

TESLA



US88160R1014 | TSLA | USA

Analysis of 06-Jan-2021

Closing Price of 05-Jan-2021

USD 735.11

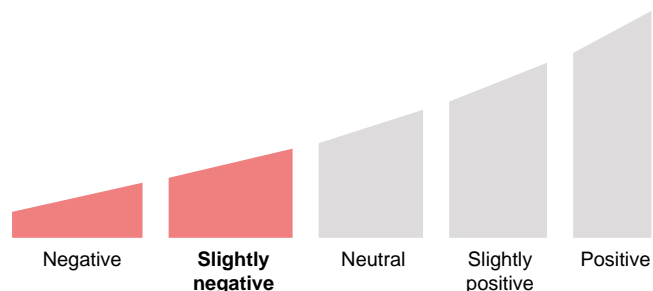
TESLA active in the sector Automobiles, belongs to the industry group Automobiles & Parts.

Its market capitalization of USD 696.81 bn. ranks it among large-cap stocks and # 1 in the world, in its group.

During the last 12 months this stock has reached a high of USD 735.11 and a low of USD 85.51; its current price of USD 735.11 places it near its 52 week high and 759.7% above its bottom.

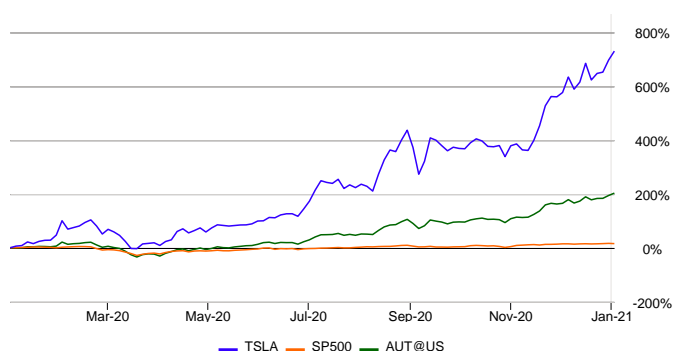
Performance since January 3, 2020: TESLA: 729.7%, Automobiles & Parts: 202.6%, SP500: 15.2%

Global Evaluation



Company Name	Price	Perf YtD	Mkt Cap in \$bn	Stars	Sensitivity	LT P/E	LT Growth	Div	4wk Rel Perf	Global Evaluation
TESLA	735.11	4.2%	696.81	★★★★★		127.6	87.9%	0.0%	22.0%	
Automobiles & Parts (US)	459.00	3.0%	1,179.08	★★★★★		28.3	52.7%	0.3%	8.0%	
SP500	3,727.00	-0.8%	33,414.68	★★★★★		18.6	20.9%	1.6%	0.8%	

Comparison January 3, 2020 - January 5, 2021



Technical Trend and relative Performance ★★

The stock has been in a medium-term up trend, which started on November 17, 2020, at a price of USD 441.61. Its adjusted technical reverse point is USD 582.24, or 20.8% under the current price.

The four-week relative performance against the reference index SP500 is 22.0%. The technical trend is also positive, which validates this overperformance and confirms the investors' interest in this stock.

The four-week relative performance of its reference group Automobiles & Parts is positive.

Dividend

According to estimates, no dividend is foreseen in the next 12 months.

Summary of the Fundamental and Technical Analysis

1. The negative earnings revisions trend is specific to the stock.
2. In terms of valuation, the stock has very poor potential.
3. The technical trend is positive in a positive environment.
4. Both the stock and the environment Automobiles & Parts have outperformed the market over the last four weeks.

Fundamental and Technical Analysis

Price Level Analysis ★

In order to assess whether TESLA is currently fairly priced, we can combine Peter Lynch's broadly accepted methodology, comparing the projected earnings growth and dividends to the estimated PE ratio, with historic multiples. Based on this,

- TESLA appears fundamentally very overvalued compared to its theoretical fair price.
- its valuation is less attractive than the American Automobiles & Parts aggregate.

The fundamental price potential for TESLA looks rather low, with other stocks in the same industry showing significantly better theoretical valuations.

Earnings Revisions ★

TESLA is strongly followed by financial analysts, as over the last three months an average of 20 analysts provided earnings estimate forecasts up until the year 2022.

