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# The S&P500 Outlook and Tesla (TSLA)

Part One: The S&P500 Index; Performance in Focus

Part Two: Tesla's 2025 Situation

Presented by:

**John Blank, PhD**

Zacks Chief Equity Strategist and Economist

03/24/2025

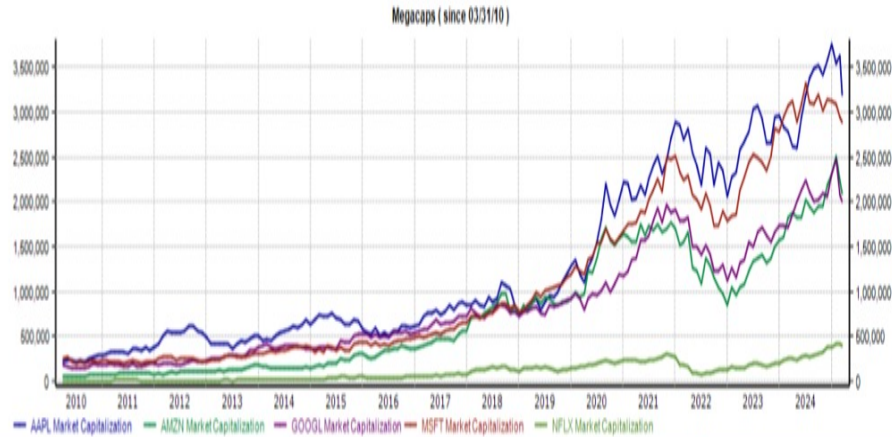


# The S&P500 Index Strategy Review

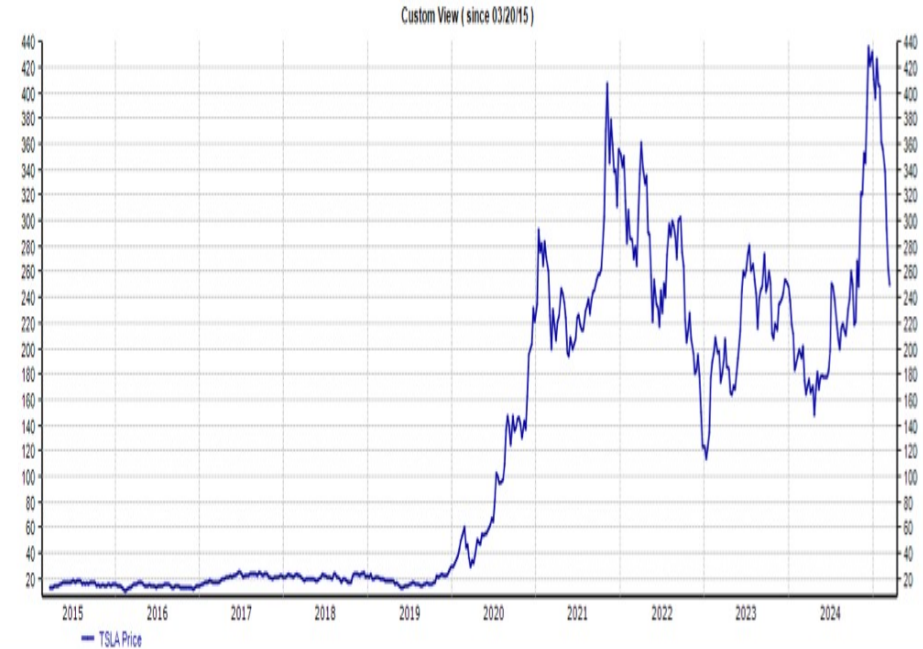
March 24, 2025

# This is a COVID and Post-COVID story!

Tech Megacaps – Five on Left, TSLA on Right



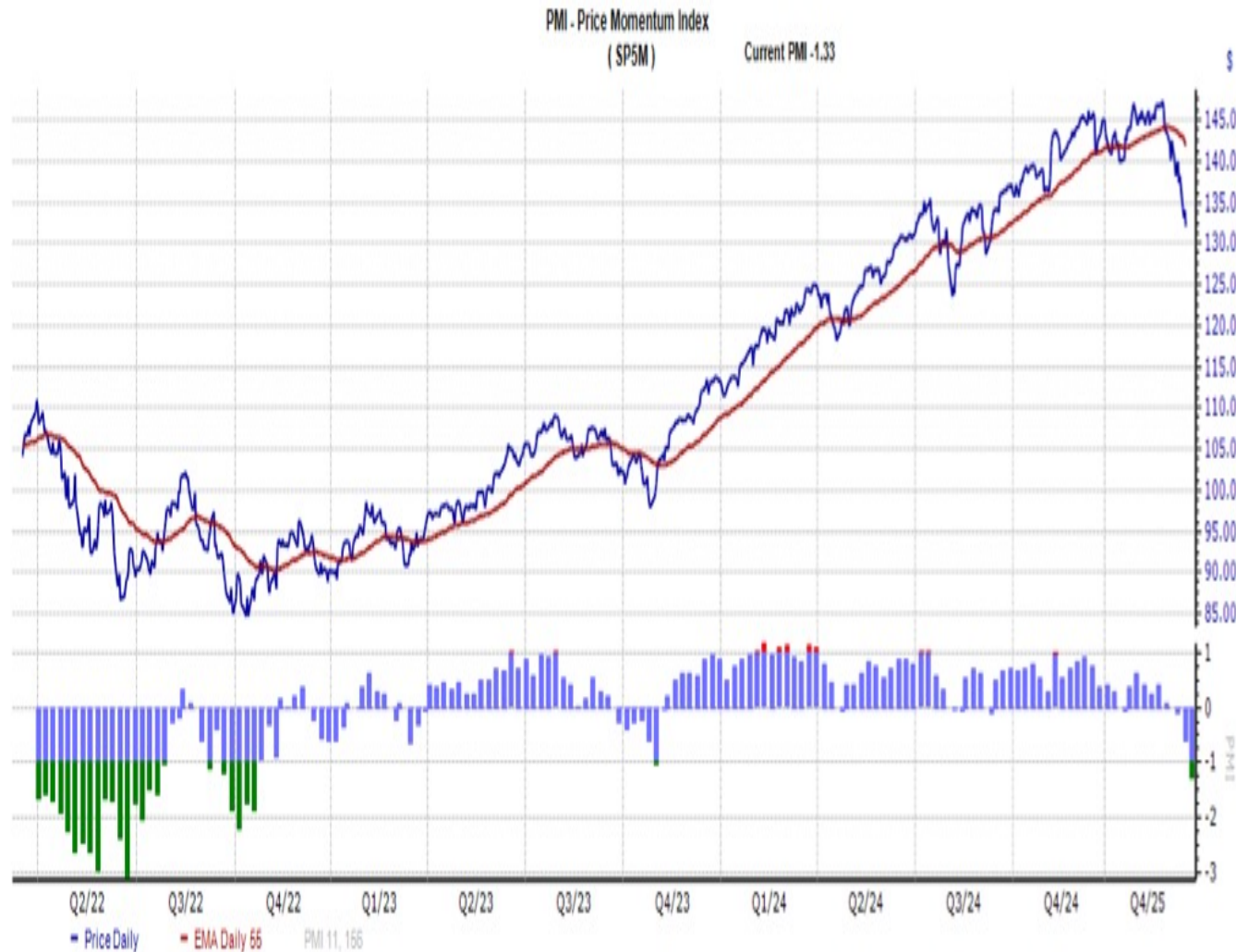
Title	HI	LO	MD	CU	SD	ED
AAPL Market Capitalization	761,828.00	213,097.00	796,065.00	207,062.00	03-31-2010	03-14-2025
AMZN Market Capitalization	518,868.00	48,694.10	475,404.00	097,820.00	03-31-2010	03-14-2025
GOOGL Market Capitalization	487,004.00	141,484.00	683,173.00	017,323.00	03-31-2010	03-14-2025
MSFT Market Capitalization	322,196.00	201,656.00	576,327.00	888,548.00	03-31-2010	03-14-2025
NFLX Market Capitalization	419,441.00	3,023.30	78,431.70	392,681.00	03-31-2010	03-14-2025



