

SELL YOUR TESLA DUMP YOUR STOCK

That was one of the chants at the #TeslaTakedown event I attended in Chicago last Saturday. But selling your Tesla car is not easy. There isn't much of a market for used Teslas in this area. There's a similar problem in Boston. And Seattle. It seems to be a world-wide problem. Perhaps Trump will single-handedly create a market for used Teslas among his cult. That would be great, since only a few years ago they were crazy angry about libtards driving electric vehicles.

If you want to sell your Tesla stock, that's easy. There's a robust market in the stock. Over 110 million shares traded on March 17. But there is the problem of figuring out how much \$TSLA you own. According to the 2024 Tesla Proxy Statement, after Musk, the two largest holders are Vanguard and Black Rock, both huge in investment funds and pension management. If you have a 401k, an IRA, or a pension plan, you most likely own at least a little of the stock of Tesla. It has the 9th highest market capitalization of US stocks,

This site says there are 517 ETFs that hold stock in Tesla. You probably wouldn't expect Vanguard Consumer Discretionary ETF to hold Tesla stock. Its largest holding is Amazon at 23%, and it includes MacDonalds, Chipotle, Loews, Booking.com, and similar stocks. The second largest holding is Tesla, at 17%. I do not think of electric vehicles as a consumer discretionary expenditure.

I searched for ETFs with low Tesla holdings for the past year, and almost all of the results were funds with lots of Tesla. There are, of course, investment vehicles that don't hold Tesla. You could look at industry specific funds like ETFs investing in Pharma or Health Care. But you'd be wise to check the actual holdings. I found some on this site where you can search

for several sectors.

If you search for Tesla stock you'll find plenty of people saying it's fairly valued, or even undervalued. The Yahoo Finance site says the one year target price is \$343. Here's one that's not so rosy. if you want to see for yourself, here's a link to the 2024 10-K. .

Note that the people talking about dumping their Tesla cars don't take about the car itself, in fact most of them like their Teslas. They're selling, even at a loss, for other reasons. In the same way, the decision to sell Tesla stock doesn't necessarily mean there aren't good reasons to hold it. That decision may have nothing to do with the fundamentals of Tesla, or its businesses.

The Proxy Statement says that Elon Musk has pledged about 1/3 of his holdings as collateral for loans, probably including loans for the purchase of Twitter. It seems plausible that the lenders will demand additional collateral or even call the loans if the price sinks dramatically. For example, the current PE Ratio is about 116 at market close March 17. If it were selling at the same PE ratio as the information technology sector, approximately 35 at market close March 17, the price would drop from the current \$240 to about \$75.

Search for the term Tesla meme stock. It's possible the chanters have a point.