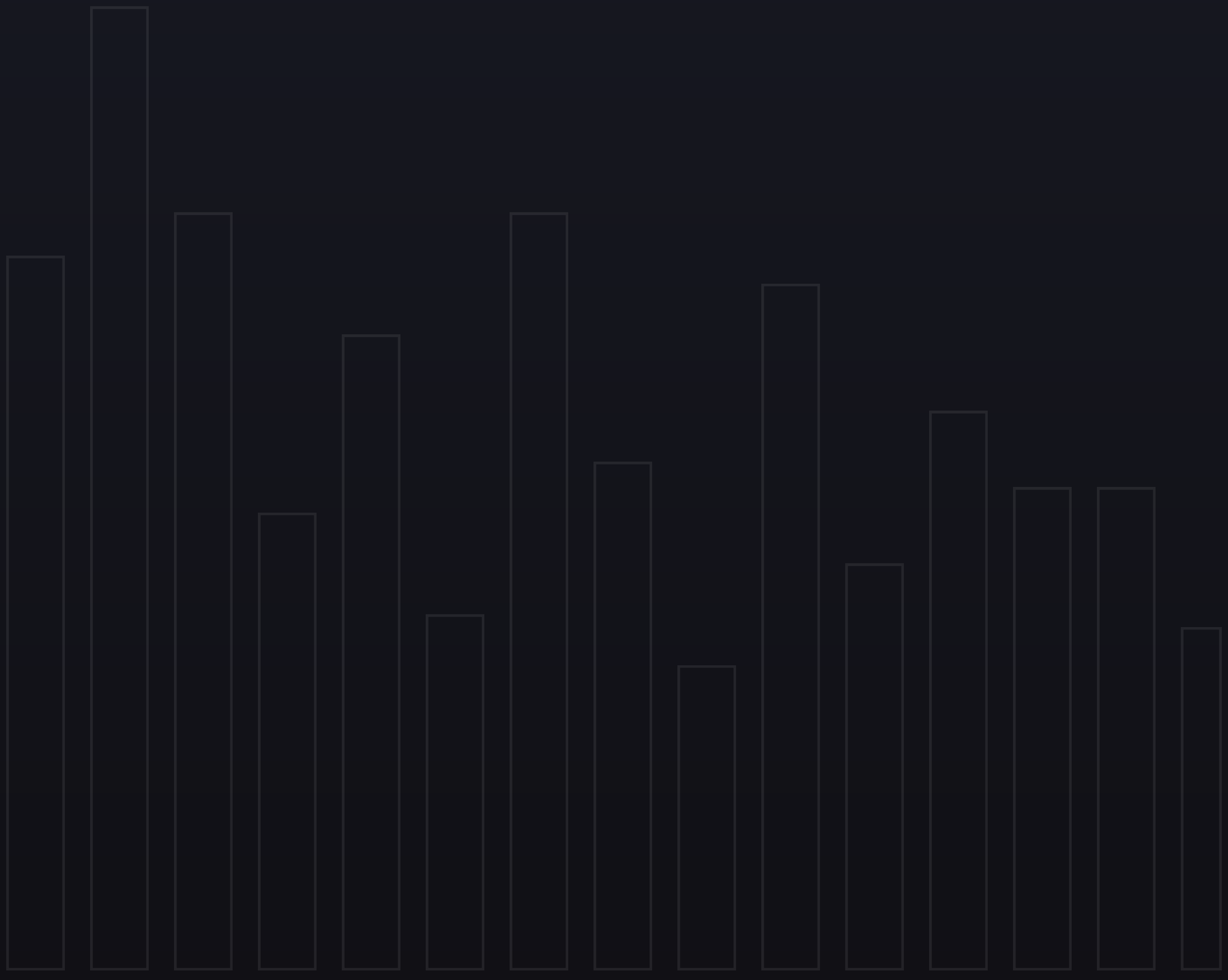
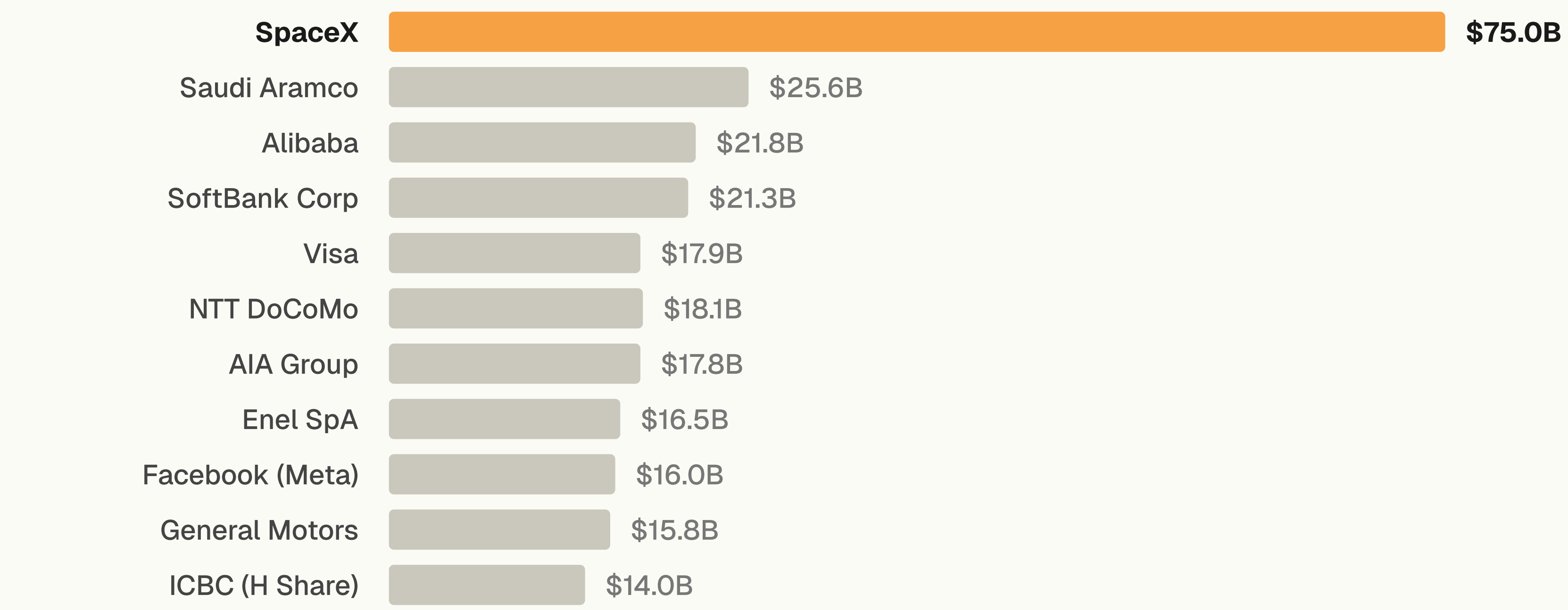
Are Inspire ETFs Doomed Without SpaceX (SPCX)?