Currently, these analysts are negatively revising their earnings growth estimates (-2.8%) compared with seven weeks ago. This negative pressure on the growth expectations has been apparent since December 15, 2020 when the stock closed at the price of USD 633.25 and acts slightly in counterweight to the positive technical trend.

The positioning of TESLA vs. its reference sector Automobiles & Parts accentuates that the clearly negative trend of earnings revisions is a problem specific to the stock, because its environment is - on the contrary - being positively revised.

Checklist

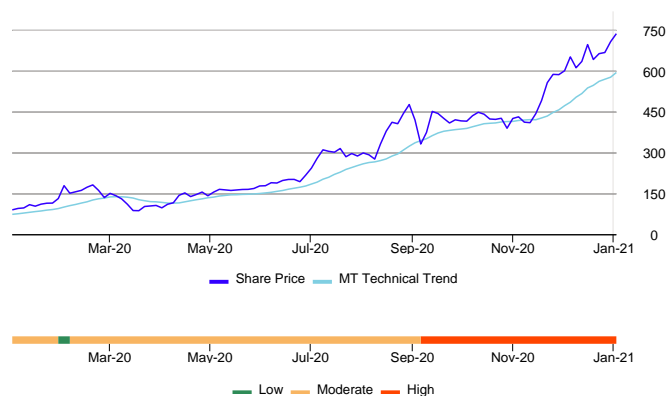
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Global Evaluation		Downgrade from neutral to slightly negative the 15-Dec-2020.
Interest	★★★★★	Weak interest since 15-Dec-2020.
Earnings Rev Trend	★	Analysts negative since 15-Dec-2020
Valuation Rating	★	Strongly overvalued
MT Tech Trend	★	Trend positive since 17-Nov-2020
4wk Rel Perf	★	vs. SP500
Sensitivity		Increase from moderate to high the 08-Sep-2020.

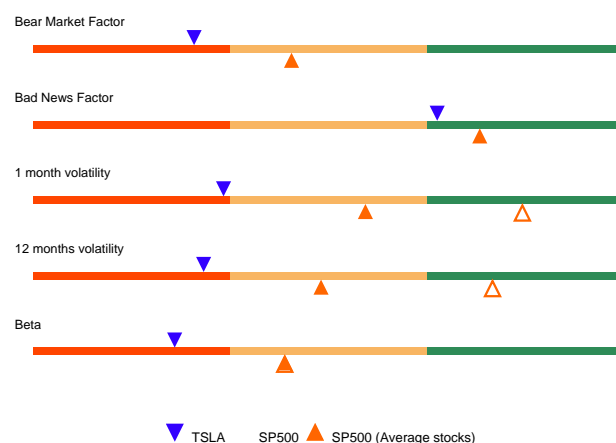
TESLA - Sector and/or Group Comparison

Company Name	Symbol	Market	Price	Perf Ytd	Mkt Cap in \$bn	Stars	Sensitivity	LT P/E	LT Growth	Div	Global Evaluation
TESLA	TSLA	US	735.11	4.2%	696.81	★★★★☆		127.6	87.9%	0.0%	
NIO	NIO	US	53.20	9.2%	83.68	★★★★☆		135.8	149.2%	0.0%	
GENERAL MOTORS	GM	US	41.66	0.1%	59.63	★★★★☆		5.4	11.5%	2.1%	
FORD MOTOR	F	US	8.65	-1.6%	34.41	★★★★☆		5.4	875.9%	1.4%	
TOYOTA MOTOR	7203	JP	7,812.00	-1.8%	247.99	★★★★★		8.7	12.9%	3.1%	
VOLKSWAGEN AG	VOW	DE	148.12	-2.2%	97.82	★★★★★		5.3	46.6%	4.0%	
BYD COMPANY LTD	002594	CN	219.90	13.2%	88.78	★★★★☆		84.6	50.5%	0.2%	
BYD COMPANY LTD	1211	HK	229.60	13.0%	88.78	★★★★☆		70.8	44.8%	0.1%	
DAIMLER	DAI	DE	56.75	-2.7%	74.54	★★★★☆		6.7	39.0%	3.6%	
FERRARI	RACE	IT	183.80	-2.6%	56.81	★★★★☆		37.9	33.9%	0.7%	
BMW	BMW	DE	70.96	-2.5%	56.22	★★★★☆		6.6	20.3%	4.1%	

Price & Sensitivity Evolution



Sensitivity Profile



Sensitivity Analysis

Beta, Correlation and Volatility

Beta is often used as a measure of sensitivity. Where a Beta is greater than 100, the stock is more volatile and therefore more sensitive. A Beta of 2.10 indicates that for 1% of index variation, TESLA varies on average by 2.10%. But a Beta analysis coupled with the correlation gives a more relevant assessment.

