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LATE-STAGE COMPANY RESEARCH

OpenAI: Waiting for $1 Trillion

What a 2027 slip discloses, and who funds the wait

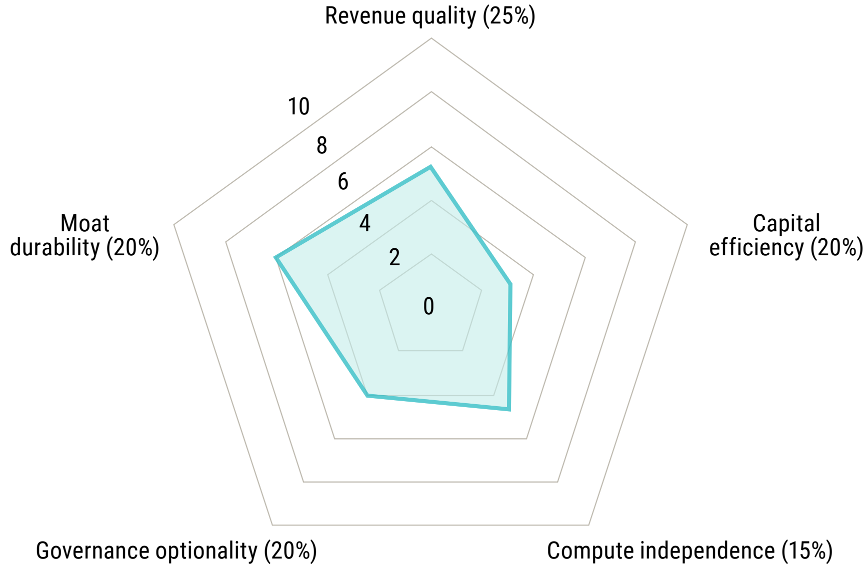
Key takeaways

- **The delay is the first outside read on a gap AIBQ has tracked all year.** OpenAI scores 4.53 on AIBQ yet costs $188 billion per point of business quality, against Anthropic's 8.20 at $118 billion per point—approximately a 60% premium on the weaker asset. Waiting rather than printing marks the book below the $1 trillion target. Whether the surviving gap is quality or accounting is October's question.
- **An eight-month argument, settled by the tape.** OpenAI CFO Sarah Friar had favored 2027 since October 2025, while CEO Sam Altman had been planning a September 2026 debut. Newly public SpaceX gave back roughly one-third of its value from its peak, breaking the tie. The machinery was built, but the number was not there.
- **Choosing time over price is itself a price.** The choice put to management was $1 trillion in 2027 or less than that today, and they chose time. That is management's own read, from the people closest to the demand, that the current book is clearing below target.
- **Volatility is the stated reason; four drivers rank ahead of it.** Those are: the SpaceX read-through on retail durability; a comparison calendar that would print full-year 2025 losses beside Anthropic's first profit; a spending story already on its second draft; and no forcing function to price at all.
- **The wait is not free, and private hands fund it.** Operating cash burn steepens to $63 billion in 2027 on OpenAI's own projections; all-in free cash flow troughs near -$110 billion in 2028 on PitchBook estimates that add the compute build on top. A 2027 listing pushes another year of that bill onto private balance sheets, at private marks that the delay itself called into question.
- **Anthropic now sets the tape OpenAI must trade against.** The first pure-play frontier print moves to October, forcing both onto a common revenue basis. Roughly $340 billion of OpenAI's mark rides on the 13.6-turn multiple spread, but that spread capitalizes net revenue against gross. Normalize it, and most is accounting. What survives is the AIBQ quality spread, in Anthropic's favor. October takes the accounting out.
- **$1 trillion is achievable on plan and unprovable on disclosure.** At 34.1x, it needs $29 billion of run rate at OpenAI's multiple. At Anthropic's 20.5x, it needs $49 billion, a near-doubling inside 12 to 18 months. That distance is why the S-1 stays confidential.
- **Keep an eye on OpenAI**. We identified five triggers and two falsifiers. We are watching the S-1 flip, the tender price against the $852 billion mark, SpaceX's August 6 earnings and first lockup, Anthropic's October window, and the market-implied odds. An accelerated 2026 pricing or a $1 trillion-supporting public S-1 breaks this read.