It comes as no surprise that SpaceX's recent IPO has generated extraordinary media attention. As the largest initial public offering in history by capital raised, SpaceX represents a landmark moment in financial markets. As shown in Figure 1, the company's projected IPO was nearly three times larger than the previous record-holder, Saudi Aramco, which went public on December 11, 2019. In reality, SpaceX exceeded even those projections, ultimately raising approximately $85.7 billion.

The biggest IPOs, by capital raised

SpaceX's $75 billion raise is nearly three times the previous record



Data source: Bloomberg, Renaissance Capital

Figure 1 – Sourced From The Motley Fool: https://www.fool.com/research/biggest-ipos-ever/

Coinciding with the IPO, Inspire Insight released its biblical values assessment of SPCX. The research identified significant **Exploitation and Sexually Explicit** violations that resulted in the company receiving an Inspire Impact Score of -81 (shown in Figure 2), making it ineligible for inclusion in Inspire's ETF lineup.

Specifically, Inspire's research found that SpaceX subsidiary xAI operates the artificial intelligence platform Grok, which allows users to generate sexually explicit images, videos, and text conversations. The platform also includes NSFW (Not Safe For Work) and 18+ settings that enable nudity in image and video generation, as well as written depictions of explicit sexual content.

Figure 2 • Scorecard

-81

Inspire Impact Score

- Exploitation
- Sexually Explicit

Ineligible for ETF

Additionally, xAI is the parent company of X Corp., which operates the social media platform X (formerly Twitter). X permits users to post images and videos depicting nudity and graphic sexual content, including promotional material directing users to pornography platforms such as OnlyFans. Beyond these concerns, the National Center on Sexual Exploitation (NCOSE) has identified X as failing to adequately address child sexual abuse material on its platform. According to NCOSE, the company has not only failed to act in certain reported cases but continues to facilitate the spread of child sexual abuse material, image-based sexual abuse, AI-generated deepfake pornography, prostitution and sex trafficking, and other forms of online exploitation.

-81

SPCX Scorecard

Inspire Impact Score

INELIGIBLE FOR ETF

The Inspire Impact Score is a proprietary methodology reflecting Inspire's interpretation of publicly available and third-party information regarding biblical values alignment.