Title	HI	LO	MD	CU	CR	AR	SD	ED
TSLA Price	436.23	10.07	45.64	249.98	1793.07%	34.11%	03-20-2015	03-14-2025

# S&P500 Price Momentum Index: Swift and Linear!

Zacks S&P500 'fair value' at 5,594; March 14 2025 at 5,638

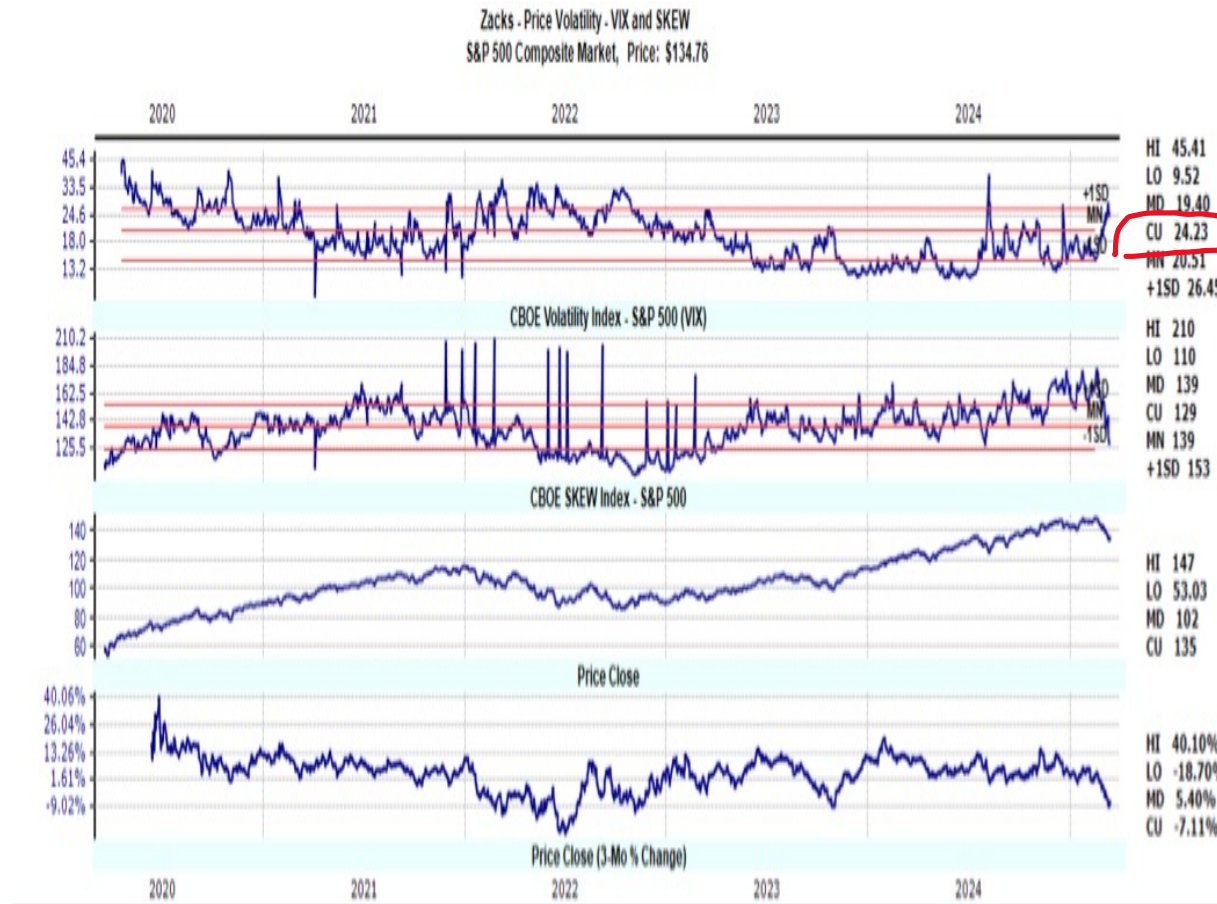


Year	"Bottom-up" S&P500 Operating Earnings*	"Bottom-up" Fair Value using 10-yr avg. forward 12M PE of 18.2	Actual YE price of S&P500 and Zacks S&P500 Targets
2019	\$163.12	2,969	2,954
2020	\$140.46	2,556	3,668
<b>2021</b>	\$205.55	3,741	4,770
<b>2022</b>	\$214.59	3,906	3,840
<b>2023</b>	\$221.05	4,023	4,550
<b>2024 (est)</b>	\$239.37	4,357	5,882
<b>2025 (est)</b>	\$273.63	4,980	?
<b>2026 (est)</b>	\$311.12	5,662	?

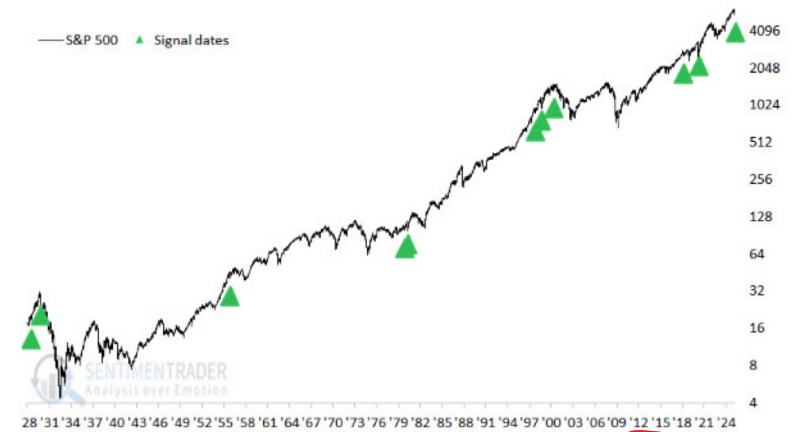
\* Wall Street Sell-side

Year	"Bottom-up" S&P500 Operating Earnings*	Zacks Call for S&P500 Operating Earnings	Zacks Price Target for S&P500 using 10-yr Avg. F12M PE of 18.2
2019	\$163.12	\$163.12	
2020	\$140.46	\$140.46	
<b>2021</b>	\$205.55	\$211.11	3,842
<b>2022</b>	\$214.59	\$222.72	4,054
<b>2023</b>	\$221.05	\$220.94	4,021
<b>2024 (est)</b>	\$239.37	\$237.95	4,331
<b>2025 (est)</b>	\$273.63	\$270.79	4,928
<b>2026 (est)</b>	\$311.12	\$307.35	5,594

CBOE VIX Volatility Index is at 24.2 on March 14, 2025: **Not too high, yet**  
 Median VIX over the last 5 years is 19.40.  
 3-month S&P500 share change? **At a pivot point.**



S&P 500 after falling 10% from a record high in 20 days or fewer



Dates of	Days to	1 Week	2 Weeks	1 Month	2 Months	3 Months	6 Months	12 Months
10 Signals	10.0%	Later (%)	Later (%)	Later (%)	Later (%)	Later (%)	Later (%)	Later (%)
1928-06-12	20	0.3	0.7	6.0	5.9	11.5	23.9	38.7
1929-10-04	14	7.5	3.6	-19.8	-23.0	-27.1	-17.4	-28.3
1955-10-11	12	2.1	4.5	9.6	11.3	9.7	17.7	14.8
1979-10-25	14	2.6	0.3	6.8	7.8	13.6	5.2	29.5
1980-03-10	17	-4.0	-6.8	-3.2	-0.4	6.8	15.8	22.5
1997-10-27	14	7.1	5.0	8.4	6.8	11.5	24.8	21.5
1998-08-14	20	1.7	-3.4	-2.4	-5.4	5.2	16.9	25.2
2000-04-14	15	5.4	8.2	8.1	9.0	11.3	1.3	-12.1
2018-02-08	9	5.8	6.4	7.8	2.4	5.5	10.6	5.0
2020-02-27	6	1.5	-16.7	-14.7	-3.9	1.7	16.8	27.9
2025-03-13	16							
<b>Mean</b>		<b>3.0</b>	<b>0.2</b>	<b>0.7</b>	<b>1.0</b>	<b>5.0</b>	<b>11.5</b>	<b>14.5</b>
<b>Median</b>		<b>2.3</b>	<b>2.1</b>	<b>6.4</b>	<b>4.1</b>	<b>8.2</b>	<b>16.3</b>	<b>22.0</b>
<b>% Positive</b>		<b>90%</b>	<b>70%</b>	<b>60%</b>	<b>60%</b>	<b>90%</b>	<b>90%</b>	<b>80%</b>
Avg Max Loss		-0.5	-2.7	-7.1	-8.1	-8.1	-8.5	-11.0
Avg Max Gain		4.5	5.2	6.7	7.6	9.7	17.7	26.4
Z-Score		2.6	0.0	0.0	-0.1	0.8	2.0	1.0