AIBQ: The signal, quality-adjusted

Among revenue-generating frontier labs still carrying private marks, the most expensive unit of business quality belongs to the lowest-scoring name. OpenAI's AI Business Quality (AIBQ) score of 4.53 reflects a developing-grade business valued at $852 billion, against Anthropic's 8.20 at $965 billion. Per point of business quality, that inverts to $188 billion for OpenAI versus $118 billion for Anthropic, a roughly 60% premium on the weaker asset. The score gap runs on exactly what an S-1 would expose: capital efficiency of 0.14x against roughly 0.26x on a common net-revenue basis (0.38x on Anthropic's reported gross), 14 cents of annualized net revenue per dollar of equity raised versus 26, and a 34.1x revenue multiple against 20.5x. Both gaps trace to one root that the framework already isolates: OpenAI's monetization conversion, measured as the distance between roughly 900 million weekly users and about $25 billion of annualized net revenue.[1, 2] A spread this wide closes in one of two directions. Either the score rises to the price, or the price falls to the score. It persists only while nobody has to clear a book, and the events of late June suggest that condition is ending.

OpenAI AIBQ score
4.53/10



Source: PitchBook • Geography: US • As of July 13, 2026

OpenAI spent the first half of 2026 building the largest IPO ever attempted and the last week of June deciding whether to proceed. The confidential S-1 landed on June 8, with Goldman Sachs and Morgan Stanley leading. 17 days later, advisors reportedly presented management a choice to either list this year below $1 trillion or wait until 2027 to defend the full number. Altman reportedly rejected any plan to cut the $1 trillion target, though no new timeline has been confirmed.[3]

Starting with what is confirmed, OpenAI has committed to no date. At the time of filing, OpenAI said the timing was undecided, and the confidential structure preserves the right to move early. Everything else is reporting. The memo and the $1 trillion floor sourced from people inside the talks, the lean corroborated across outlets, and the CFO's 2027 preference in print since October 2025.[4] Unnamed sources earn a discount, but even at the discounted rate, the choice reveals the price. A company that believes its book clears at $1 trillion takes the print. OpenAI chose to wait. That is a price opinion (management's own), and it puts the clearing value below the target. AIBQ has quantified that gap all year. The delay is the first external mark on it.

Management has spent 2026 treating the same symptom. Ads entered ChatGPT's free tier in January. Commerce deals with Shopify and Stripe followed. Sora was pared back. Each move monetized users the paid funnel was not converting, which is what a company does when the current model cannot yet carry a $1 trillion cover price. The delay, the monetization pivot, and the AIBQ score are three readings of the same instrument.

Frontier Five AIBQ comparison

Company	Valuation ($B)	Run rate ($B)	Valuation/ ARR multiple	Capital efficiency ratio	AIBQ score	Valuation ($B) per AIBQ point
OpenAI	$852.0	$25.0	34.1x	0.14x	4.53	$188.0
Anthropic	$965.0	$47.0	20.5x	0.38x gross, 0.26x net	8.20	$118.0
xAI (in SPCX)	$250.0	$3.2	78.1x	0.07x	4.49	$56.0
Databricks	$134.0	$5.4	24.8x	0.16x	8.81	$15.0
SSI	$32.0	$0.0	Infinity	0.0x	2.30	$14.0

