



Rooted in Thought

December 11, 2025

No Gravity

[According to media reports](#), one of Elon Musk's companies, SpaceX, is exploring an Initial Public Offering (or "IPO") in 2026. Its goal is to raise \$30 billion at a \$1.5 trillion valuation. For context, SpaceX has never earned a profit and anticipates \$15 billion of revenues in 2025. It expects an IPO valuation of 100x revenues, in other words. SpaceX defies financial and galactic gravity alike.

What is One Trillion Dollars, Anyways?

Speaking of trillion-dollar IPOs, what does \$1 trillion actually mean? Howard Marks of Oaktree Capital recently put "trillion" into context in a fantastic memo found [here](#). He writes,

"A million dollars is a dollar a second for 11.6 days. A billion dollars is a dollar a second for 31.7 years. We get that. But a trillion dollars is a dollar a second for 31,700 years. Who can get their head around the significance of 31,700 years?"

Let's try to get our heads around 31,700 years of earning a dollar per second. A dollar per second is \$31,556,736 per year (365.24 days/year). The first human arrived in North America 30,000 years ago. If our first American ancestor earned \$31,556,736 every year between then and now, he/she would still be \$53.6 billion short of having \$1 trillion stacked in the corner of some cave.

The first human evolved 300,000 years ago, but easy money seems to bring out the chest-thumping ape within us. Don't be an ape and lose your head. Some companies are worth \$1 trillion, but one with \$15 billion of revenues? Maybe on Mars, but not on this planet.

Michael Burry of The Big Short

If you watched *The Big Short*, which was based off the book by Michael Lewis, you will recall the quirky character played by Christian Bale. Mr. Bale's character was based on Michael Burry, one of the first investors to bet against subprime mortgage securities. Mr. Burry rarely does interviews, but he spoke with Michael Lewis recently. His thoughts on markets are interesting. Listen [here](#).