Correlation is the degree of similarity in which a stock fluctuates in relation to its reference index. TESLA has a correlation rate of 0.57. This indicates that 57% of the stock's movements are explained by index variations. TESLA is fairly correlated to SP500.

The volatility is also used as a sensitivity factor. The 1 month annualized volatility of TESLA is : 61.0%, that of the index SP500 is 7.8% and that of the world aggregate for the group Automobiles & Parts is 19.6%. By comparison, the average volatility of the stocks that make up the reference index is clearly lower at 21.9%.

Sensitivity to Bear Markets

The Bear Market Factor measures the behavior of TESLA in declining markets. TESLA has the tendency to amplify drops of the SP500 index by 1.58%. The sensitivity to bear markets is above average.

Sensitivity to Bad News

The Bad News Factor measures negative swings of a stock in rising markets. In the case of specific pressure, TESLA is only moderately sanctioned by the market in most of the times. When the stock goes down in a rising environment, its average deviation is -3.78%.

Summary of the Sensitivity Analysis

By comparing with other stocks, the sensitivity of TESLA is considered high and this since September 8, 2020.

Conclusion

At the analysis date of January 5, 2021, the impression that the fundamental and technical elements (valuation, earnings revisions, group benchmarking, technical factors) give is neutral. Moreover, the combination of the different criteria of sensitivity appreciation leads to a qualification of highly sensitive.

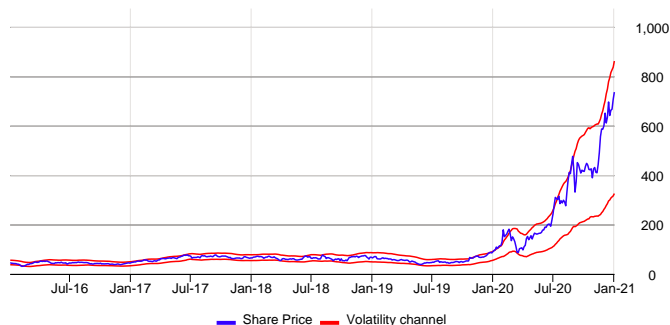
By combining the neutral fundamental and technical analysis, with the high sensitivity, the general evaluation seems slightly negative.

Key Figures

Annualized estimate for current year to	2022
Estimated PE (LT PE) for 2022	127.6
Projected earnings growth (LT Growth)	87.9%
Dividend (Ex Date: -)	-
Number of analysts	20
First analysis date	10-Nov-2010

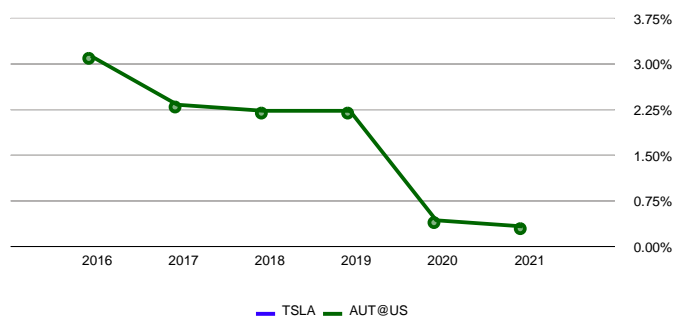
TESLA - 5 Year History

Price Changes January 5, 2016 - January 5, 2021



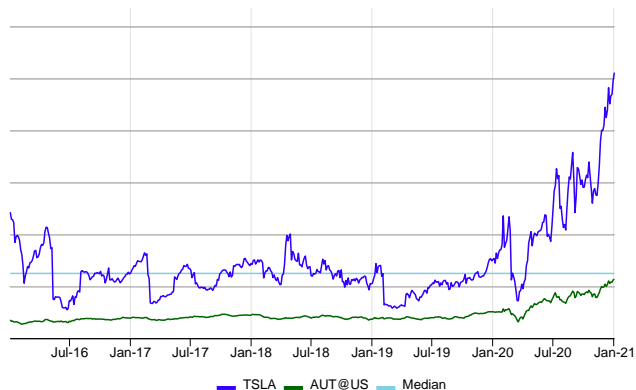
The volatility channel shows a stock's average fluctuations over the last 5 years. During this period, the high of USD 735.11 was reached on January 2021 and the low of USD 29.65 in the month of February 2016. The price development is generally in the volatility channel whose upper and lower limits are presented here. Crossing one of these limits is an exceptional situation accompanied by strong increases in short-term volatility.