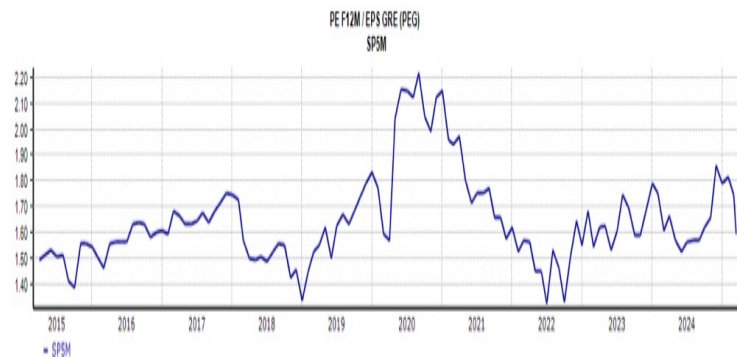
© SENTIMENTRADER Numbers are % return after signal; HI = avg. max loss; Reward = avg. max gain; Z-Score = 2 suggests

# S&P500 Price Change, 2022, 2024, 2024 YTD. Earnings Estimates, Stats

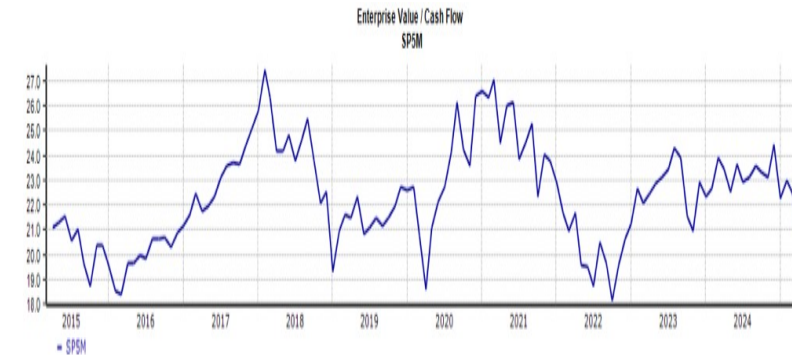
S&P500 PEG ratio

S&P500 Enterprise Value/ Cash Flow

Price Change (%)	Diff SP5	Estimates	2025	2026	2027	Key Statistics			
1 - Week	-2.88%	-1.14%	Mean Estimate	6.34	7.21	8.04	Revenue TTM (\$Mil)	127,866	
4 - Weeks	-7.80%	-0.01%	Change Y/Y	14%	14%	11%	Market Value	671,995	
QTD	-6.47%	-2.34%	High	6.73	7.81	8.58	Shares Out (Mil)	4,876	
YTD	-4.35%	-0.23%	Low	5.93	6.50	7.64	20 Day Daily Vol. (Thou)	36,470	
2024	24.54%	1.23%	Total				20 Day Daily Vol. (\$)	4,814,074	
2023	25.69%	1.46%	#Up (4 weeks)				Dividend Estimate (\$)	0.52	
2022	-20.82%	-1.38%	#Down (4 weeks)				Payout Rate	31%	
Last Rpt FYE	Dec-2024	EPS	5.55	PE	20.0	18.3	16.4	Retention Rate	69%
								Indicated Dividend Yield	2.02%



Title	HI	LO	MD	CU	SD	ED
S&P 500 Composite Market	2.22	1.32	1.61	1.60	03-31-2015	03-13-2025

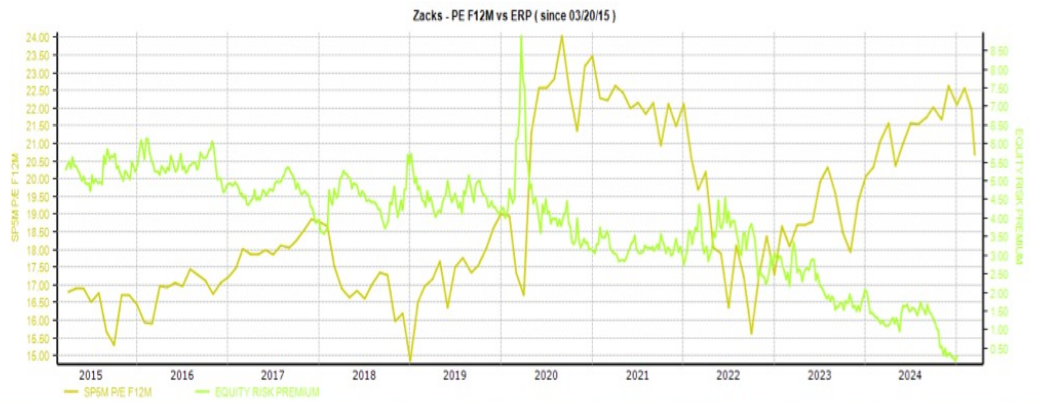


Title	HI	LO	MD	CU	SD	ED
S&P 500 Composite Market	27.45	18.13	22.36	20.81	03-31-2015	03-13-2025

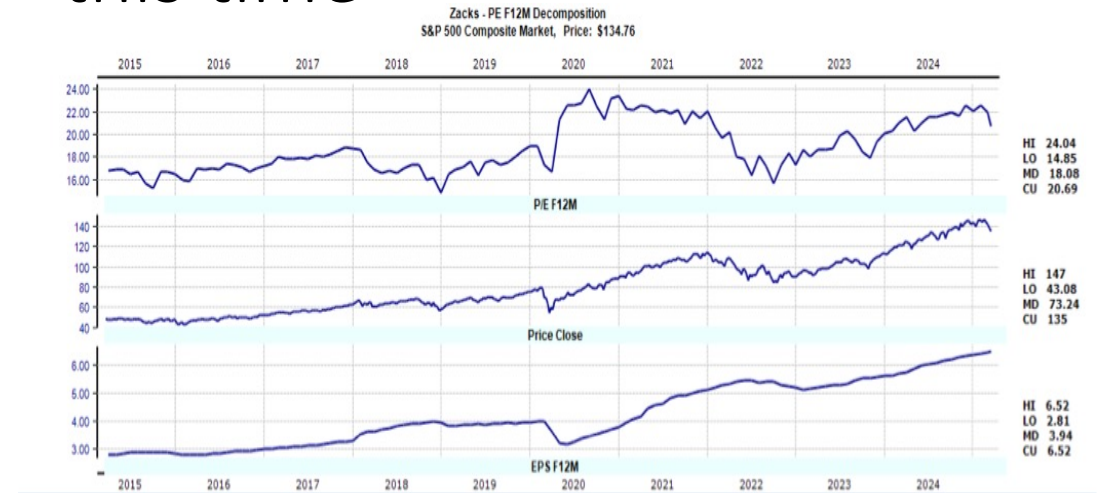
P/E F12M Valuation for S&P500 Market is 20.7. **Still overvalued!**

The median is 18.1.