Source: PitchBook • Geography: US • As of July 13, 2026

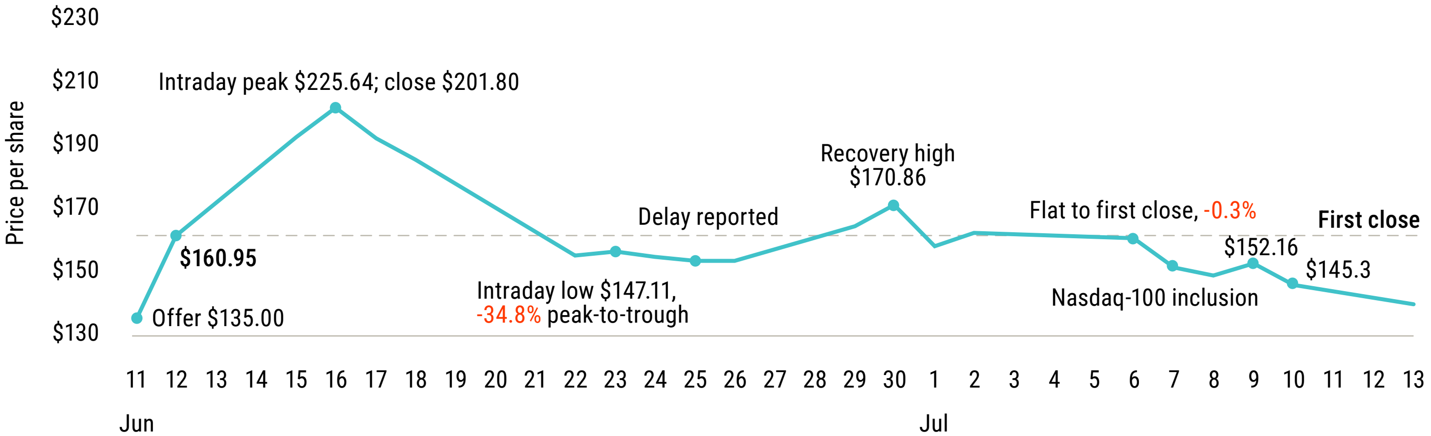
From September 2026 to 2027

The June reversal resolved an argument that had run inside the company for eight months, which is why we read it as a decision, not a reaction. The CFO had been telling associates she favored a 2027 listing as early as October 2025, and by spring was making the case on substance: The scale of the company's spending commitments and the burden of public-company reporting argued for more runway. Altman pushed the other way. Banks and counsel were engaged for a debut as early as September, with $1 trillion as the working target. The June 8 filing split the difference, committing to the mechanics while, in OpenAI's announcement, conceding that "there are things we want to do that are likely easier as a private company."[5]

The market then settled what management could not. SpaceX priced at $135, ran to an intraday high of $225.64 within three sessions of its debut, then gave back nearly the entire postdebut run-up, bottoming at an intraday low of $147.11 on June 23, down 34.8% from the peak. Two sessions later, on June 25, it closed near $153, about 32% off the peak and still above its $135 offer. The same day, reports surfaced that advisors had put the choice to management to list this year below $1 trillion, or wait until 2027 to defend the full number—and that the company was leaning toward the wait. Corroboration followed within a day, and SoftBank, the most direct listed proxy for OpenAI paper, fell as much as 13% in Tokyo.[6] The delay was itself a market event.

What makes the valuation reading unavoidable is how little else remained open. The Elon Musk litigation was resolved in OpenAI's favor in mid-May, clearing the last structural overhang on the restructuring.[7] The filing was complete, and the banks were engaged. The only open variable was price. An eight-month-old timeline prevailed the week the tape aligned with it, indicating the constraint was never about readiness. The number was not there.

SpaceX (SPCX) stock price compresses the window (2026)



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The delay is the disclosure

Private valuations are administered prices; nobody has to clear a book at $852 billion. The choice put in front of management, $1 trillion in 2027 or less than that now, is the closest thing to a live book-build the company has faced, and its outcome discloses three things a confidential filing is designed to conceal.

First, where demand sits. Advisors cautioned that retail appetite may not support a richly priced offering in this tape.[8] The target requires a 17.4% step-up from the March mark, so the caution implies a clearing price at or below the last private round. That is information no secondary trade or tender has ever produced, because none of them tested public breadth.

Second, who carries the mark in the meantime. SoftBank's one-day drop measures how much near-term value listed proxies had attached to a 2026 liquidity event. Inside the company, the planned employee tender at the $852 billion valuation becomes the operative private print, a company-administered clearing price for insider liquidity that will now be watched the way a public close would be.

Third, which constraint binds. The floor is management's, not the market's, and any plan below $1 trillion was reportedly refused. When a price floor meets soft demand, volume gives, and in an IPO, the volume that gives is timing.

The honest counter-case is that waiting is rational. A 2027 window buys two proof points: enterprise revenue reaching parity with consumer, which the company says is on track for year-end from more than 40% today,[9] and the ads-and-commerce ramp maturing from pilots into reportable lines. If both land, the $1 trillion defends itself. But that makes the delay a market-timing bet stacked on an execution bet, and frontier labs have no edge in market timing. SpaceX took its print and traded roughly flat to its first close. OpenAI is betting that the 2027 tape treats it better than the 2026 tape treated SpaceX.

Why now: The drivers, ranked

Market volatility is the stated reason. Four operative ones rank ahead of it.