Expected Dividend Yield 2016 - 2021



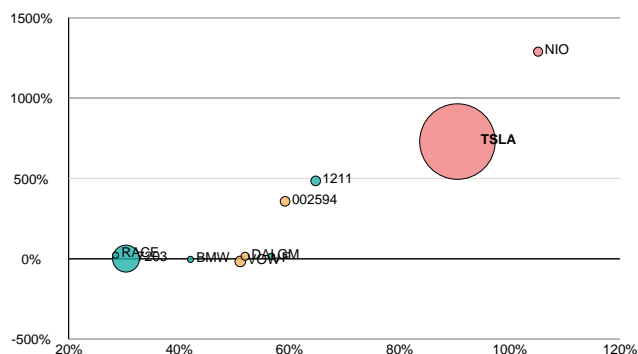
According to the latest estimations, no dividend is expected for the 12 coming months. The average dividend outlook of the industry of TESLA is 0.3%.

Comparative LTPE January 5, 2016 - January 5, 2021



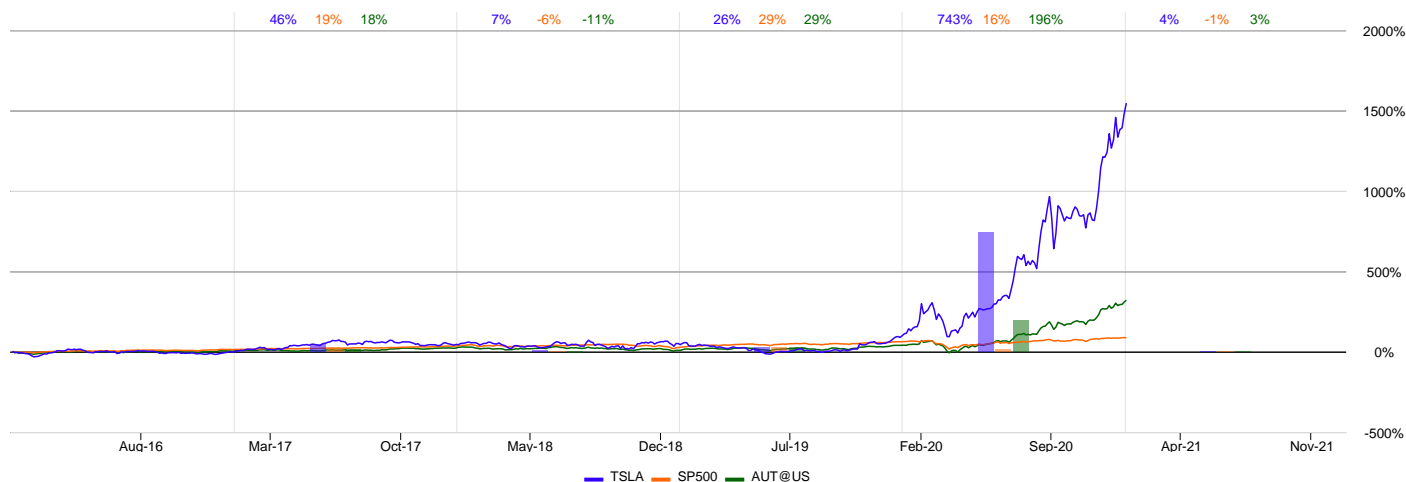
While the projected forward PE of the stock TESLA is 127.58, the PE of the group Automobiles & Parts is slightly lower (28.31); this indicates that the stock is trading at a large premium when compared to its own group. Historically speaking, this stock is also currently trading at a premium, because its median is 31.02.