SPY vs. SPGM is moving --in line-- this time



Title	HI	LO	MD	CU	CR	AR	SD	ED
S&P 500 Composite Market P/E F12	24.04	14.85	18.08	20.69			03-31-2015	03-14-2025
EQUITY RISK PREMIUM	8.90	0.16	4.17	0.27	-94.92%	-26.16%	03-20-2015	01-03-2025



Title	HI	LO	MD	CU	CR	AR	SD	ED
SPGM Price	66.65	27.53	41.39	63.18	89.19%	6.57%	03-20-2015	03-14-2025
SPY Price	609.70	186.63	311.38	562.81	167.48%	10.32%	03-20-2015	03-14-2025



S&P500 Five Year Performance. Cumulative over the last 5 yrs? +134.5%  
 Annual Return the last 5 yrs? 18.6%  
 The Net Margin is at a peak, and  
 The Price/Free Cash Flow Valuation is looking OK



Title	HI	LO	MD	CU	CR	AR	SD	ED
S&P 500 Composite Market % Gr	161.62%	-5.77%	81.70%	134.53%	134.53%	18.61%	03-16-2020	03-13-2025



Title	HI	LO	MD	CU	SD	ED
S&P 500 Composite Market	18.54%	12.12%	15.75%	16.24%	03-16-2020	03-13-2025

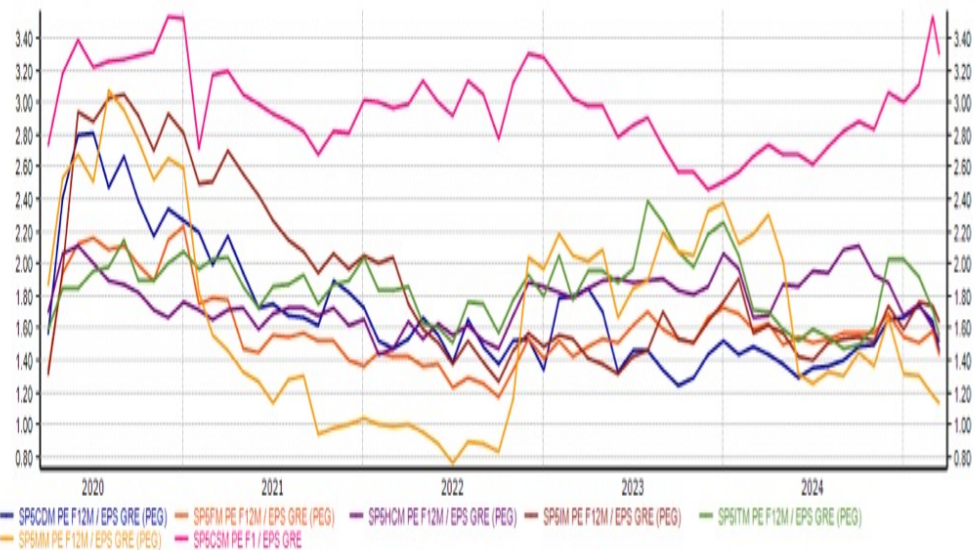


Title	HI	LO	MD	CU	SD	ED
S&P 500 Growth Composite Market	58.14	29.90	43.51	45.00	03-16-2020	03-13-2025

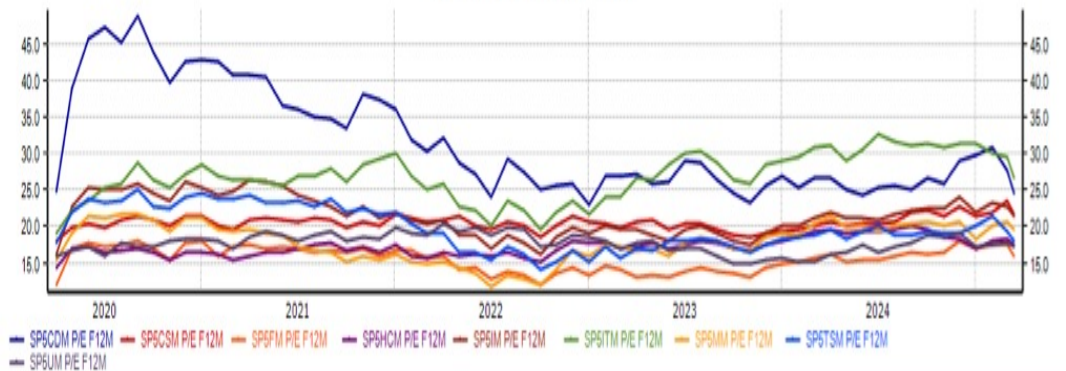
# S&P500 Sector PEG and Sector P/E F12M

## Info Tech PEG at 1.56, Median at 1.87: That is OK.

SP5M Sector PEG (since 03/31/20)



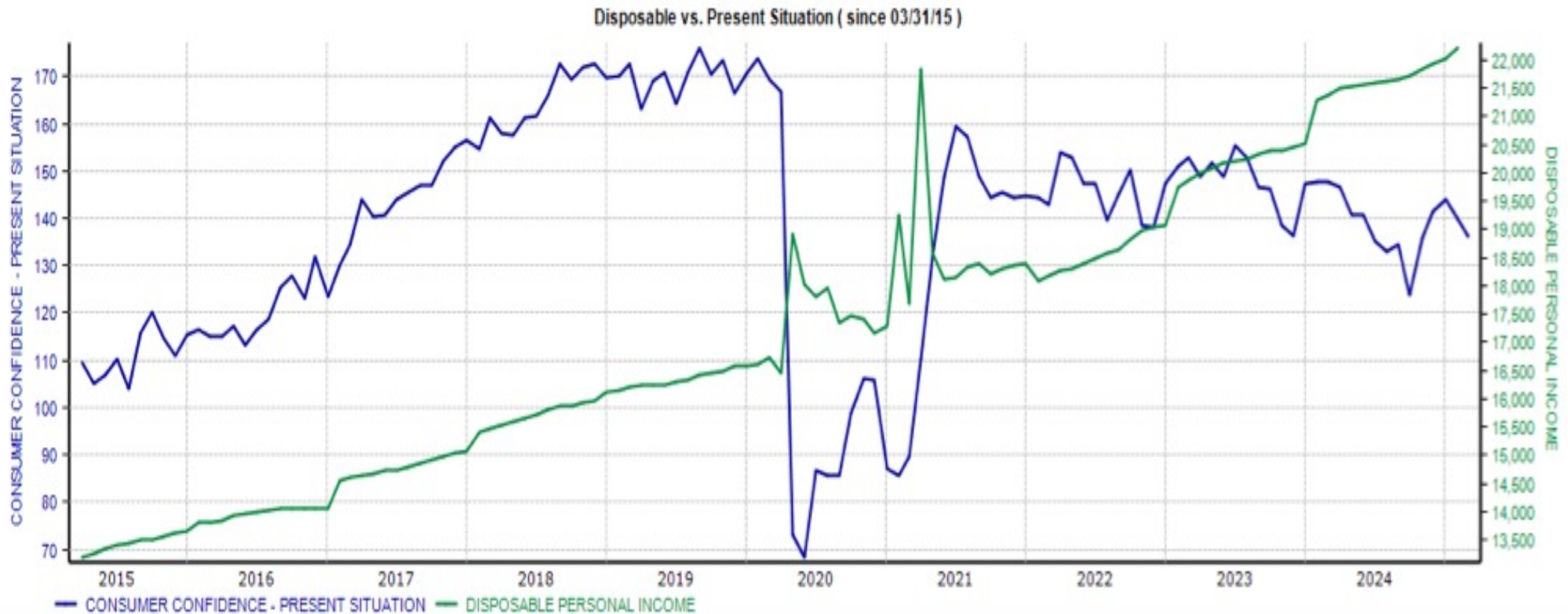
SP5M Sector PE F12M (since 03/31/20)