Exploitation Violation **Sexually Explicit Content**

Figure 2 – Sourced from Inspire Insight as of 07/01/2026: https://inspireinsight.com/SPCX/US

It's worth noting that Inspire's exclusion of SpaceX is not based on concerns regarding the company's financial strength, competitive positioning, or long-term growth prospects. Rather, the exclusion is based solely on Inspire's commitment to applying consistent biblical values screening.

Because of that distinction, some investors naturally ask an important question: **If SpaceX becomes one of the greatest-performing companies in history, doesn't excluding it put Inspire investors at a disadvantage?** It is a fair question — and one worth examining.

History Shows Great IPOs Are Not Guaranteed Winners

As shown in Figure 3, the ten largest IPOs in history have experienced widely varying results during their first year as public companies. Five generated positive first-year returns, while the other five declined below their offering prices. Although many eventually produced attractive long-term returns, history demonstrates that sheer size and media excitement do not guarantee investment success. (Continue to next page for Figure 3.)

Figure 3 • Historical Performance of the 11 Largest Global IPOs

Rank	Company	IPO Date	Sector	Deal Size	3M Ret.	6M Ret.	1Y Ret.	3Y Ret.	5Y Ret.	Total Ret.
1	SpaceX	12-Jun-26	Industrials	$75B	—	—	—	—	—	—
2	Saudi Aramco	11-Dec-19	Energy	$25.6B	-23.30%	-16.40%	-8.60%	-12.30%	-10.80%	-12.80%
3	Alibaba	19-Sep-14	Technology	$21.8B	62.70%	26.10%	-6%	164.80%	165.40%	85.50%
4	SoftBank Corp	19-Dec-18	Communication Services	$21.3B	-10%	-6%	-4%	-3.30%	15.30%	43.30%
5	NTT DoCoMo	22-Oct-98	Communication Services	$18.1B	-10%	22%	47%	-48%	-48%	50%
6	Visa	19-Mar-08	Financials	$17.9B	91.50%	58.10%	19.70%	63.50%	254.50%	2854.10%
7	AIA Group	29-Oct-10	Financials	$17.8B	9%	32.90%	22.50%	94.90%	138.80%	317.90%
8	Enel SpA	1-Nov-99	Utilities	$16.5B	-3%	10.30%	2.10%	-42.80%	-15.50%	31.30%
9	Facebook (Meta)	18-May-12	Technology	$16.0B	-47.30%	-39.70%	-32.20%	112.80%	288.60%	1571.80%
10	General Motors	18-Nov-10	Consumer Discretionary	$15.8B	10.60%	-4.50%	-34.30%	16.90%	10.50%	155.60%
11	ICBC (H Share)	20-Oct-06	Financials	$14.0B	47.90%	38.40%	108%	102.60%	32.60%	116.30%
				Average (excluding SpaceX)	**12.81%**	**12.12%**	**11.42%**	**44.91%**	**83.14%**	**521.30%**

Figure 3 – Returns shown vs. split-adjusted offer price in each company's local currency, as of May 29, 2026. SpaceX deal size is a projected listing. Sourced from Bloomberg, FactSet/WSJ, Investing.com, and The Motley Fool. https://www.fool.com/research/biggest-ipos-ever/

Important: Historical market performance is presented for illustrative and educational purposes only and is not intended to predict or imply the future performance of SpaceX or any other investment. Past performance does not guarantee future results. Returns are shown versus each company's split-adjusted IPO offering price in its local currency and are based on publicly available data from Bloomberg, FactSet/WSJ, Investing.com, and The Motley Fool. Data is believed to be reliable but has not been independently verified by Inspire Investing.

The point is not to suggest that SpaceX will underperform. Rather, it is to recognize that no one – not investors, analysts, nor financial media – can know with certainty how any individual stock will perform over time.

We've Heard This Story Before

In many ways, this discussion is familiar.

When Inspire launched the Inspire 500 ETF (PTL), critics argued that excluding the so-called Magnificent Seven – Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia, and Tesla – would make it impossible for the fund to compete with the S&P 500. Considering these companies have represented more than 30% of the S&P 500's weighting, that criticism seemed understandable.

Yet history has demonstrated that such concerns were overstated.

As shown in Figure 4, the Inspire 500 ETF has delivered long-term performance comparable to the S&P 500 since inception and has even outperformed the index during certain periods despite having no exposure to those mega-cap companies.