Performance vs Volatility

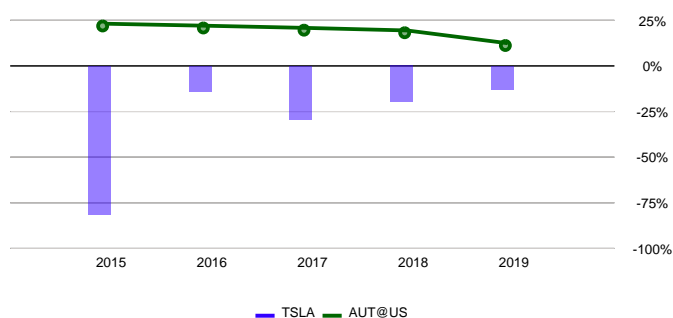


The vertical axis measures the performance since January 3, 2020 of the 10 stocks presented in the table on page 2, while the horizontal axis measures the 12 month annualized volatility. The bubbles are sized according to market capitalization, and their colors indicate the overall rating (Global Valuation).

Comparison January 5, 2016 - January 5, 2021



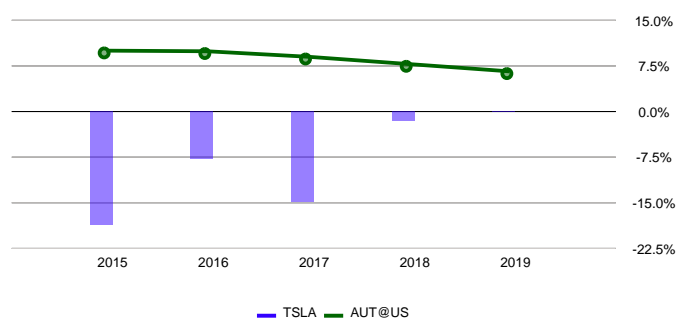
Return on Equity 📉



The return on equity, or ratio between profits and available equity, varies greatly from industry to industry. The historical average return on equity of TESLA is -32%. This is below the industry average of 19%, indicating a moderately efficient use of shareholder capital.

The last publicized return on equity of -13% is above the long term average of -32%.

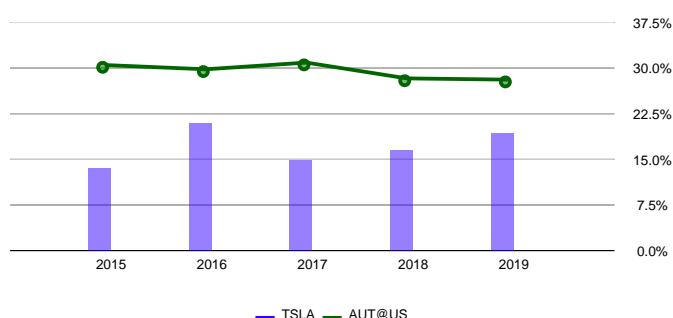
Earnings Before Interest & Taxes 📉



The average historical operating margin (EBIT) of TESLA has been at -9%. This is below the industry average. The competitors achieved an on average EBIT margin of 8%.

The last reported 0% are above the historical average of -9%.

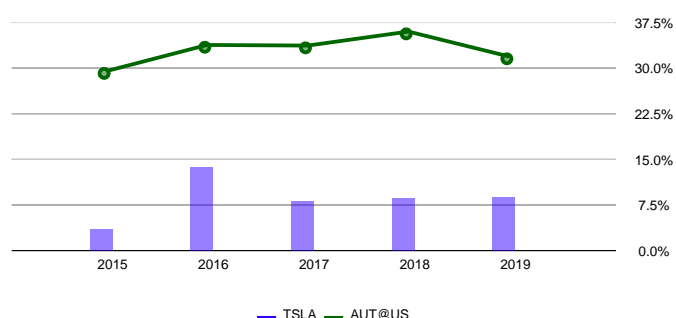
Equity on Assets 📉



The graph shows the share of own funds in relation to the total assets. The higher the value, the more conservative the company's finances. TESLA has an average equity ratio of 17%, which is below the industry average of 29%.

The current capital share of 19% is close to the historical average of 17%.

Book Value / Price 📉



The book value of the company is shown in relation to the stock's value. The larger the ratio, the more asset value is obtained relative to the market price. The average value of TESLA is with 9% below the industry average of 33%.

With 9% the current value is close to the historical average of 9%.