Title	HI	LO	MD	CU	SD	ED
<a href="#">S&amp;P 500 Cons Discr Market P/E F12M / EPS GRE (PEG)</a>	2.81	1.25	1.62	1.46	03-31-2020	03-13-2025
<a href="#">S&amp;P 500 Financials Market P/E F12M / EPS GRE (PEG)</a>	2.23	1.17	1.53	1.43	03-31-2020	03-13-2025
<a href="#">S&amp;P 500 Health Care Market P/E F12M / EPS GRE (PEG)</a>	2.11	1.44	1.75	1.52	03-31-2020	03-13-2025
<a href="#">S&amp;P 500 Industrials Market P/E F12M / EPS GRE (PEG)</a>	3.05	1.26	1.64	1.64	03-31-2020	03-13-2025
<a href="#">S&amp;P 500 Info Tech Market P/E F12M / EPS GRE (PEG)</a>	2.39	1.47	1.87	1.56	03-31-2020	03-13-2025
<a href="#">S&amp;P 500 Materials Market P/E F12M / EPS GRE (PEG)</a>	3.07	0.76	1.55	1.13	03-31-2020	03-13-2025
<a href="#">S&amp;P 500 Cons Stapl Market P/E F1 / EPS GRE</a>	3.54	2.46	2.98	3.31	03-31-2020	03-13-2025

Title	HI	LO	MD	CU	SD	ED
<a href="#">S&amp;P 500 Cons Discr Market P/E F12M</a>	48.93	22.94	28.73	24.62	03-31-2020	03-13-2025
<a href="#">S&amp;P 500 Cons Stapl Market P/E F12M</a>	23.40	17.96	20.53	21.81	03-31-2020	03-13-2025
<a href="#">S&amp;P 500 Financials Market P/E F12M</a>	18.07	11.87	15.82	15.82	03-31-2020	03-13-2025
<a href="#">S&amp;P 500 Health Care Market P/E F12M</a>	20.17	14.32	17.03	17.54	03-31-2020	03-13-2025
<a href="#">S&amp;P 500 Industrials Market P/E F12M</a>	26.47	16.23	21.28	21.48	03-31-2020	03-13-2025
<a href="#">S&amp;P 500 Info Tech Market P/E F12M</a>	32.78	19.11	26.93	26.69	03-31-2020	03-13-2025
<a href="#">S&amp;P 500 Materials Market P/E F12M</a>	21.64	11.74	18.52	19.68	03-31-2020	03-13-2025
<a href="#">S&amp;P 500 Telecomm Market P/E F12M</a>	25.13	14.22	19.14	18.02	03-31-2020	03-13-2025
<a href="#">S&amp;P 500 Utilities Market P/E F12M</a>	20.44	14.81	17.82	17.31	03-31-2020	03-13-2025

# Consumer Confidence – Present Situation vs. Disposable Incomes. **Two different stories!**



<u>Title</u>	<u>HI</u>	<u>LO</u>	<u>MD</u>	<u>CU</u>	<u>CR</u>	<u>AR</u>	<u>SD</u>	<u>ED</u>
CONSUMER CONFIDENCE - PRESENT SITUAT1	176.00	68.40	144.45	136.50	24.66%	2.24%	03-31-2015	02-28-2025
DISPOSABLE PERSONAL INCOME	22,209.80	13,192.80	16,622.60	22,209.80	68.35%	5.42%	03-31-2015	01-31-2025

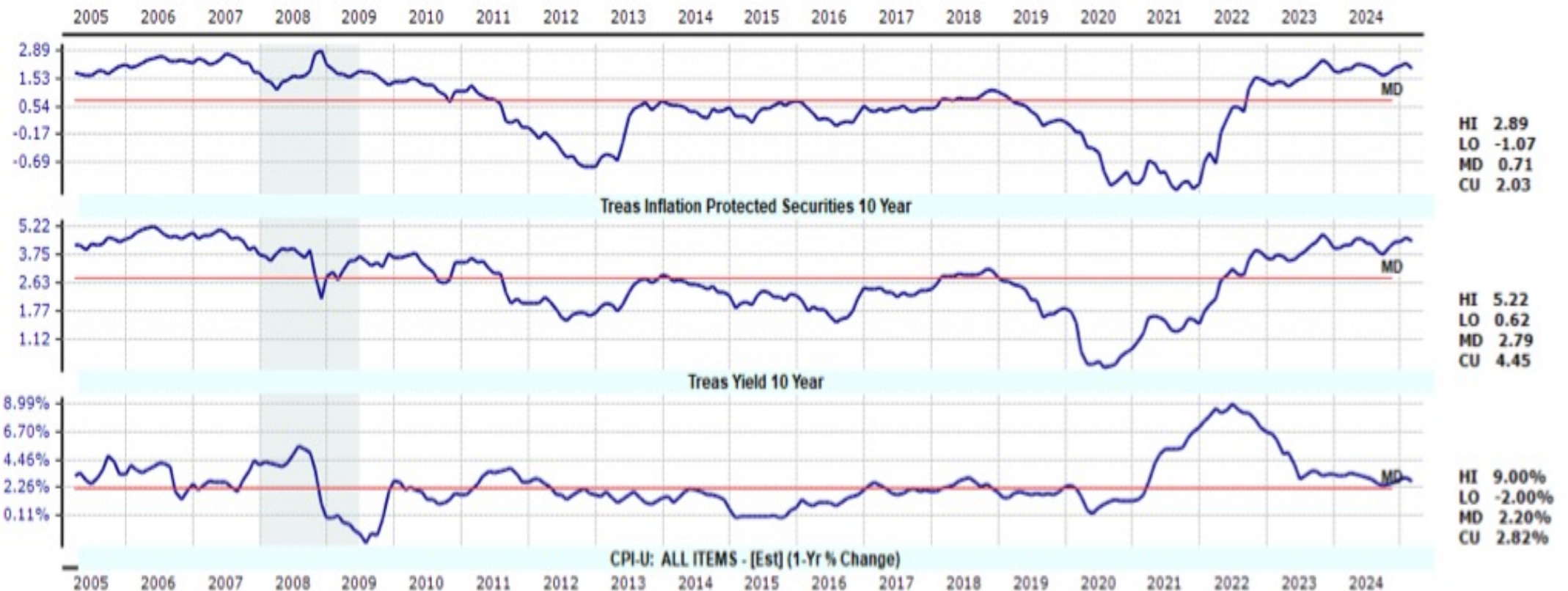
# U.S. Consumer Price Inflation is still too high!

