.7%
SI revenue, US$bn	25.9	135	Q1 2027 guide US$33bn to 37bn for the whole company
SI margin	47%	48%	Q2 2026 44.7%, Q3 2026 65.5%
Space revenue, US$bn	4.7	6.0	Falcon pipeline; Starship customers later
Shares, m	13,581		Class A and B at 15 October 2026; awards and options excluded

Full workings, with live formulas, in the accompanying model, 2026-11-02_SpaceX_Model.xlsx.

Sources

SpaceX final prospectus (Form 424B4), 12 June 2026, for 2023 to 2025 and first quarter 2026 results, segment data, the lock-up schedule, voting control and the orbital compute disclosure. SpaceX results releases on Form 8-K, Exhibit 99.1, 4 August and 20 October 2026, for quarterly segment data, capital spending, launch services revenue, customer payload mass, Starlink subscribers and nameplate compute. SpaceX Form 10-Q for the quarter to 30 September 2026, filed 22 October 2026, for shares outstanding, backlog, customer concentration and the Tesla special committee. SpaceX Forms 8-K of 23 and 26 June, 14 August and 26 October 2026. SpaceX third quarter 2026 webcast, 20 October 2026, SpaceX's edited transcript at ir.spacex.com. SpaceX Starmind page (spacex.com), read 2 November 2026. Share prices and consensus from Yahoo Finance history and analysis pages, read 2 November 2026; average target and peer multiples from stockanalysis.com, 2 November 2026. Estimates for 2026 and 2027 are the author's own.

About this note

I wrote this note and built the accompanying model independently. It is not a product of any bank or broker. It tests a claim from my journal piece of 2 November 2026, thephysicallayer.fyi/journal/data-centres-in-space; all notes and their track record are at thephysicallayer.fyi/research. Figures from company filings are labelled as such; derived figures are marked; the forecasts and view are my own estimates and my own view. I hold no position in SpaceX. Personal research, not investment advice.

Tommy Lau | The Physical Layer | thephysicallayer.fyi