First, the SPCX read-through. The first frontier-adjacent megaprint demonstrated that demand for story-priced megacaps decays after the pop, with one-third of peak value gone within about 10 days and the stock back near its first-day close, still above its offer. For a float the size OpenAI intends, the binding constraint is retail durability, not day-one demand, and durability is the one input advisors cannot model away.

Second, the comparison calendar. An S-1 effective this fall would print fiscal 2025: revenue of $13.1 billion and cash burn of $8 billion, both better than the plan, against an operating loss near $21 billion on leaked audited figures (the roughly $13 billion gap between the two is largely noncash) and $17.2 billion paid to Microsoft (Azure compute for training and inference).[10] Q1 documents show $5.7 billion of revenue against roughly $3.7 billion burned.[11] In the same window, Anthropic has guided investors to its first operating profit, roughly $559 million on about $10.9 billion of Q2 revenue, a figure that excludes stock-based compensation and rides a ramp discount on its SpaceX compute deal.[12] A fall listing would put those disclosures side by side in real time, forcing a relative-value conversation that no roadshow controls. A 2027 prospectus prints 2026 numbers instead, closer to the year the company's own projections reach break-even, excluding training costs.

Third, the spending story is on its second draft. The roughly $1.4 trillion of infrastructure commitments cited last fall became, by February, about $600 billion of compute spending through 2030,[13] tied to a revenue target above $280 billion. A prospectus forces precision on obligations, take-or-pay terms, and depreciation that private rounds never demanded, and waiting lets the revised numbers age before the Securities and Exchange Commission and the short community scrutinize them.

Fourth, nothing forces the calendar. The usual forcing function is liquidity pressure, and OpenAI built a valve: an employee tender at the $852 billion mark. With $181.2 billion of equity raised, no covenant compels a listing. Claims that spending obligations force the calendar conflate staged compute commitments with annual burn. Against a roughly $27 billion burn year in 2026, the March round alone funds multiples of it. Companies delay IPOs when they can, and OpenAI can.

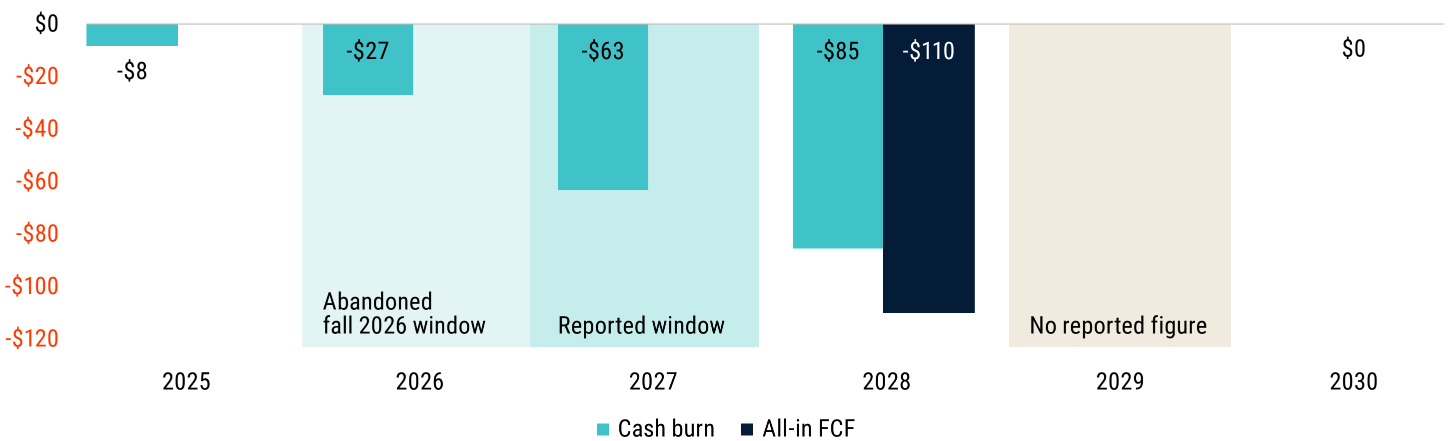
The cost of waiting

The wait bills someone. On PitchBook estimates that extend the company's own burn projections, all-in free cash flow (FCF) troughs near -$110 billion in 2028 (operating burn plus capital expenditure and investment), and the business does not break even, inclusive of training costs, until about 2030. Spending totaled $34 billion in 2025, of which roughly $19 billion was on research. The Q1 burn of $3.7 billion sits against a company projection near $27 billion for the full year, with operating cash burn steepening toward $63 billion in 2027; PitchBook extends the curve to roughly $85 billion of operating burn in 2028. The all-in trough runs deeper than the operating-burn line because it adds the capital spending and investment the burn figure excludes. A 2027 listing pushes another year of that funding into private hands, and it arrives through one of two doors.