CPI-U All items

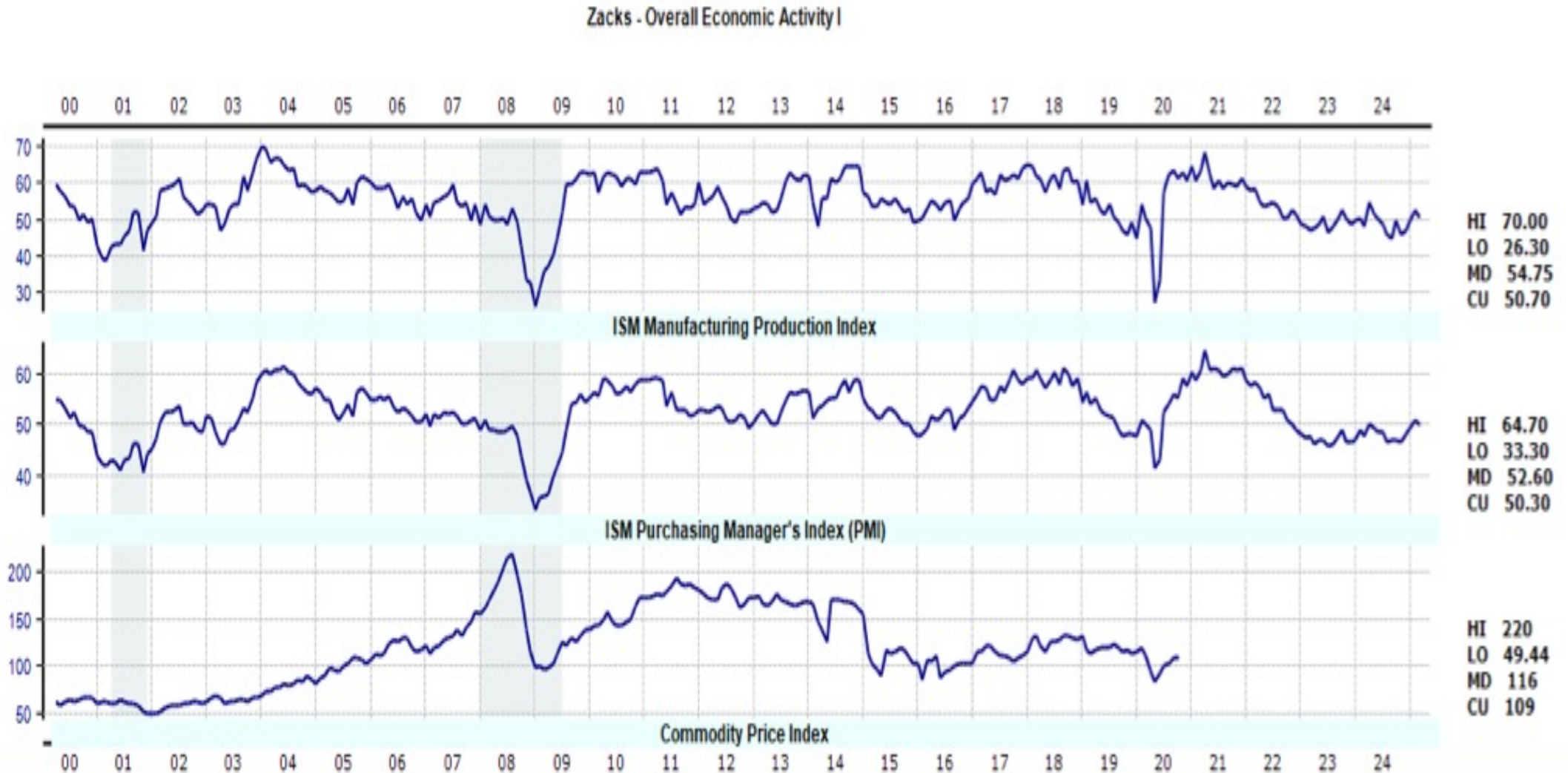
Inflation Expectations TIPS,

10-yr U.S. Treasury yields

Zacks - Inflationary Expectations



The U.S. ISM PMI for Manufacturing has been picking up, a bit.



# A March 2025 Update on Tesla (TSLA)

March 24, 2025

# Tesla Overview (Zacks #3 Hold, F for Value, A for Growth, B for Momentum. Comment below, made by Zacks Covering Analyst

- Over the years, electric vehicle (EV) maker Tesla has evolved into a dynamic technology innovator. It has transformed the EV space like Amazon changed the retail landscape and Netflix revolutionized entertainment. Tesla managed to garner a gold-standard reputation over the years, is now a far bigger entity than it was at the time of its IPO in 2010.
- However, with growing competition, Tesla's market share in battery-powered electric car sales in the United States is currently around 50%, down from roughly 80% in 2020.
- The firm's three-pronged business model approach of direct sales, servicing and charging its EVs sets it apart from other carmakers. Tesla, touted as the clean energy revolutionary automaker, is much more than just a car manufacturer. The firm also makes different kinds of technology like self-driving software, charging stations and battery development, et al. The technology titan has also made inroads into solar and energy storage business.
- In fact, Tesla's CEO Elon Musk wants the company to be primarily viewed through the lens of AI and robotics rather than solely as an automotive company.
- Tesla operates under three segments: Automotive, Energy Generation/ Storage and Services/Others. While Automotive operations accounted for 78.9% of the total sales in 2024, revenues from Energy Generation/Storage and Services/Others constituted 10.3% and 10.8% of the total sales, respectively.
- Presently, this Texas-based company produces and sells five fully electric vehicles: The Model S sedan, the Model X sport utility vehicle ("SUV"), the Model 3 sedan and the Model Y SUV and Cybertruck.
- Tesla's first, second and third Gigafactory are located in Nevada, New York and Shanghai, respectively. Its fourth and fifth Gigafactory are located in Berlin and Austin, respectively, and commenced production in the fourth quarter of 2021.

# Telsa (TSLA): Pushing the usual 2026 turnaround.

## A summary of earnings fundamentals and technicals, below

### Price, Consensus, and Surprise

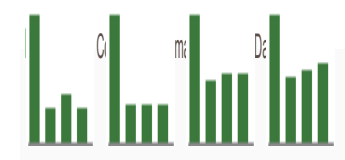
### Magnitude

April 2024 Consensus

OCT 2024 Consensus



The MAR 2025 earnings outlook is not looking good: It shows a -19.2% decline the last 60 days



7 Days Ago	0.61	0.68	2.99	3.75
30 Days Ago	0.59	0.68	2.95	3.70
60 Days Ago	0.73	0.82	3.25	4.04
Trend of Estimate Revisions:	-19.18%	-17.07%	-8.00%	-6.68%

March 2025 Consensus



Note: TSLA estimated at \$3.75 a share in 2026  
But only \$3.00 a share for 2025



# TSLA Share Valuation Metrics: P/E F1 is 81 On March 14, 2025: Price/Sales at 5-yr median

52 Wk High-Low	\$488.54 - \$138.80
20 Day Avg Vol	99,649,840
Beta	2.50
Market Cap	774.15 B
Dividend / Div Yld	NA
Industry	<a href="#">Automotive - Domes..</a>
Industry Rank	160/247 (Bottom 35%)
Proj. EPS Gr (Q1)	31.11%
Proj. EPS Gr (F1)	23.55%
P/E (F1)	80.39
Last EPS Surp	-2.67%
Avg Last 4 Surp	0.79%
Next Report Date	4/22/2025
Earnings ESP	-11.46%

Valuation Multiples - TSLA					
		Stock	Sub-Industry	Sector	S&P 500
P/S F12M	Current	7.66	2.96	1.28	5.08
	5-Year High	23.37	3.43	1.83	5.53
	5-Year Low	1.92	0.6	0.58	3.84
	5-Year Median	7.61	2.02	1.14	4.9
EV/Sales TTM	Current	8.58	2.01	1.47	5.2
	5-Year High	26.02	4.51	2.4	5.84
	5-Year Low	2.39	0.78	0.7	3.2
	5-Year Median	10.19	2.28	1.49	4.89
P/B TTM	Current	11.89	5.54	2.89	8.2
	5-Year High	44.29	12.52	4.42	9.22
	5-Year Low	6.96	1.74	1.23	4.77
	5-Year Median	17.34	5.84	2.71	7.86

As of 03/04/2025

Source: Zacks Investment Research

# Tesla Q4-24 Earnings Missed Estimates

## The Q1-25 EPS report lands April 22, 2025

### Tesla Q4 Earnings Miss Estimates

Tesla reported fourth-quarter 2024 earnings per share of 73 cents, which missed the Zacks Consensus Estimate of 75 cents but increased from the year-ago figure of 71 cents. Total revenues of \$25.71 billion also lagged the consensus mark of \$27.5 billion but inched up from \$25.17 billion recorded in the corresponding quarter of 2023.

Despite the significant miss, shares of Tesla were up more than 4% in after-hours trading. TSLA remains committed to starting the production of affordable vehicles in the first half of this year. It also reaffirmed that Cybercab will begin volume production in 2026. And most importantly, energy storage deployments are expected to grow at least 50% this year.

### Key Takeaways

Tesla's fourth-quarter production totaled 459,445 units (436,718 Model 3/Y and 22,727 other models), **declining -7% year over year** and missing our estimate of 540,826 units. The company delivered 495,570 vehicles, which increased 2% year over year but lagged our estimate of 517,043 units. The Model 3/Y registered deliveries of 471,930 vehicles, marking year-over-year growth of 2% but falling short of our expectations by 19,221 units.

Total automotive revenues of \$19.78 billion were down 8% year over year and lagged our estimate of \$22.56 billion. The reported figure also included \$692 million from the sale of regulatory credits for electric vehicles, which increased 60% year over year. Automotive sales, excluding revenues from leasing and regulatory credits, totaled \$18.66 million, which missed our projection of \$21.56 million on lower-than-expected deliveries.

