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THE RATINGS GAME

Tesla's robotaxi event is 'stunningly absent on detail,' sending stock lower

Analysts saw a fun display of technology from Elon Musk but noted the company left out details on pricing and the regulatory roadmap for its Cybercab, among other things

By [Emily Bary](#) [Follow](#)

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Tesla's "We, Robot" event took place Thursday evening, when the company showed off its robotaxi ambitions.

PHOTO: TESLA

Referenced Symbols

↓ **TSLA** -8.36% ↑ **SPX** 0.54% ↑ **UBER** 9.83%

Even the bulls on Tesla Inc.'s stock can see why it's selling off in the wake of the company's much-hyped robotaxi event.

No doubt, Tesla ↓ **TSLA -8.45%** is “irrefutably unique,” in the view of Piper Sandler analyst Alexander Potter, who saw [Thursday night’s “We, Robot” event](#) as energizing for “true believers” in the company’s story.

“But it’s difficult to make upward revisions to 2025/2026 estimates — at least not with any degree of conviction — and in our view, many investors had expected this event to deliver something more concrete,” he wrote.

See more: [Tesla unveils its Cybercab robotaxi, with no steering wheel and under \\$30,000](#)

Investors may not be able to take Chief Executive Elon Musk at face value with some of his commentary, Potter conceded. “Elon says 2026, but realistically, the Cybercab likely won’t be available until 2027,” he wrote, while reiterating a buy rating and \$310 target price on Tesla’s stock.

What’s more, the company failed to offer details on the pricing or other elements of the business model for the robotaxi service, Potter noted, though he saw the Cybercab’s roughly \$30,000 price point as “exciting.”

Tesla shares are off nearly 8% in morning trading Friday and are the weakest daily performer in the S&P 500 ↑ **SPX 0.52%**.

William Blair’s Jed Dorsheimer also highlighted a disconnect between announcements he viewed as highly impressive and their ability to impact shares in the immediate future.

“‘We, Robot’ was Tesla’s most ambitious and impressive event the company has held to date — taking over all the Warner Bros. Studio’s town sets and converting them into a multicity futuristic theme park with attractions, entertainment, and Tesla Easter eggs around every corner,” he wrote.


But “despite our amazement of the event and the tech, our takeaway is about setting the long-term vision for the future, but find little that will stick it to the bears in the near

term,” Dorsheimer continued. Additionally, Tesla didn’t introduce a low-cost Model 2 vehicle, which analysts have seen as helpful for the company’s competitive prospects.

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He expected a “sell the news” reaction to the Tesla event but said that “significant pullbacks should be used opportunistically as businesses like Tesla Energy ramp up earnings contribution today.”

For Bernstein analyst Toni Sacconaghi, who’s bearish on Tesla shares, the “We, Robot” event proved “underwhelming and stunningly absent on detail.”

Investors were left wanting on critical details such as the pathway to obtaining regulatory clearance and the “purported cost/mile” of Tesla’s Cybercab, among other issues, according to Sacconaghi.

The event “reaffirmed our belief that it will be challenging for Tesla to win in FSD/Robotaxis and capture sustained, outsized profits,” he continued, referring to the company’s full-self-driving technology.

Sacconaghi wonders whether Tesla will be able to move ahead of current robotaxi operators given technical and regulatory roadblocks, and he thinks that even if Tesla were able to achieve Level 5 autonomy before rivals, those competitors would soon close the

gap, limiting the opportunity for Tesla. Level 5 autonomy would mean that a car could drive [without human involvement at all](#).

While the Bernstein team has an underperform rating on Tesla's stock, it rates Uber Technologies Inc.'s stock ↑ UBER 9.77% at overweight.

See also: [Ford, GM and Rivian may get caught by a 'China butterfly effect,' this investment bank says](#)

The Tesla event had been an overhang of sorts for Uber shares, but the Bernstein team wrote that Tesla's presentation "adds credence to the view that the transition to [autonomous vehicles] remains a longer term journey for the industry."

Uber shares are ahead 5% in Friday's premarket trading as investors appear relieved that Tesla's announcements don't pose an immediate threat to the ride-hailing giant.

"Tesla's Robotaxi day was one of the major hurdles Uber had to clear, after putting up solid results in Q2, seeing its credit rating improve and getting a positive regulatory outcome in California," the Bernstein team wrote.



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