

# FY26 MEU Estimates

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State: In-Progress

Audience: Github LT & Finance

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The Monthly Engaged User (MEU) metric is forecasted annually to inform goal setting for the company's Core 4 metrics. The forecasting methodology that GitHub has applied previously uses the prior year's data to forecast the next year's totals based on applied weekly growth rates. For FY25, the current methodology is forecasting an annual growth rate of **16.7% by the end of June 2025**. Two other forecasting methods were applied, for comparison purposes.

As of End of March 2025, MEU is 24.1M and is growing at a pace of 31% YoY, the fastest growth pace for MEU ever recorded, led by Africa at 54% YoY and India at 51% YoY.

## **Key Observations from MEU FY25 Forecasting Models Performances:**

The Business Insights team analyzed three forecasting models (Current method: Weekly Growth Rate (current methodology), Average Weekly Growth Rate for Two Years, and Meta's Forecasting with Prophet) across FY25. For more detail on the differences between the 3 models, see

[FY25 MEU Estimates](#).

Key Observations	Details
Accuracy	Average Weekly Growth Rate for Two Years had the lowest variance vs. MEU actuals in 7/9 months (Jul '24–Mar '25).
Optimism	After March 2025 actuals, the Average Weekly Growth Rate for Two Years FY25 forecast rose to 32% YoY growth, compared to 30% YoY growth proposed by the current forecasting model (Sonsistenly observed MoM).
Reduced Short-term Swings on MEU Forecast	Average Weekly Growth Rate for Two Years method showed smaller forecast changes MoM after actuals. By using longer trends, it smooths out short-term swings and provides more stable, reliable forecasts.
Current Model Limitations	The Weekly Growth Rate method projected just 16.7% YoY for FY25, which seems it will underestimate actual MEU growth given MEU is currently trending over 30% YoY.

## **Recommendation for MEU FY26 Methodology:**

Based on FY25 performance and contributing factors, we recommend adopting the Average Weekly Growth Rate for Two Years model in FY26 MEU forecasting.

## **Why This Change?**

We're enhancing our MEU forecasting approach by using a Two-Year Average Weekly Growth Rate method instead of our current single-year methodology. This change for FY26 averages growth patterns from both FY24 and FY25.

### Key improvements:

- **More stable forecasts:** By averaging FY24 and FY25 weekly growth rates, we reduce the impact of short-term fluctuations.
- **Better accuracy:** As GitHub matures, longer historical patterns provide more reliable indicators of future growth.
- **Smoother projections:** The two-year window captures broader trends that might be missed in a single-year approach.

This methodology change represents an evolution of our forecasting approach to better reflect GitHub's growth trajectory as our platform continues to scale.

### FY26 MEU Forecasts

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:

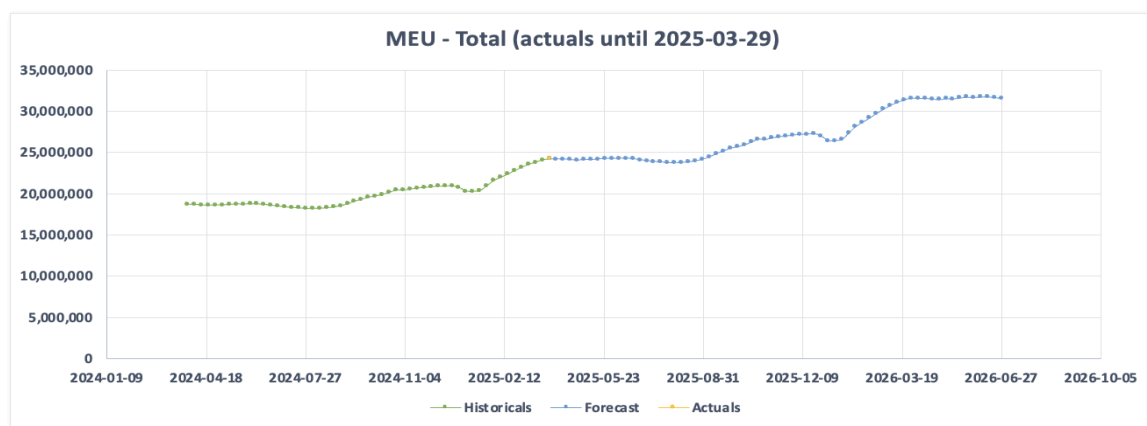
Our FY25 forecast used FY23-FY24 data, with FY23 showing exceptionally high growth pace. The FY26 forecast uses FY24-FY25 data instead. By replacing high-growth FY23 data with more moderate recent data, the average weekly growth rate naturally decreases.

