Twitter Thread by Dean Sheikh



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1/5

2020 Predictions Report Card

Item 1 - Tesla will lose more money in 2020 than 2019.

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I missed this one clearly. Didn't realize that they could recognize three years of credits in a single year, because I was using GAAP. Tesla does not appear to be conforming to GAAP here.

> 2020 Predictions:
>
> Tesla will lose more money in 2020 than in 2019.
>
> The Model S will be discontinued.
>
> MY prices will be cut $2K+ after the first batch of suckers make their purchase.
>
> MY SR+ will come out this year to hide lack of growth from the weakest retail investors.
>
> — Dean Sheikh (@DeanSheikh1) January 19, 2020

Doubt the auditors make a stink about it but who knows.
Also note that the total net income for the first nine months of 2020 ($451M) matches almost exactly the increase in A/R balance ($433M). A/R balance is now 1.76B, dwarfing their reported profits of $451M.

Item 2 - Model S will be discontinued.

✔■■
They didn't discontinue. They dropped the price $10,000 instead. Combining this will the price cuts in 2019, including free EAP, gross margins for the Model S are now decisively negative. Giving myself partial credit on this one. (:

Item 3 - Model Y price will be cut $2K after initial orders are filled.

✔■

Ding ding ding. Prices were cut $3K right after initial backlog was filled.

Item 4 - MY SR+ will be released

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Missed this one. My best guess is that M3 SR+ are so low, they don't want to offer a similar MY variant.

Item 5 - Q1 Losses

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Again, missed this one. Price cuts had no effect on reported margins and China appears to have been profitable even running at 20% capacity. Other manufacturers need to run at 80% capacity to be profitable. Not Tesla. Magical automotive company.

Item, 6 - No robotaxis

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That one was a layup of course.

Item 7 - FTC lets Tesla sell robotaxi software.

✔■

Another layup.

Item 8 - Teslas will continue to hit stationary objects

✔■

I'm on a roll. Three in a row.

Item 9 - Q4 '20 EU deliveries will be down 80% YOY, or prices will be cut at least $5K.

✔■

Price were cut $5.5K in Germany, and $4.5K in other EU countries.

Item 10 - China will lose money in each quarter

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Well, Tesla didn't bother to report China profit and loss, even though they are suppose to be rule. So we don't know. From Fremont numbers, we can imply that they are claiming China is profitable. Love to see the numbers.

So 5.5 right. 4.5 wrong. And one, unknown.

Not great, but not bad. Of course, the none of this matters. Stock price bro!

Happy New Year's!