

FY26 MEU Estimates

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State: Final - Open for Questions and Discussions

Audience: Github LT & Finance

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For FY26, Business Insights recommends altering the forecasting methodology for the Monthly Engaged User (MEU) metric so that it is forecasted based on the weekly growth rate of the past **two years (as opposed to one year)**. Based on FY24 and FY25 growth rates and trends, and using actuals as of 4/20/2025, shows that MEU is projected to grow at 18.7% YoY rate by the end of **June 2026**, landing at an estimated 29,267,805 MEUs.

The FY26 Estimate

Using the average of the weekly growth rates across FY24 and FY25 estimates that the FY26 monthly MEU growth will be as follows:

Month	Estimated Annual Growth Rate	Estimated MEUs
July 2025*	33.5%	24,276,059
August 2025*	33.1%	24,478,300
September 2025	31.4%	25,781,255
October 2025	28.9%	26,147,444
November 2025	27.5%	26,456,572
December 2025*	25.6%	25,905,462
January 2026*	24%	26,173,288
February 2026	20.8%	27,618,598
March 2026	20.4%	29,134,493
April 2026	18.9%	29,158,984
May 2026	19.4%	29,189,589
June 2026	18.7%	29,267,805
Overall	18.7%	29,267,805

**Denotes month with observed seasonal dip*

Context Behind the Recommended Shift

For FY25, the Business Insights team tracked the progress of MEUs against [three forecasting models](#): Weekly Growth Rate (current methodology), Average Weekly Growth Rate for Two Years, and using Prophet's open source predictive model. By the end of Q3, the team came to the

conclusion that the average weekly growth rate across two years may be more appropriate based on the following observations:

- **Accuracy:** The two year average weekly growth rate model consistently had the least variance from actuals from July 2024 - March 2025
- **Calibrated Swings:** Using two years of data adjusted growth rates so that forecasts had smaller swings, avoiding projections that were abnormally high or low based on non-recurring events.
- **Responsive:** The proposed model adjusted reasonably well to actuals during the year, giving updated monthly growth rates closer to actuals.

Model Comparison

As of April 20, 2025, MEU reached 24.4M growing at a pace of 31% YoY, the fastest growth pace for MEU ever recorded. Both models underestimated this growth, but the two year model offered forecasts that were closer to actuals right from the beginning of FY25 and through Q3.

Table: MEU Forecasts: Current Model vs Proposed New Model

MEU Forecasting Models	MEU FY25 Forecast (As of End of FY24)	MEU FY25 Forecast (As of MEU-Actuals until 4/20/25)	MEU FY26 Forecast (As of MEU-Actuals until 4/20/25)
Weekly Growth Rate (Current Methodology)	21,353,433 (15.5% YoY)	24,422,934 (31.9% YoY)	32,375,083 (32.5% YoY)
Average Weekly Growth Rate for Two Years (Proposed New Model)	22,720,053 (21.53% YoY)	24,646,258 (33.1% YoY)	29,267,805 (18.7% YoY)

**Please note projections are based on actuals as of 4/20/2025. Final projections will be adjusted through FY25.*

Considerations

The Average Weekly Growth Rate for Two Years forecasting method shows a 19% growth rate for FY26, lower than our projected 31% growth rate for FY25. This difference is driven by two key factors:

1. **Averaging Effect:** Our FY25 forecast used FY23-FY24 data, with FY23 showing exceptionally high growth pace. The FY26 forecast uses FY24-FY25 data instead. By replacing high-growth FY23 data with FY24 data, the average weekly growth rate decreases.
2. **Base Effect:** For MEU growth to maintain the same 31% YoY rate from FY25 to FY26, we would need to add 9M+ new MEUs instead of the projected 5M+ for FY25.

While the proposed new method will improve forecasts, both models assume linear and continuous growth of the MEU. This model does not factor external or internal shifts, market

conditions, competitive landscape changes, economic conditions, or product/feature releases that may shift responses differently from the past two years.

Next Steps and Evolutions for FY27

Shifting to the recommended method will bring more stability to forecasts and offer better accuracy. As next steps, the Business Insights team would like to receive confirmation on whether the recommended approach is agreeable to GitHub's LT for FY26 planning purposes. The projections will be updated with actuals through the end of FY25, possibly changing the forecasts.

Beyond the immediate FY26 planning matters, Business Insights would like to secure support for it to develop a more nuanced predictive model, with the help of Data Scientists/Analysts within our Data Engineering function, so that MEU forecasts for FY27 and beyond are projected based on more sophisticated models that can factor different growth scenarios.