Door one is equity. That means dilution taken against an $852 billion mark that the delay itself has questioned, from a capital-efficiency base of 0.14x, and every private dollar raised before the IPO moves the ratio the wrong way. Door two is debt. Anthropic's $35 billion chip-bond stack in June proved the private-credit channel is open to frontier labs, but it opens at the cost of layering fixed claims onto operating lines that remain deeply negative.[14]

The subtler cost is option decay. The confidential filing lets the company accelerate into strength, but strength must arrive first, and if the 2027 window opens softly, the same choice recurs with a higher burn base and a staler mark. By mid-2027, the pricing conversation also changes character: OpenAI would price against realized public marks, Anthropic's and possibly Databricks', rather than its own narrative. Waiting converts the price-setter into a price-taker.

OpenAI cash burn and all-in FCF ($B)



Source: PitchBook • Geography: US • As of July 13, 2026

Sequencing inversion: Anthropic prices first

June's queue had OpenAI pricing in September and Anthropic following one month later, with the second mover inheriting the first print as the ceiling or floor. The possible slip inverts the order. Anthropic filed confidentially on June 1, remains on track for October, and is now likely to become the first pure-play frontier lab on the public tape.

First position cuts both ways. Anthropic prices into an open field, with no OpenAI ceiling above it, but no cover either, in a market that just repriced SPCX by roughly one-third. What it can print that no frontier peer can is an operating profit. It also inherits the burden that SpaceX carried, because its first weeks of trading become the market's verdict on the category.

For OpenAI, the premium becomes testable. On headline figures, private marks price the company at 34.1x annualized revenue against Anthropic's 20.5x, a 66% premium per revenue dollar, distinct from the roughly 60% per point of quality above for the lower-AIBQ asset. The arithmetic makes the stakes concrete: At roughly $25 billion of run rate, each turn of multiple is worth about $25 billion of valuation, so the 13.6-turn spread between the two private marks carries roughly $340 billion of OpenAI's $852 billion. Once Anthropic trades, that spread has a daily public arbiter. If Anthropic holds or builds its multiple, OpenAI's roadshow prices against it; if it fades, the $1 trillion target recedes on someone else's tape.

The headline spread, however, is mismeasured, and the mismeasurement is the analysis. The two multiples capitalize revenue on different bases: OpenAI's roughly $25 billion is a net figure, while Anthropic's $47 billion run rate is reported gross, a basis Anthropic itself acknowledges inflates the top line relative to net-reporting peers. Put both on a net basis, and the spread narrows sharply. At a 30% haircut to Anthropic's gross, the two marks converge to within a few turns on net revenue. What survives equalization is not a multiple story. It is the quality spread AIBQ prices—$188 billion per point against $118 billion. The capital-efficiency gap persists under the same adjustment—0.14x for OpenAI, versus roughly 0.26x for Anthropic on net revenue. Both are in Anthropic's favor. An Anthropic S-1 does the equalization for the market because public disclosure forces both companies onto a common revenue basis for the first time. October is therefore not just a benchmark, but the moment the accounting artifact comes out of comparison and the quality gap stands alone. SpaceX's August 6 first earnings and initial lockup expiry are the interim tests of the only frontier tape trading.

For everyone else, the anchor tenant sets the opening date. Other software IPOs need OpenAI and Anthropic to price first. The megacap pipeline carries a combined value estimated above $3 trillion, while the entire 2025 US IPO market raised roughly $45 billion in proceeds. Even at a high-single-digit float, the pipeline implies well over $150 billion of new supply (multiples of what the market cleared last year), and it cannot open until its anchor prices. The anchor just stepped back. When the anchor tenant delays, the mall does not open on time.