Automotive gross profit (including automotive sales and regulatory credits) came in at \$3.08 billion. Automotive gross margin came in at 15.9%, down from 18.3% reported in fourth-quarter 2023 and missed our forecast of 18.4% amid lower-than-expected revenues. Tesla's operating margin declined 204 basis points year over year to 6.2% in the quarter under discussion and also lagged our estimate of 8.4%.

Energy Generation and Storage revenues came in at \$3.06 billion in fourth-quarter 2024, rocketing 113% year over year and breezing past our estimate of \$2.6 billion. Notably, energy storage deployments came in at 11 GWh, exceeding our projection of 9.2 GWh.

Services and Other revenues were \$2.84 billion, up 31.5% year over year. However, the metric fell short of our estimate of \$2.99 billion. Tesla ended fourth-quarter 2024 with 65,495 Supercharger connectors. term debt and finance leases, net of the current portion, totaled \$5.48 billion, up from \$2.86 billion as of Dec 31, 2023.

Net cash provided by operating activities amounted to \$3.61 billion in second-quarter 2024. Capital expenditure totaled \$2.27 billion in the quarter under review. Tesla registered a free cash flow of \$1.34 billion during the reported quarter, up from a free cash flow of \$1 billion generated in the year-ago period.

# Zacks Covering Analyst TSLA Summary

- Tesla's electric vehicle (EV) business is under pressure from pricing challenges and fierce competition, with 2024 marking its first-ever annual delivery decline.
- CEO Musk's divided attention and growing political controversies have investors questioning whether Tesla is still his top priority.
- Further, Tesla expects operating expenses to rise this year, squeezing profitability.
- Having said that, Tesla's long-term growth prospects still remain strong, driven by its thriving **Energy Generation & Storage segment, expansive Supercharger network and AI advancements.**
- **Tesla's robust balance sheet**, with a high liquidity buffer, supports continued innovation and expansion.
- Progress in the autonomous vehicle domain, including plans to launch robotaxi services in 2025 bode well.
- Thus, investors should retain Tesla stock, **for now.**

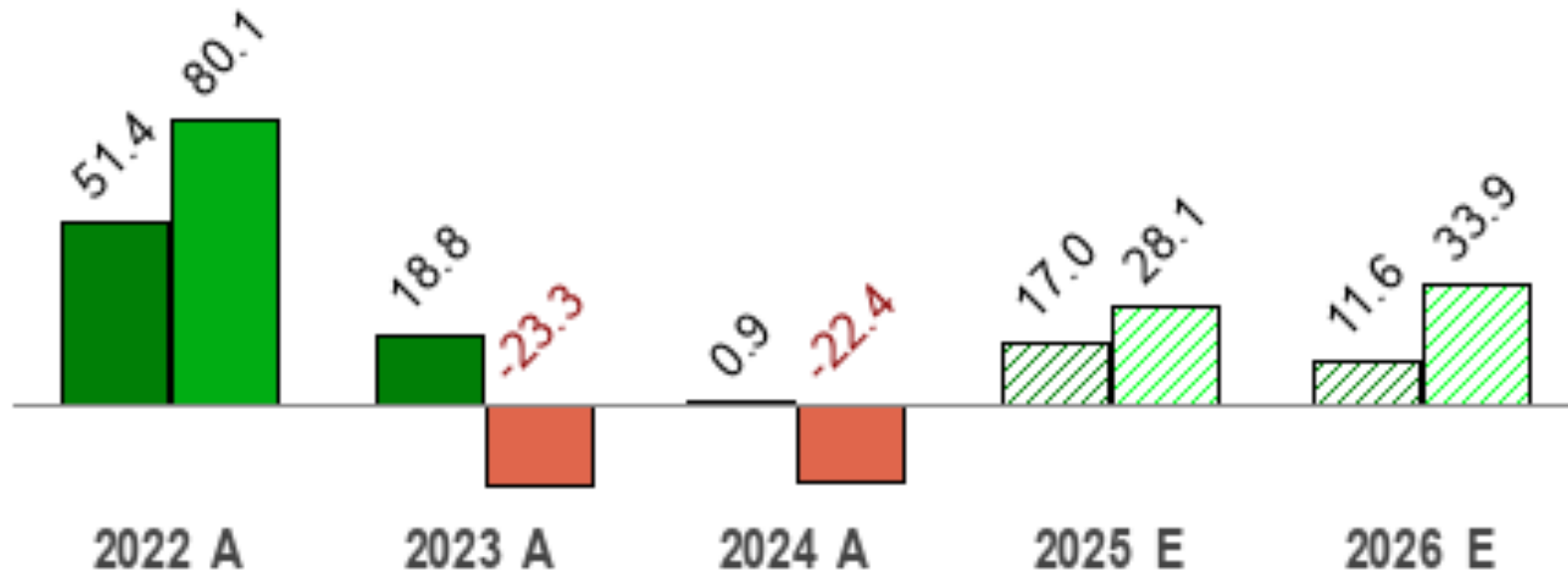
# TSLA: Reasons to Buy

- **Thriving Energy Generation & Storage Business:** Tesla's revenue from Energy Generation and Storage business is on a robust growth trajectory on the back of the strong reception of its Megapack and Powerwall products. This segment stands out as Tesla's most lucrative, boasting the highest margins. Over the past three years, energy storage deployments have surged at a CAGR of 180%. In 2024 alone, deployments soared by 113% year-over-year, driven largely by the expansion efforts at the Mega factory in Lathrop, CA. With ongoing efforts to ramp up production at the Megapack factory to meet escalating demand, deployments are expected to continue their upward trajectory. Musk expects deployments in 2025 to increase another 50% at least.
- **NACS to Bolster Charging Business:** Tesla's charging division is poised to substantially enhance its overall profitability. Currently, the company's expansive global supercharging network boasts more than 65,000 connectors. Noteworthy automotive giants like Ford, General Motors, Mercedes and others have already enlisted to utilize Tesla's North American Charging Standard. As a result, the charging business has the potential to evolve into a substantial revenue stream for the company.
- **Strong Balance Sheet:** High liquidity and low leverage provide Tesla with the financial flexibility to tap growth opportunities. Its long-term debt-to-capitalization of around 7% compares favorably with the industry's 40%. The company's times interest earned ratio of 27.71 is way higher than the industry's 6.75. Tesla exited 2024 with cash/cash equivalents/investments of more than \$36 billion.
- **Promise of AVs and AI:** Musk is betting big on Full Self-Driving (FSD) and robotaxis, calling them Tesla's most valuable future segment. Tesla plans to roll out unsupervised FSD as a paid service in Austin this June, with potential expansion to California and other U.S. regions by year-end, pending regulatory approvals. Humanoid robot project (Optimus) and the much-awaited Cybercab, a two-seat autonomous vehicle, is expected to hit volume production in 2026, are also expected to drive prospects.
- **Trump Bump:** Donald Trump's push to repeal the \$7,500 EV tax credit aligns with Tesla's strengths. Unlike its competitors, Tesla has outgrown the need for such incentives, thanks to its massive scale and brand loyalty. The administration's plans to establish a unified federal framework for autonomous vehicles also bode well for Tesla and can remove significant hurdles that have hampered Tesla's rollout of FSD technology.

