

Phiadvisor Valquant Recommendation

Last Strategic Signal: **SELL** since 10.06.2026**Stock Performance since signal:** **-2.5%****Performance of S&P 500 (SPY-US) since 10.06.2026:** **+6.9%****Megatrend Signal (Long Term):** **BUY** since 23.09.2024**Tactical Signal (Short Term):** **BUY** since 17.09.2026**Fundamental Rating:** **C+** (medium fundamental potential and favorable earnings momentum)

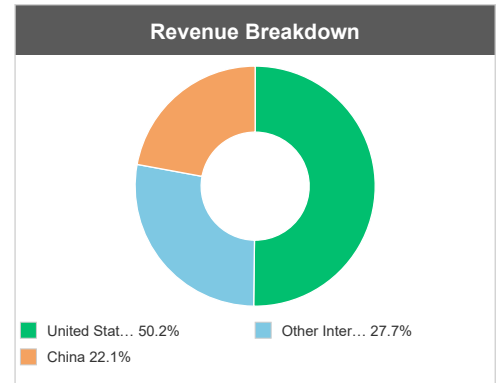
Business Description

Tesla Inc was incorporated in 2003 and is headquartered in Austin, Texas, United States. Formerly Tesla Motors, Inc., it changed its name in February 2017 and is listed on **NASDAQ**. The company has a market capitalization of **1.5T USD** with a free float of **74.7%** and employs **approximately 134 785 employees**.

Tesla designs, develops, manufactures, leases, and sells electric vehicles and energy generation and storage systems. It operates in the Automotive and Energy Generation and Storage segments, offering electric vehicles, solar products, and battery storage solutions, supported by services like sales, maintenance, and charging infrastructure.

The company reported last fiscal year revenue of **94.8B USD**. Sales are distributed across United States 50.2%, China 22.1%, and Other International 27.7%.

Tesla competes with technology hardware companies such as **Nvidia Corporation**, which provides AI chips for autonomous driving; **Qualcomm Incorporated**, a key supplier of automotive semiconductors; **Broadcom Inc.**, offering semiconductor solutions for automotive connectivity; and **Infineon Technologies AG**, a specialist in automotive semiconductors. The market is characterized by rapid innovation in artificial intelligence, advanced computing, and electrification.



Margins, Cash-Flow Generation & Net Debt

	Revenue (USD)	Net Income (USD)	EBITDA Margin	Capex / Revenue	Net Debt / EBITDA	FCF / Revenue
FY2027 consensus est.	120.43B +13.3%	7.73B +38.1%	15.5%	19.8%	-0.2x	-6.9%
FY2026 consensus est.	106.28B +12.1%	5.60B -4.4%	13.9%	23.8%	-0.8x	-9.3%
FY2025 reported	94.83B -2.9%	5.86B -30.7%	14.8%	9.9%	-0.6x	6.4%

Strengths and Weaknesses

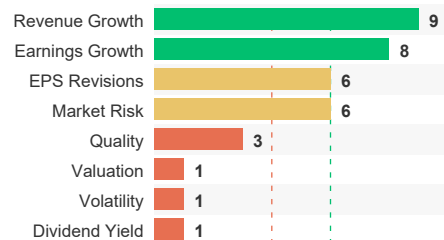
Strengths

- An earnings growth score of **8/10** suggests analysts' consensus expects satisfactory earnings growth over the short to medium term.
- The revenue growth score of **9/10** shows that the business's growth engine remains solid.

Weaknesses

- The quality score of **3/10** shows that the company's business model (balance sheet, margins and free cash flow generation) has weaknesses.
- A valuation score of **1/10** suggests the stock is very expensive relative to its historical levels.
- The volatility score of **1/10** indicates high price volatility, which represents higher risk.
- A dividend yield score of **1/10** suggests the dividend yield is very low, or even zero.

Fundamental Scores (out of 10)



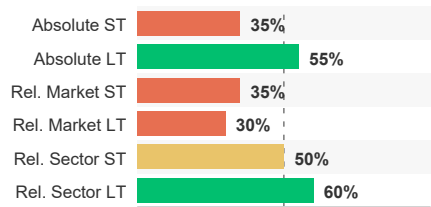
Valuation and Multiples

Market Cap		Price		EPS		Free Float	
1.47T USD		372.11 USD		1.66 growth: 2.2%		74.7%	
P/E		Dividend Yield		EV / Sales		ROE	
Current Yr	Next Yr	Current Yr		Current Yr	Next Yr	Current Yr	Next Yr
219.3x	163.4x	0.0%		12.1x	10.7x	6.5%	8.0%

Newsflow

Favorable newsflow	Unfavorable newsflow
- Launch of the Cybercab robotaxi and Tesla Semi, with the Roadster re-launch also anticipated in October 2026. - Continued investment in AI, robotics (Optimus), and autonomous driving (FSD) is expected to drive future growth. - Potential for a Tesla-SpaceX merger announcement by year-end 2027, which could significantly reprice the stock.	- Increased competition from Chinese EV makers like BYD, and pricing pressure on vehicles. - Concerns regarding Model Y safety and the Cybertruck's pricing and utility, impacting buyer confidence and regulatory attention. - Significant capital expenditures exceeding \$25 billion in 2026, with continued growth expected, leading to negative free cash flow in the near term.

Momentum Scores (strength of trend)



Absolute Momentum Score: The stock's price momentum is expressed by a **weak** short-term absolute score and a **strong** long-term score.

Relative Market Score: The stock is **underperforming** the benchmark (S&P 500) in the short term and also **underperforming** over the long term, resulting in a **weak** short-term relative market score and a **weak** long-term relative market score.

Relative Sector Score: The stock is **performing in line with** its sector in the short term but **outperforming** over the long term, resulting in a **neutral** short-term relative sector score and a **strong** long-term relative sector score.

Signals – Fundamental Alignment: The strategic sell signal contradicts the stock's positive fundamental momentum (+), which reflects positive earnings growth expectations from analysts and upward earnings revisions. The market seems more cautious about earnings forecasts than consensus. Short and long-term momentum scores should be monitored along with earnings revisions.

Sector Dynamics: The American "technology-hardware" sector is currently marked by a **neutral** dynamic: **50%** of stocks in the sector are on a **strategic buy signal** (medium/long term), while **59%** are on a **tactical buy signal** (short term).

Investment Summary

The Phiadvisor Valquant system has been on **Strategic Sell** since **10/06/2026**. The stock exhibits **weak short-term absolute momentum** (ST: 35.0) and is **underperforming its market benchmark**. While long-term sector momentum is positive (LT: 60.0), the **Quality score of 3.0** and **Valuation score of 1.0** are significant concerns. The **C+ Fundamental Rating** reflects these mixed signals, with the **Strategic Sell signal** aligning with the bearish quantitative outlook despite a **BUY tactical signal**. The stock's **high volatility (1.0)** is also a key risk factor.

Despite strong **revenue growth estimates** (Next FY est.: 120.4B USD) and positive **earnings growth expectations** (8.0/10), Tesla faces headwinds. Unfavorable news highlights intense competition, pricing pressures, and significant capital expenditures (\$25B+ in 2026) leading to **negative free cash flow** in the current year (-9.9B USD). This contrasts with favorable news around new product launches and AI investments. The current P/E of 219.3x and EV/Sales of 12.1x (Current FY) are exceptionally high, suggesting the stock is richly valued. The investment stance remains cautious due to the poor quality and valuation scores, negative free cash flow trajectory, and the prevailing strategic sell signal.

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