Is Space the Next Frontier

for Investors?

MSCI’s first ever space-themed index.

Powering better investments for a better world.

msci.com

Emerging Trends in the Space Industry

From an investment standpoint, the space industry is a broad opportunity set which can be divided into three sub-categories:

- Emerging Trends
- Technologies
- Other relevant products and services

In e-commerce, drone capabilities are evolving rapidly. Consumers could enjoy greater convenience at an even lower cost, if costs can be reduced. With 3D printing, objects are grown layer-by-layer. This is the opposite of traditional methods where material is removed from larger blocks. The cost of launching a single satellite in geostationary orbit (GEO) may cover a larger area, but its slow response times are insufficient for supporting autonomous commerce, drone delivery, and other relevant applications. In fact, there are over 1,700 active satellites orbiting the Earth today. Combined with other aerospace innovations, recent technological breakthroughs have dramatically reduced the cost of rocket launches. The 5% of rocket launches that are reusable translates into greater satellite connectivity.

One of the biggest opportunities, and satellite connectivity. These sectors can leverage the aforementioned trends to unlock new and powerful capabilities.

The last segment of the space industry includes urban air mobility, satellite imaging, and satellite communication. These sectors can benefit from the performance of companies associated with developments in orbital and sub-orbital spaceflights. From an investment standpoint, the space industry is a broad opportunity set which can be divided into three sub-categories:

1. Emerging Trends
2. Technologies
3. Other relevant products and services

Technologically enabled products and services for space exploration include:

- Advanced drones for logistics
- Autonomous delivery robots
- 3D printing

These technologies have the potential to unlock value and are increasingly being integrated into the world’s underserved. Combined with other aerospace innovations, recent technological breakthroughs have dramatically reduced the cost of rocket launches. The 5% of rocket launches that are reusable translates into greater satellite connectivity. These sectors can leverage the aforementioned trends to unlock new and powerful capabilities.

Introducing the MSCI Space Exploration Index

The MSCI Space Exploration Index is developed in collaboration with ARK Invest, and aims to represent the performance of companies associated with developments in the Space Industry. This index is available in five regions:

- Developed Markets
- Emerging Markets
- Global
- United States
- Japan

The index includes three sub-categories:

- Opportunity Set
- Upended
- Sub-Category

For more information on the MSCI Space Exploration Index, please visit msci.com.

© 2021 MSCI Inc. All rights reserved

*Prices given are for members with a subscription.

**Most bike couriers do not travel more than 10 miles. This is an estimate for a 10 mile delivery.

*Statistics may not total 100 due to rounding.

© 2021 MSCI Inc. All rights reserved

This document presents partial information from MSCI’s proprietary databases and related applications. The information contained herein is intended for professional investors and is not intended for, nor is it suitable for, any other audience. This document is not an offer to sell or a solicitation of an offer to buy any security, nor is it an offer to provide any investment advisory or other services. This document is not intended to be the subject of, and is not intended to be considered as, investment advice or any recommendation or endorsement to buy, sell, or hold any security or instrument. MSCI makes no representation or warranty as to the accuracy of any data in this document. No part of this document may be reproduced or transmitted in any form without the prior written permission of MSCI.

© 2021 MSCI Inc. All rights reserved

This document presents partial information from MSCI’s proprietary databases and related applications. The information contained herein is intended for professional investors and is not intended for, nor is it suitable for, any other audience. This document is not an offer to sell or a solicitation of an offer to buy any security, nor is it an offer to provide any investment advisory or other services. This document is not intended to be the subject of, and is not intended to be considered as, investment advice or any recommendation or endorsement to buy, sell, or hold any security or instrument. MSCI makes no representation or warranty as to the accuracy of any data in this document. No part of this document may be reproduced or transmitted in any form without the prior written permission of MSCI.

© 2021 MSCI Inc. All rights reserved

This document presents partial information from MSCI’s proprietary databases and related applications. The information contained herein is intended for professional investors and is not intended for, nor is it suitable for, any other audience. This document is not an offer to sell or a solicitation of an offer to buy any security, nor is it an offer to provide any investment advisory or other services. This document is not intended to be the subject of, and is not intended to be considered as, investment advice or any recommendation or endorsement to buy, sell, or hold any security or instrument. MSCI makes no representation or warranty as to the accuracy of any data in this document. No part of this document may be reproduced or transmitted in any form without the prior written permission of MSCI.

© 2021 MSCI Inc. All rights reserved

This document presents partial information from MSCI’s proprietary databases and related applications. The information contained herein is intended for professional investors and is not intended for, nor is it suitable for, any other audience. This document is not an offer to sell or a solicitation of an offer to buy any security, nor is it an offer to provide any investment advisory or other services. This document is not intended to be the subject of, and is not intended to be considered as, investment advice or any recommendation or endorsement to buy, sell, or hold any security or instrument. MSCI makes no representation or warranty as to the accuracy of any data in this document. No part of this document may be reproduced or transmitted in any form without the prior written permission of MSCI.

© 2021 MSCI Inc. All rights reserved

This document presents partial information from MSCI’s proprietary databases and related applications. The information contained herein is intended for professional investors and is not intended for, nor is it suitable for, any other audience. This document is not an offer to sell or a solicitation of an offer to buy any security, nor is it an offer to provide any investment advisory or other services. This document is not intended to be the subject of, and is not intended to be considered as, investment advice or any recommendation or endorsement to buy, sell, or hold any security or instrument. MSCI makes no representation or warranty as to the accuracy of any data in this document. No part of this document may be reproduced or transmitted in any form without the prior written permission of MSCI.