#### 2. Base Effect:

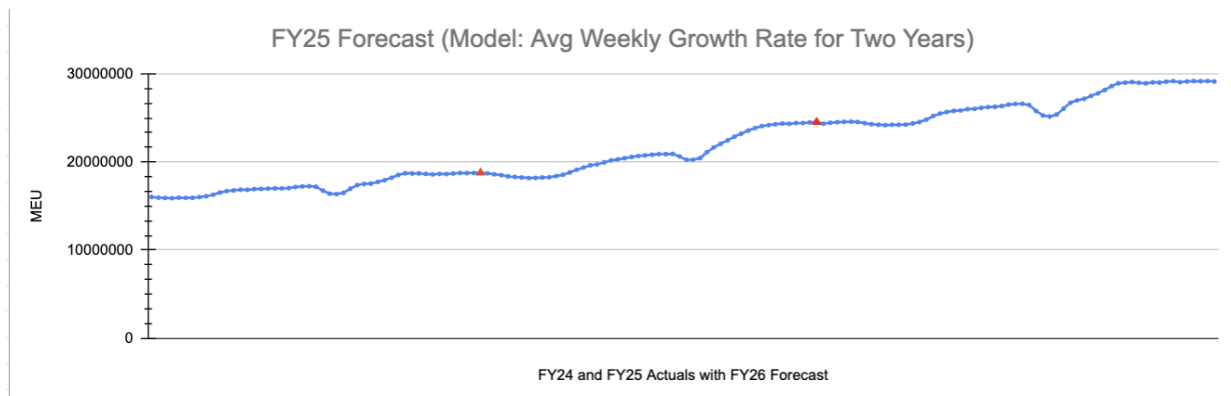
For MEU growth to maintain the same 31% YoY rate from FY25 to FY26, we would need to add 9M+ new MEUs instead of the projected 5M+.

As our forecasted MEU's grow from 24M to 29M in FY26, the same absolute growth (5M new users) translates to a smaller percentage increase (19% YoY vs 31% YoY), explaining why our forecasting model projects a lower growth rate for FY26.

**Chart 1: Forecasted MEU figures for FY26 using the Weekly Growth Rate model (Current Methodology)**



**Chart 2: Forecasted MEU figures for FY26 using the New Proposed Average Weekly Growth Rate for Two Years model.**



**Table Below Compares the 2 Forecasting Models:**

MEU Forecasting Models	MEU FY25 Forecast (As of End of FY24)	MEU FY25 Forecast (As of MEU-Actuals until 3/31/25)	MEU FY26 Forecast (As of MEU-Actuals until 3/31/25)
<b>Weekly Growth Rate</b> (Current Methodology)	21,353,433 (15.5% YoY)	24,102,881 (30% YoY)	31,533,870 (31% YoY)
<b>Average Weekly Growth Rate for Two Years</b> (Proposed New Model)	22,720,053 (21.53% YoY)	24,428,873 (32% YoY)	29,145,028 (19% YoY)

### **Risk Mitigation:**

While our Average Weekly Growth Rate for Two Years method provides improved forecasts, several factors could impact actual results:

- **Linear Growth Assumption:** The model assumes continuous, linear MEU growth which may not reflect market fluctuations.
- **Market Conditions:** Technology industry trends could shift user adoption patterns.
- **Competitive Landscape:** Changes in competition may affect our growth trajectory.
- **Product Releases:** Major feature launches could drive growth above or below projections.
- **Economic Factors:** Global economic conditions may influence developer activity and adoption.

### **Implementation Plan**

- **Monthly Adjustments:** Continue to update forecasts with latest month-end actuals.
- **FY26 H1 Review:** Recalibrate in December 2025 using H1 actuals to refine H2 targets for FY26.