Balance Sheet

	2017 31-Dec USD	2018 31-Dec USD	2019 31-Dec USD	
Currency 'mio				
Cash & Short Term Invest	3,523	3,878	6,514	19%
Receivables	515	949	1,324	4%
Inventories	2,264	3,113	3,552	10%
Total Current Assets	6,571	8,306	12,103	35%
Properties & Equipment	20,492	19,691	20,199	59%
Intangible	422	351	537	2%
Total Assets	28,655	29,740	34,309	100%
Account Payable	2,390	3,404	3,771	11%
Short Term Debt	897	2,568	1,785	5%
Total Current Liabilities	7,675	9,992	10,667	31%
Long Term Debt	9,418	9,404	11,634	34%
Total Liabilities	28,655	29,740	34,309	100%

Key Figures

Book Value	25.10	28.52	7.31
Shares Outstanding ('000)	168,797	172,603	905,000
NB of Employees	37,543	48,817	48,016

Annual Statement

	2017 31-Dec USD	2018 31-Dec USD	2019 31-Dec USD	
Currency 'mio				
Total Revenue	11,759	21,461	24,578	100%
Cost	7,900	15,518	18,402	75%
Gross Income	2,222	4,042	4,069	17%
General Cost & Administration	3,855	4,295	3,989	16%
Amortization	1,636	1,901	2,107	9%
Operating Income	-1,632	-253	80	0%
Research & Development	1,378	1,460	1,343	5%
Net Income Before Extra Items	-1,239	-976	-862	-4%
Net Income Before Taxes	-1,738	-342	20	0%
Dividend	0	0	0	0%
Net Income	-1,239	-976	-862	-4%

Ratios

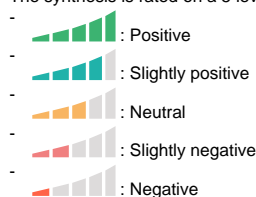
Current Ratio	0.9	0.8	1.1
Long Term Debt	32.9%	31.6%	33.9%
Revenues on Assets	41.0%	72.2%	71.6%
Cash Flow on Revenues	3.4%	4.3%	5.1%

Glossary - Equities

Global Evaluation

The rating results from several factors : fundamental and technical analysis, measure of sensitivity and benchmark trend.

The synthesis is rated on a 5 level scale:



The synthesis for the Indices and Industries is rated on a 3 level scale: Positive, Neutral and Negative.

Number of Stocks

The number of stocks in the index that can be analyzed.

Mkt Cap in \$bn

This number represents the Market Capitalization in USD bn. It is calculated by multiplying a firm's share price by the number of outstanding shares. For reasons of comparison, all results are in USD.

Valuation Rating

Our Valuation Rating indicates if a stock is "expensive" or "cheap" relative to its growth potential. This is used to determine whether or not the investor is paying a premium for anticipated growth.

To estimate a stock's value relative to its current price, our Valuation Rating combines:

- stock price
- projected earnings
- projected earnings growth
- dividends

We establish our rating by combining these elements.

There are five ratings, ranging from strongly undervalued 🟢 to strongly overvalued 🔴.

Stars

theScreener.com's star rating system is designed to enable you to identify high-quality stocks quickly and easily.

In this easy-to-use rating system, stars are earned for each element specified below:

- Earnings Rev Trend 🟢 = ★★★★★
- Valuation Rating 🟢, 🟡, 🟠, 🔴 = ★★★★★
- MT Tech Trend 🟢 = ★★★★★
- 4 week Relative Performance > 1% = ★★★★★

Therefore, a stock can earn a maximum of four stars.

The lowest rating a stock can have is no stars.

Once a stock has earned a star, it will keep it until:

- Earnings Rev Trend becomes negative 🔴
- Valuation Rating becomes negative 🔴, 🟠, 🟡
- MT Tech Trend becomes negative 🔴
- 4 week Relative Performance drops below -1% (<-1%)

Div

This is the dividend in % for the next 12 months.

Even if the same number is shown, the dividend value can appear in one of four colors, depending on the earnings coverage:

- 0%, no dividend
- 4%, the dividends are covered (between 0% and 40% of earnings)
- 4%, the dividends represent between 40% and 70% of earnings
- 4%, the dividends are higher than 70% of earnings, which implies that the dividend coverage is not guaranteed.

Earnings Rev. Trend

The symbol 🟢 shows that compared with their earnings revisions of seven weeks ago, the analysts have now raised their estimates (7wk EPS Rev; > 1%); the symbol 🔴 indicates that compared with their earnings revisions of seven weeks ago, the analysts have now lowered their estimates (7wk EPS Rev < -1%).