Frontier IPO queue (June 12 versus July 7, 2026 view)

Company	June 12 view	July 7 view	Filed	Status
SpaceX	Traded (priced June 11)	Traded	Public	Earnings and first ~20% lockup (August 6)
OpenAI	Pricing ~September	2027 (reported lean)	Confidential (June 8)	Trillion-dollar floor; timing undecided
Anthropic	Following ~October	**Now first in line**	Confidential (June 1)	October window; ~$965B private mark
Databricks	In pipeline	In pipeline	Not filed	$134B private mark

Source: PitchBook • Geography: US • As of July 13, 2026

Note: Views as of June 12 and July 7, 2026. Filing dates are confidential submission dates. Windows are reported, not confirmed by issuers.

The $1 trillion defense

$1 trillion needs to be cleared in 2027. The starting point is roughly $25 billion of annualized net revenue, with OpenAI stating about $2 billion a month. At the current private multiple of 34.1x, the target needs about $29 billion of run rate, close enough that it is largely a matter of holding the multiple. But the multiple is the question. At Anthropic's 20.5x, the target needs roughly $49 billion, a near-doubling inside 12 to 18 months, and at a mature-platform 15x, it needs about $67 billion.

OpenAI's path runs through three arguments. Growth is on plan at the near-term milestone: A double to roughly $49 billion within 12 to 18 months sits on a 60% to 70% compounding trend, which the market can underwrite from today's run rate. The 2030 target is the steeper ask. From roughly $25 billion of run rate today, the $280 billion figure implies about 75% to 80% annual compounding sustained for more than four years, a pace that today's disclosures cannot yet corroborate and the bull case must assert. The loss story inflects, with internal projections reaching break-even (excluding training costs) in 2026 and handing a 2027 prospectus its first profitable core exhibit. And the Microsoft economics turn from private detail into disclosure asset, because the $38 billion revenue-share cap through 2030 pulls model profitability forward once it binds, and a public filing is where that becomes visible and credible.

The bear lever is share. Google's distribution push and Anthropic's enterprise coding franchise both tax the growth assumption the target depends on, and the monetization engine that must close the gap is the least proven part of the machine. Our read is that $1 trillion in 2027 is achievable on the company's own plan but unprovable on today's disclosures. That is precisely why the S-1 stays confidential.

OpenAI implied valuation ($B) across revenue multiple and net revenue run rate

Revenue multiple \ Net revenue	$25B	$30B	$35B	$40B	$45B	$50B	$55B	$60B	$65B	$70B
15.0x	$375	$450	$525	$600	$675	$750	$825	$900	$975	$1,050
18.0x	$450	$540	$630	$720	$810	$900	$990	$1,080	$1,170	$1,260
20.5x	$513	$615	$718	$820	$923	$1,025	$1,128	$1,230	$1,333	$1,435
24.0x	$600	$720	$840	$960	$1,080	$1,200	$1,320	$1,440	$1,560	$1,680
28.0x	$700	$840	$980	$1,120	$1,260	$1,400	$1,540	$1,680	$1,820	$1,960
30.0x	$750	$900	$1,050	$1,200	$1,350	$1,500	$1,650	$1,800	$1,950	$2,100
34.1x	**$853**	$1,023	$1,194	$1,364	$1,535	$1,705	$1,876	$2,046	$2,217	$2,387

$1 trillion mark

Source: PitchBook • Geography: US • As of July 13, 2026

What we are watching

We are watching five triggers. The first is the S-1 flipping from confidential to public, as the registration statement must be public at least 15 days before the roadshow begins, making the flip the single strongest acceleration signal.[15, 16] The second is the employee tender's execution price against the $852 billion mark, the operative private print. The third is SpaceX on August 6, its first public earnings and first lockup tranche with about 20% of insider shares eligible, the first stress test of the category's only tape. The fourth is Anthropic's October window, both whether it proceeds and where it prices against the $965 billion private mark. The fifth is the market-implied probability itself, running through the January 1 and March 1 prediction contracts. The market prices the 2027 base case at roughly 60% through March. Our read sits higher, because the binding constraint is a management price floor, and floors move more slowly than tapes.

Two falsifiers can occur: an accelerated 2026 pricing (the option OpenAI explicitly kept) or a public S-1 whose disclosures support the $1 trillion without the wait. Either would mean the delay was congestion management rather than a price signal. We would take the other side of that today.

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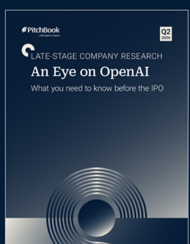

An Eye on OpenAI

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Anthropic: The S-1 Expected to Price AI

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