



**REGISTERED INVESTMENT ADVISOR SINCE 1982**

## **NEWSLETTER**

FEB 2026 • VOLUME 34 • ISSUE 2

### **ROCKET MAN**

*By Trace Dixon*

In mid-January, SpaceX received federal approval to increase its Starlink constellation to 12,000 individual satellites. And to think, only 70 years ago humanity put the first satellite into orbit! That satellite, the Soviet Sputnik-1, made “beep-beep” sounds on the radio for three weeks until its batteries died and it fell back to Earth. These latest Starlink satellites feature *“multi-band, phased array antennas and optical links for high bandwidth communication, Krypton/Argon-fueled ionized Hall Thrusters for autonomous orbit adjustments and deorbiting at end-of-life, automatic star trackers and multi-laser connection to other satellites in their constellation for precise automatic steering and positioning, and a dual solar array feeding high-capacity batteries that allow for a standard lifetime of approximately 5 years.”* Put another way, they let you watch funny cat videos from anywhere on earth and take extra care to not accidentally fall out of the sky and land on your head.

Not only are today’s satellites more advanced, but the means to place them into orbit have come a long way too. The rocket that carried Sputnik (which in a brilliant stroke of Russian creativity was also named Sputnik) was just under 100 feet tall, could carry 1 ton of cargo, and was a repurposed Cold War missile. The SpaceX Falcon 9 rocket by comparison is 230 feet tall, can carry up to 22 tons of cargo, and is reusable, with the most successful having

completed 32 missions and counting. Speaking of success, Sputnik (the rocket) was successful on 3/4 attempts over a 2-year period. The Falcon 9 Block 5 has a success ratio of 538/539 launches since 2018. One failure for each, but over 130 times more attempts. There are currently estimated to be a fleet of these 26 F9B5 Rockets active for 2026, although there is no official number for this, SpaceX likes to keep a few secrets hidden like Atlantis.

It's not just SpaceX, who has set a goal to launch 300 rockets in 2026, that is on the rise. Jeff Bezos’ Blue Origin is seeing success too, with two reusable rockets currently in use. They have so far completed 23 successful missions in total, but Blue Origin’s focus has been more on manned spaceflight and “space-tourism” rather than unmanned cargo hauling. As comical as the idea of heading for the cold darkness of space for 10 minutes to get away from the hustle and bustle of life is, space-tourism has reportedly generated over \$100 Million in revenue for Blue Origin and has carved out an effective niche for the company. That separation won’t last much longer though, Bezos’s other Endeavor Amazon has ramped production on a product designed as a Challenger for SpaceX’s Starlink. “Amazon Leo” is hoping to offer satellite internet via its own constellation of 3,236

satellites and has begun to roll out its services this year.

Part of that array is being launched with the help of long-time rock establishment ULA, a joint venture between Boeing and Lockheed Martin. ULA's primary Enterprise is contracts from the federal government. Their rockets are older heavier, and more expensive than the newer competition, however ULA has decades of understanding how to work through government contract requirements and regulations. They have a backlog of demand for the Vulcan Centaur rocket that stretches into 2028 with more contracts expected. And while NASA's upcoming Artemis mission will be using SpaceX's Falcon Heavy and Blue Origin's New Glenn for the bulk of their missions, there is still a big faction of decision makers in the District of Columbia that prefer ULA's Space-Launch-System and are lobbying for its use in the lunar landings.

So why bring attention to all of these Endeavors now. Outside of the innovations in reusable rockets, there haven't been much in the way of new space Discovery for quite some time. But with momentum building, there is considerable belief that is soon going to change. Beyond growing competition in the "space internet" space, that aforementioned Artemis lunar program very well might've launched its first crewed spaceflight orbiting the moon by the time you're reading this

letter. SpaceX was also considering going public; however, that plan has instead morphed into a merger with his company xAI with the reasoning being a drive on his part to launch AI data centers in orbit – a plan that has piqued the interest of other tech and communication firms like Microsoft, Nvidia, Meta, and Google. That means more potential for the "Mag 7" and their adjacent sectors to continue with their atmospheric growth. There are also expected benefits for the aerospace and defense sectors for more classic rocket science reasons, and for American manufacturing as seen in the Huntsville Alabama region, where manufacturing investment in the last decade is numbering well into the hundreds of millions of dollars.

We at SCS are taking these developments into consideration and working to see how they might play a role in how we manage money. Exposure to the Communications and Technology sectors as well as more niche investments in Aerospace and Defense and American Manufacturing have the potential to help provide additional possibilities for growth in a market that is still showing high levels of volatility. As always, let us know if you have any questions concerning your account.

Also, be sure to read this month's newsletter closely and see if you can spot all the names of the seven Space Shuttles hidden throughout this article.

## Reminders

- Last day to contribute to 2025 IRA or Roth is April 15, 2026.
- Last day to file 2025 Income Taxes or file for an extension is April 15, 2026.
- 2026 IRA and Roth Contribution limits are increasing this year: \$7,500. Individuals ages 50 and older are allowed an additional \$1,100 catch up contribution making a total of \$8,600.
- Tax Deadline for all who filed an extension with the IRS is October 15, 2026.
- December is the final month for taking 2026 Required Minimum Distribution, ages 73 and up and any applicable Inherited IRAs.

**Please remember to notify us if you have had any material changes in your financial circumstances.**