# TSLA: Risks

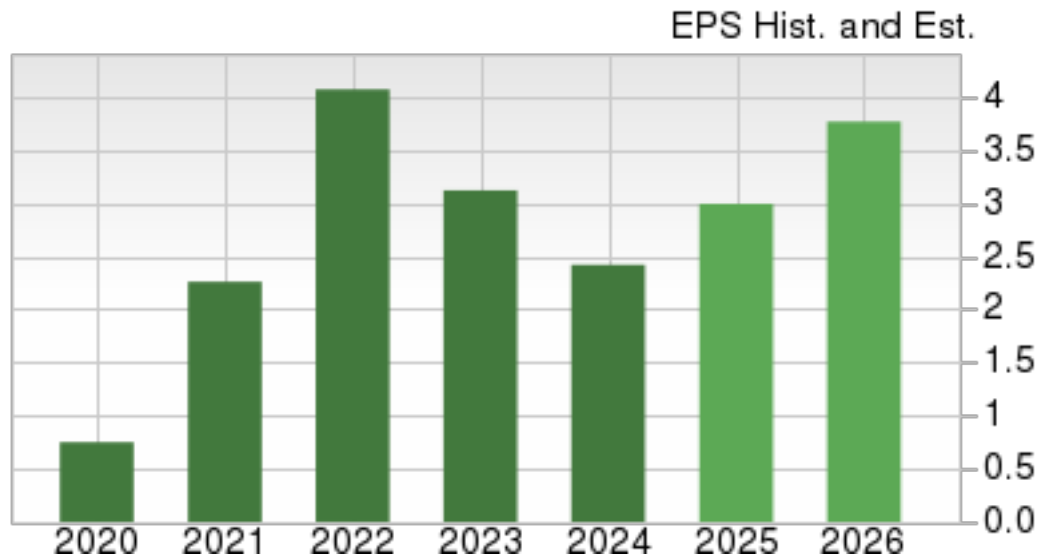
- **Declining Vehicle Sales & Margins Concern:** Tesla's sales slump is turning into a major concern. After its first-ever annual delivery decline in 2024, 2025 isn't looking much better. Sales are falling across key markets, with Europe and China leading the downturn. While Musk expects modest vehicle growth in 2025, he has walked back his 20-30% vehicle growth target. Shrinking automotive margins amid generous incentives and slower-than-expected demand remains a concern. Automotive gross margin came in at 15.9% in the fourth quarter of 2024, down from 18.3% reported in fourth-quarter 2023. Tariff troubles could disrupt the supply chain and impact gross margins further.
- **High Operating Expenses and Capex:** Tesla's requires high capex to boost output capacity at its gigafactories, ramp up 4680 battery cells production, enhance the Supercharger infrastructure. High spending on AI-related technologies, as well as new product offerings, will limit cash flows. The company expects elevated capex in 2025, similar to 2024, while operating expenses are expected to rise in 2025.
- **Rising Competition:** Competition is increasing from traditional automakers like General Motors and Ford as well as emerging players like Rivian and Lucid in a market that Tesla has dominated until now. Therefore, Tesla is the only one with a share to lose. All other players are gaining market share at its expense. Its US EV market share is currently below 50%, down from 63% in 2022. The company's dominant market position is likely to become thinner, thanks to stiff competition. There are also concerns with respect to the China market, which is full of home-grown players like BYDDY, NIO, XPeng and Li, among others. As China is a big market for Tesla, stiff competition is likely to erode its share in the country.
- **Tariffs and Trade War:** The company also faces trade policy risks—Trump's 25% tariffs on steel and aluminum could raise vehicle costs, hurting affordability or squeezing margins. If tariffs on Mexico and Canada are enacted, supply chain disruptions could add further pressure. With these tariffs, the cost of vehicles is expected to rise and affordability issues could weigh on demand. If Tesla absorbs additional costs, it will further strain its already squeezing margins. Either way, these tariffs will put pressure on Tesla.
- **Musk's Attention Split:** Musk is stretched thin, juggling leadership at Tesla, SpaceX, and several other ventures. Now, as the head of President Trump's Department of Government Efficiency (DOGE), he's spending much of his time in Washington, D.C. Musk's growing involvement in politics is adding to investor anxiety. As Tesla faces mounting competitive pressure and slowing sales, investors think the company needs Musk's full focus more than ever.

Tesla (TSLA): 2022 looks to be the peak moment.  
A Twitter effect? Plus massive Chinese competition.

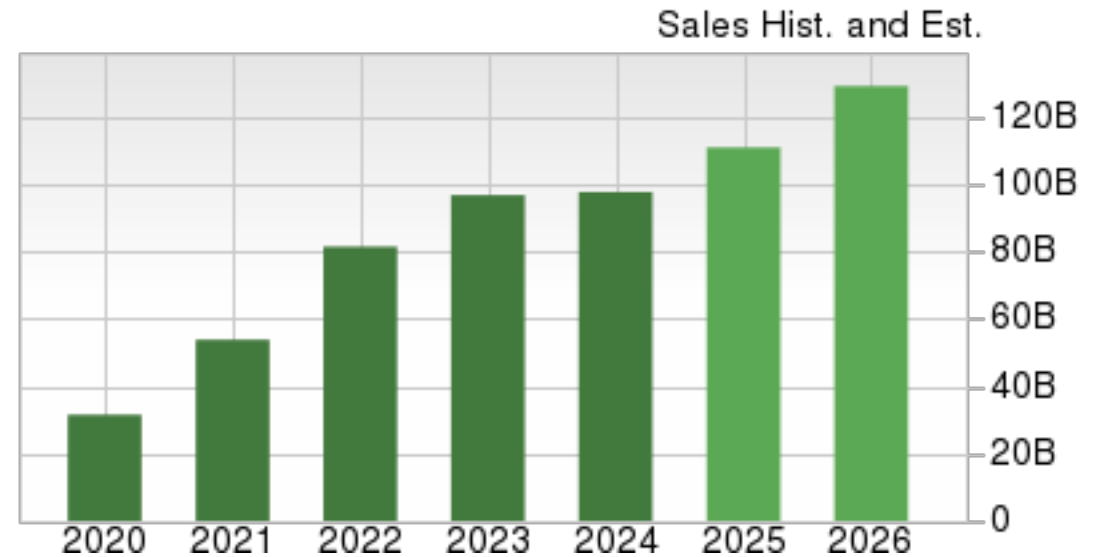


**Telsa:** EPS and sales history and estimates tell the tale. EPS peaked in 2022. Sales have been flat since 2023.

- Tesla EPS History and Estimates



- Tesla Sales History and Estimates



# A useful Forbes quote

- *“The problem is that Tesla isn’t remotely close to putting a robotaxi into operation.”*
- *“Their FSD software still has trouble doing a dozen trips in a row without human assistance, while other robotaxi firms, like Waymo, are doing 100,000 trips/week without significant incident—and still do not feel themselves ready for production.”*
- *“It’s a long way from dozens of trips to tens of thousands.”*
- *In addition, operating a robotaxi service requires much more than having a self-driving system and vehicle, there’s a long list of infrastructure and logistics that need to be set up in each service area, and Tesla has shown very little progress on these.”*
- *Forbes, August 13th, 2024*

It's worth noting that Telsa won't be the first company to offer publicly available driverless taxis.

Waymo has operated a driverless ride-hailing service (called Waymo One) for several years, which started in Phoenix, Arizona, and has expanded to include Los Angeles, San Francisco, and soon Austin, Atlanta, and Miami.

– Car and Driver, Jan 31, 2025



# When I type in to the Gemini AI system “Can Tesla Supply a Robotaxi soon?” I get this on March 15, 2025..

- **AI Overview**
- Yes, Tesla plans to launch a robotaxi service soon, with the first rides potentially starting in Austin, Texas, in June 2025, using existing Tesla vehicles with unsupervised Full Self-Driving software.
- Here's a more detailed breakdown:
- **Planned Launch:**
- Tesla CEO Elon Musk has stated that the robotaxi service will begin in Austin, Texas, in June 2025.
- **Technology:**
- The initial service will utilize Tesla's existing vehicles (Model 3 and Y) equipped with the company's unsupervised Full Self-Driving (FSD) software.
- **Cybercab:**
- While the initial robotaxi service will use existing models, Tesla also plans to introduce the "Cybercab," a dedicated robotaxi vehicle, with production expected to start in 2026.
- **Price:**
- The Cybercab is expected to be priced under \$30,000.
- **Regulatory Hurdles:**
- Tesla is seeking approvals from regulatory bodies like the California Public Utilities Commission to operate its robotaxi service.
- **Industry Perspective:**
- While Tesla is aiming for a robotaxi service, industry experts have cautioned that significant technological and regulatory hurdles remain.

# Thank You for Attending!

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