**TESLA stock prediction. Invest or not?**

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**Abstract**

The research aims to provide insights onto the evolution of the company Tesla between 2021 and 2022, by analyzing the stock's prices in the specified timeframe and predicting the future ones. The reason for choosing this topic lies in the research of the company's evolution, which determines if it is worth investing in, or not. Why is it important to have an answer to that? Because global pollution and global warming are big problems of the society, the idea of investing in a company that is trying to solve this could be very useful to us. Analyzing the opening and closing prices, volatility, return of stocks, the volume of trading and the predicting prices, as well as the sentiment analysis based on one of Elon Musk’s press conferences about sustainability. The analysis was done in Python using various methods. *(The conclusion is as predictable as possible: the investment in Tesla is profitable as well as durable.)*

**Introduction**

Tesla, Inc. is an American multinational automotive and energy company. Tesla designs and manufactures electric vehicles (electric cars and trucks), home-to-grid battery storage, solar panels and solar roof tiles, and related products and services. Tesla is one of the most valuable companies in the world and remains the world's most valuable automaker with a market capitalization of over $840 billion.

Since its 2010 IPO, the auto manufacturer has enjoyed stratospheric highs, cratered to purgatorial lows and rumbled over everything in-between. Through its ups and downs, the company has broken records and brought electric vehicles into the mainstream.

A few months after the founders left the company, Elon Musk was named CEO of the company and helped the company avoid bankruptcy.

In July 2009, Tesla announced that it had achieved corporate profitability for the first time, [claiming $1 million out of $20 million](https://www.wired.com/2009/08/tesla-profit/) in revenues. The turnaround occurred thanks to higher gross margins on the record 109 2010 Roadsters shipped in July.

In June 2010 the first stock price was listed at 1,59$.

March 31, 2016 was the day [Elon Musk teased](https://www.youtube.com/watch?v=Q4VGQPk2Dl8) the long-awaited Model 3. He announced that the car would see 215 miles per charge and could accelerate from 0-60mph in under six seconds.

Tesla planned an affordable starting price of $35,000 to bring the vehicle within reach of a broader swath of consumers. The Model 3 was slated to enter high-volume production in early 2017.

In August 2018, Tesla reported its biggest-ever loss as a company, of 717 million dollars. Still, shares rose as Musk hyped up investors, claiming that the second half of 2018 would see positive cash flows and bigger profits. He also promised that Model 3 production would become more consistent, putting the company on track to regularly meeting its output goals.

In July 2020, after years of production mishaps and cash burn, Tesla finally announced that it had [turned a profit for four consecutive quarters](https://www.cnbc.com/2020/07/22/tesla-tsla-earnings-q2-2020.html), its first run of sustained profitability ever. The feat teed its stock price to reach a $206 billion valuation, yet again surpassing Toyota to become the world’s most valuable automaker by market cap.

This paper analyzes and confirms the current situation between the stocks and the owner of TESLA, using analitical techniques to quantify if investing in TESLA would be for a better future. This research has significant implications for the forecasting of stock returns and the linearity of it.

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**Methods and Results**

**Discussion**

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