

Figure 1: The Main Graph shows the stock's trend.

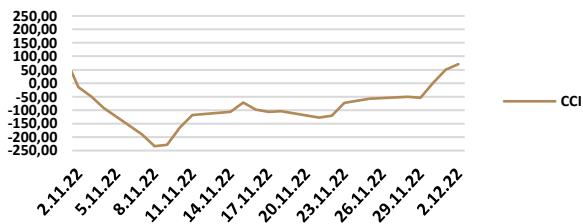


Figure 2: CCI indicates a potential neutral-buy signal.

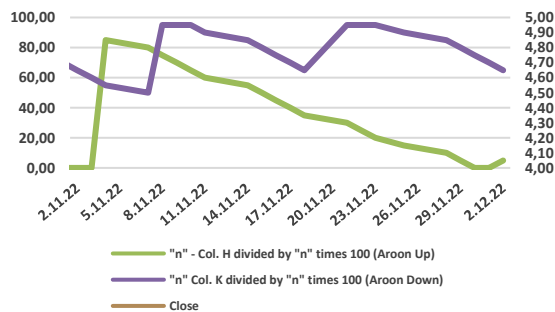


Figure 3: Aroon Indicator shows a buy signal.

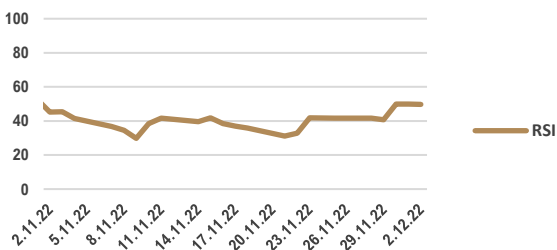


Figure 4: RS Index demonstrates a neutral sign.

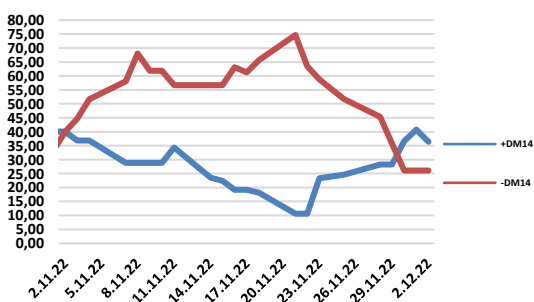


Figure 5: DMI Index depicts a buy signal.

Firm's Brief Description

Tesla, Inc. designs, develops, manufactures, leases, and sells electric vehicles, and energy generation and storage systems in the United States, China, and internationally. The company operates in two segments, Automotive, and Energy Generation and Storage. The Automotive segment offers electric vehicles, as well as sells automotive regulatory credits. It provides sedans and sport utility vehicles through direct and used vehicle sales, a network of Tesla Superchargers, and in-app upgrades, and purchase financing and leasing services. The Energy Generation and Storage segment engages in the design, manufacture, installation, sale, and leasing of solar energy generation and energy storage products, and related services to residential, commercial, and industrial customers and utilities through its website, stores, and galleries, as well as through a network of channel partners. The company was formerly known as Tesla Motors, Inc. and changed its name to Tesla, Inc. in February 2017. Tesla, Inc. was incorporated in 2003 and is headquartered in Austin, Texas.

Fundamental Approach

- Tesla bears have attempted to tear apart its growth thesis in 2022 as TSLA returned to re-test its May 2021 lows.
- The company approximately accounts up to 10% of the average retail portfolio.
- Tesla aims in cutting costs with its new Model 3 vehicle, set to go into production mid of 2023.

Technical Analysis

Examining the main graph (figure 1), one can observe that Tesla's stock price is below the MA 10, the latter being below MA 20. Consequently, this exhibits a slight downward trend Tesla's upcoming stock price altering a buy approach. Considering CCI on the second graph (figure 2), the index ranges approximately from 50 to 80; therefore, this indicates an apparent neutral sign with a slight direction to buy signal. Furthermore, when analysing the Aroon Indicator (figure 3), it is argued that the Aroon Down line is crossing over the Aroon Up one, by therefore establishing a sell signal. Moving to the fourth graph (figure 4), RS Index appears to be around 50, which depicts a neutral sign, because the line is almost in the middle. Lastly, by examining the DMI Index (figure 5), +DI line is above -DI, enacting therefore a buy signal for Tesla's stock.

Prediction

Taking into consideration all the above indexes from the technical analysis and the latest news we conclude that a long position is slightly recommended as we don't have a strong buy signal because of the neutral signs.

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