Tesla; a Ludicrous Charge Ahead - BUY

* Exceptional delivery of Model 3 despite the production issues faced in 2018
* Targets met with GM margin delivery on ramp up of Model 3

# Using Alternative Data to extract insights for Fundamental Analysis

## High end models help fuel gross margins while Model 3 gets foothold…

* Significant mix of flagship sports models held by richest states skewing profitability in favor, gauged by scraping inventory websites
* Gross margins on Tesla P100D are a ‘ludicrous’ 42%

## …Backed by positive social media sentiment

* Reviews of Tesla cars are at an all-time high, following our analysis of car review ad feedback websites
* Social media platforms responding well to products, less distracted by Musk who is on a leash

# Using DS to Analyze Incorporate Macro Economic

## Disposable income in Tesla’s core markets growing rapidly

* Our Geographical heatmap shows that high end models a favorite in the states of California, New York and Florida

# Using DS to Marry Quantitative and Qualitative analysis

* Help in refining estimates for revenue, cost and valuation forecasts – trading ranges for given Street estimates for 1yr forward revenue (HMM)
* Analyze trends and patterns more carefully - sensitivity impact of BMW sales on Tesla Model S sales (VAR, Wavelet Coherence)
* Help in deriving and making more informed probabilistic scenario and sensitivity analysis – what is the chance/probability Tesla will fall into negative FCF given the loss of volumes of Model 3 sales? (Bayesian RR)