When the earnings revisions (7wk EPS Rev) fall between +1% and -1%, the trend is considered to be neutral 🟡.

The symbol 🟢 indicates that the last significant revisions have been trending positive.

The symbol 🔴 indicates that the last significant revisions have been negative.

7wk EPS Rev

This is an abbreviation for 7 week Earnings Per Share Revision. This column indicates the value of these revised earnings. A figure of 2.8 signifies that compared with seven weeks

ago, the analysts have now revised and raised their estimates by 2.8%. On the contrary, a negative number means that the earnings would have been revised lower.

G/PE Ratio

In order to establish our Valuation Rating, we calculate the estimated growth of future earnings (LT Growth) plus dividend in %, divided by the estimated future PE ratio (Long Term P/E).

LT PE

This is the relationship between the price (P) and the estimated long-term future earnings.

LT Growth

This is the estimated annual growth rate of future earnings, normally projected over the next two to three years.

MT Tech Trend

The MT Tech Trend indicates the current trend, positive 🟢 or negative 🔴, and the Tech Reverse indicates up to which price this trend will remain valid.

When a price falls to 1.75% above or below the Tech Reverse, the MT Tech Trend is considered neutral 🟡.

Once the price breaks out of the +1.75% neutral zone, the MT Tech Trend will change to positive.

The symbol 🟢 indicates that the previous MT Tech Trend was positive.

The symbol 🔴 indicates that the previous MT Tech Trend was negative.

4wk (Rel) Perf.

This figure measures the performance of a stock relative to its national or regional index (compared to four weeks ago). As for an Index, it measures the net performance over 4 weeks.

Bad News Factor

To determine the "Bad News Factor" we analyze a stock's declines in rising markets. In this purely objective analysis, the actual reasons for a stock's behavior are not important. If a stock price falls while its relative index goes up, it can be assumed that the stock's performance has been affected by bad news - hence the name, "Bad News Factor".

Here a stock's movements are measured on a bi-weekly basis, during a sliding 52 week period. Every time a stock drops while its reference index rises, the difference is calculated in %, integrated into a yearly average and expressed in basis points.

The higher the "Bad News Factor," the more a stock has proven to be sensitive to bad news. The lower the "Bad News Factor," the less the stock has proven to be sensitive to bad news.

Bear Market Factor

To determine the "Bear Market Factor" we analyze a stock's price movements in declining markets.

This is the analysis of the movements, in a bi-weekly intervals, during a sliding 52 week period. The higher the "Bear Market Factor," the greater the probability a stock would drop when its relative index drops.

A "Bear Market Factor" that is strongly negative means the stock has been more resistant to losses in declining markets.

Sensitivity

Stock price developments are generally volatile and contain high risks that can result in a total loss. Based on a their historical behaviour, stocks are classified by sensitivity level. These sensitivity levels have to be considered solely in relative historical comparison to other stocks. Please note that even "Low Sensitivity" stocks are equities and therefore high risk investments that can lose up to all of their value, and that past performance is no indication of current or future performance.

"Sensitivity" is determined by measuring the "Bear Market Factor" and the "Bad News Factor" against its benchmark.

There are three grades of sensitivity levels:

- Low Sensitivity: The sensitivity indicators fall below the world reference average.
- Moderate Sensitivity: The sensitivity indicators are situated higher than the world reference average, but lower than standard deviation.
- High Sensitivity: The sensitivity indicators are at levels higher than standard deviation.

Volatility 12 M

Volatility measures the magnitude of upwards and downwards movements of a stock or index. The volatility 12 M shows the average volatility over the last 12 months.

% of Stocks in Uptrend

This is the percentage of stocks in a given list that have a positive Medium Term Technical Trend. If, for example, the aggregate of Technology / World, (which is made up of 458 stocks) has 8% "of stocks in Uptrend," it means that 38 of the stocks within that aggregate have a positive Medium Term Technical Trend.

Beta

Beta is often used as a measure of sensitivity. Where a Beta is greater than 100, the stock is more volatile than its reference index.

Correlation

Correlation is the degree of similarity in which a stock fluctuates in relation to its reference index.

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If the investment currency differs from the currency of the investment instrument, currency fluctuations can have a strong influence on the performance of the investment instrument, so that it can be significantly higher or lower.

More information: www.thescreener.com/home/method/

Price data, financial ratios and earnings estimates provided by REFINITIV