Figure 4 • Total Returns as of 06/30/26

Total Returns as of 06/30/26	3 Month Trailing	6 Month Trailing	1 Year Trailing	2 Year Trailing (annualized)	Since Inception (annualized)
S&P 500 Index	15.20%	10.19%	22.29%	18.60%	19.02%
Inspire 500 ETF (PTL)	**14.51%**	**16.02%**	**26.36%**	**21.51%**	**18.78%**

Past performance is not indicative of future results. All performance figures referenced herein are historical and may not reflect current or future market conditions. Actual investor outcomes may vary. There is no assurance that any investment strategy will achieve its objectives or avoid losses. For performance data current to the most recent month end, please call 877.658.9473 or visit https://www.inspireetf.com/etf/ptl

Figure 4 — Source: Bloomberg, as of June 30, 2026. Inspire 500 ETF (PTL) performance is presented on a market price basis. Since-inception performance is measured from PTL's inception date of March 25, 2024.

Important Performance Information: Past performance does not guarantee future results. The performance shown reflects historical returns and should not be relied upon as an indication of future performance. The S&P 500 Index is unmanaged, does not reflect fees or expenses, and investors cannot invest directly in an index. PTL's investment objectives, holdings, risks, and expenses differ materially from those of the S&P 500 Index, and the exclusion of certain securities may help or hinder investment performance during different market environments. Performance shown is as of June 30, 2026; current performance may be higher or lower. Visit www.inspireetf.com for current performance and the fund prospectus. Inspire Investing, LLC is the investment adviser to PTL and receives management fees from the fund, creating a conflict of interest. Additional information regarding this conflict is available in Inspire's Form ADV Part 2A.

This does not prove that excluding every large company will always work in investors' favor. Rather, it illustrates an important investing principle: long-term portfolio success does not depend on owning every popular or high-profile stock. Markets continually evolve, leadership changes over time, and disciplined portfolio construction often proves more resilient than chasing the latest market darling.

Faithfulness Comes Before Performance

Now let's consider the hypothetical: Suppose SpaceX ultimately becomes the greatest-performing stock in history, producing returns that exceed even today's lofty expectations. Would that justify abandoning Inspire's biblical screening methodology?

Our answer is unequivocally ***no***. Inspire's investment philosophy has never been based on maximizing returns at any cost. Instead, it is built on the conviction that Christians can seek competitive investment results while remaining faithful stewards of the capital God has entrusted to them.

Scripture reminds us:

> "Better is a little with righteousness than great revenues with injustice."
>
> — Proverbs 16:8

Likewise, Paul warns believers:

> "As for the rich in this present age, charge them not to be haughty, nor to set their hopes on the uncertainty of riches, but on God, who richly provides us with everything to enjoy."
>
> — 1 Timothy 6:17

Therefore, let us not be driven by the fear of missing out or the pursuit of greater returns at any cost. Instead, let us place our hope in God and steward the resources He has entrusted to us in a manner that honors Him, trusting that faithfulness is ultimately of greater value than any investment opportunity we may leave behind.

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4 Inspire Investing integrates biblical principles into its investment philosophy through a Biblically Responsible Investing (BRI) approach. This value-based methodology reflects Inspire's interpretation of Scripture and may not align with the views or beliefs of all investors. Inspire does not claim divine endorsement of any investment outcome or specific company behavior.

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Before investing, carefully consider the funds' investment objectives, risks, charges and expenses. To obtain a prospectus which contains this and other information, call 877.658.9473, or visit www.inspireetf.com. Read it carefully before investing.

Securities in the Index or in the Fund's portfolio may underperform in comparison to the general securities markets or other asset classes. The Fund may focus its investments in securities of a particular industry to the extent the Index does. This may cause the Fund's net asset value to fluctuate more than that of a fund that does not focus in a particular industry. Fluctuations in the value of equity securities held by the Fund will cause the net asset value ("NAV") of the Fund to fluctuate. The Fund is not actively managed and the Adviser will not sell shares of an equity security due to current or projected underperformance of a security, industry or sector, unless that security is removed from the Index or the selling of shares of that security is otherwise required upon a rebalancing of the Index as addressed in the Index methodology.

Tracking error may occur because of imperfect correlation between the Fund's holdings of portfolio securities and those in the Index. The Fund's use of a representative sampling approach, if used, could result in its holding a smaller number of securities than are in the Index. To the extent the assets in the Fund are smaller, these risks will be greater.

Investors cannot invest directly in an index and unmanaged index returns do not reflect any fees, expenses or sales charges.

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Definitions

S&P 500 Index: A market-capitalization-weighted index of approximately 500 large U.S. companies across major industries, widely used as a benchmark for the overall U.S. stock market and/or large cap U.S. stock market.