

Stock Pitch: Tesla

Sector: Consumer Discretionary

Ticker: TSLA

Recommendation: **Buy**

Headquarters: Austin, TX, USA

Current Price: \$214.11

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August 30th , 2024

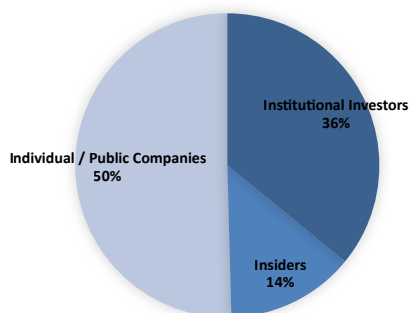
COMPANY STATISTICS

| | |
|-----------------------|--------------------|
| Market Cap (\$ Bn): | \$670.91 |
| 52-Week Range: | \$138.80- \$278.97 |
| Dividend Yield: | 0.00% |
| Free Cash Flow Yield: | 0.27% |
| P/E (Current): | 60.14 |
| P/Book (Current): | 10.29 |
| Return on Equity: | 20.86% |

Company Overview

Tesla is an electric vehicle and clean energy company founded in 2003, with a mission to accelerate the world's transition to sustainable energy. Under the leadership of CEO Elon Musk, Tesla has become a global leader in the electric vehicle market with its lineup of innovative vehicles, including the Model S, Model 3, Model X, and Model Y, as well as the upcoming Cybertruck and Roadster. Beyond cars, Tesla produces energy storage solutions like the Powerwall and large-scale batteries, and it also offers solar products, including solar panels and the Solar Roof. Tesla's commitment to innovation extends to its development of autonomous driving technology and its global Supercharger network, which supports long-distance travel for electric vehicles. As one of the most valuable companies in the world, Tesla continues to drive the shift toward sustainable transportation and energy, despite facing challenges from increasing competition and regulatory scrutiny.

TESLA SHAREHOLDER STRUCTURE



INVESTMENT THESIS

I rate Tesla as a **Buy**. My recommendation is predicated upon the fact that Tesla is primarily a data company and not an EV company.

Tesla collects sensor data in relation to the car's environment such as radar and ultrasonic, driver data such as behavioral patterns including acceleration/breaking habits, steering inputs, and seatbelt usage, charging data including charging habits and supercharger data, and numerous other categories. Tesla has achieved commercial success on a global scale, leading to an immense store of driving data, unrivaled by any other EV company out there. And these stores of data are the backbone of Tesla's autopilot endeavors and a potential source of revenue if sold to other companies. In an age where data stores power technological innovation, Tesla is leagues ahead in the EV space, cementing itself as the strongest candidate to further advancement in the field.

Secondary Reasons:

- Tesla has first-mover advantage, giving itself time to build its brand, increase market share, scale its production, etc.
- Tesla is the first to achieve a global supercharger network, allowing EVs to travel indefinite distances, and if opened to the public, could generate billions more in revenue

Overall, Tesla's overbearing advantage is its driving data in the EV space, a tool that powers self-driving, other forms of innovation, and is a financial asset itself. Coupled with revenue potential of the supercharger network, I believe Tesla is a **Buy**.