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Oct 2 - Tesla Inc announced record quarterly car production numbers on Tuesday but warned of major problems with selling cars in China due to new tariffs that would force it to accelerate investment in its factory in Shanghai.  
The California-based electric carmaker, emerging from several months of turmoil around its Chief Executive Elon Musk, confirmed numbers leaked to an industry news site on Monday that showed it produced roughly 80,000 cars in the third quarter.  
Musk warned a month ago Tesla was facing delivery bottlenecks and the record 83,500 cars topped Wall Street forecasts and included delivery of 55,840 Model 3 sedans seen as crucial to the company's drive to become profitable.  
The numbers initially lifted Tesla shares but they fell later as investors worried about the company's warning that a 40-percent tariff on Chinese imports of its cars was blocking sales in the world's biggest electric car market.  
Shares of the company fell 1 percent at $307.61.  
"This is a step in the right direction, but more work remains," said Gene Munster, head of research at brokerage Loup Ventures.  
"Specifically, the Dec-18 quarter will not enjoy quite as much of a vehicles-in-transit tailwind and the Mar-19 quarter will face a demand headwind form the declining US tax credit."  
Musk said in an email to employees on Saturday the company was "very close to achieving profitability" but for that it has to stabilize a brutal ramp-up in output whose targets it has consistently struggled to meet.  
The company said on Tuesday it missed its production target of 6,000 Model 3s by 700 cars in the final week of September and outlined hurdles it faced due to the worsening of President Donald Trump's trade war with China.  
Tesla said it was speeding up construction of its Shanghai giga factory to combat a huge competitive disadvantage against other producers and even other imported cars, which carry a lower 15 percent tariff.  
"Tesla is now operating at a 55 percent to 60 percent cost disadvantage compared to the exact same car locally produced in China," the company said.  
Musk in July landed a deal with Chinese authorities to build a new auto plant in Shanghai, its first outside the United States and a key to doubling its global capacity.  
Overall in the third quarter, the company produced 53,239 Model 3s, in line with its target of 50,000 to 55,000 cars. Tesla first met the long-held target of 5,000 vehicles per week at the end of June after a series of production bottlenecks and delays.  
"With production stabilized, delivery and outbound vehicle logistics were our main challenges during Q3," the company said on Tuesday.  
"We made many improvements to these processes throughout the quarter, and plan to make further improvements in Q4 so that we can scale successfully."  
Reuters

http://www.chinadaily.com.cn/a/201810/03/WS5bb3a72da310eff3032808ff.html