

Elon Musk Has A Mental Break-Down

by Tyler Durden

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SHARES

Update: Elon Musk has finally admitted that maybe cutting off those analysts during Tesla's Wednesday earnings call was probably a mistake. After Musk repeatedly defended his decision to cut off the analysts, the account @GlobalProTrader pointed out that, if Musk was concerned about these types of questions, he should've blocked these short-selling analysts from asking questions.

That point apparently changed Musk's mind. "True. And once they were on the call, I should have answered their questions live. It was foolish of me to ignore them"

Elon Musk  @elonmusk

6h

Replying to @elonmusk

The 2 questioners I ignored on the Q1 call are sell-side analysts who represent a short seller thesis, not investors

David Brady, CFA

@GlobalProTrader



If you know their negative angle beforehand, just block them in the queue then so you never have to hear such questions live. Problem solved.

5:23 AM - May 4, 2018

♡ 77 💬 19 people are talking about this

David Brady, CFA @GlobalProTrader

5h

Replying to @elonmusk @wmiddelkoop

If you know their negative angle beforehand, just block them in the queue then so you never have to hear such questions live. Problem solved.

Elon Musk ✓



@elonmusk

True. And once they were on the call, I should have answered their questions live. It was foolish of me to ignore them.

5:34 AM - May 4, 2018

♡ 587 💬 115 people are talking about this

Musk followed up his admission with a typically Muskian smoke-bomb of distraction, joking that his boring company flamethrowers should arrive just in time for the "short burn of the century."

Elon Musk ✓



@elonmusk

Oh and uh short burn of the century comin soon. Flamethrowers should arrive just in time.

6:02 AM - May 4, 2018

♡ 25.1K 💬 2,645 people are talking abo... ⓘ

He followed up with another taunt: "It will be next level. These are really big numbers."

Fred Lambert  @FredericLambert 4h

Replying to @elonmusk

Is a "short burn of the century" as bad as a "tsunami of hurt"?

Elon Musk 

@elonmusk 

It will be next level. These are really big numbers.

6:10 AM - May 4, 2018

♡ 1,183 💬 96 people are talking about this ⓘ

Still, let's not forget how Musk's last warning - his infamous "**Stormy Day in Shortsville**" mockery - worked out for Tesla shareholders.

* * *



Elon Musk's bizarre Wednesday meltdown, when during the conference call he cut off analysts from Bernstein and RBC simply for asking "**boring, boneheaded**" questions, continued this morning on twitter, when he personally attacked Bernstein's Toni Sacconaghi and RBC's Joe Spak,

accusing them of "trying to justify their Tesla short thesis" and working against the interest of (bullish) investors.

Marques Brownlee  @MKBHD 3 May

Replying to @MKBHD and 2 others

True, the “dry” questions in this case were asked by investors, who have every right to be super angry. And they totally are.

I’m just pumped for [@HyperChangeTV](#) right now and nothing can change that  

Elon Musk 



@elonmusk

The “dry” questions were not asked by investors, but rather by two sell-side analysts who were trying to justify their Tesla short thesis. They are actually on the *opposite* side of investors. HyperChange represented actual investors, so I switched to them.

2:20 AM - May 4, 2018

❤️ 5,183 💬 436 people are talking about ... 

Some blame "Russians" when things don't go their way, others find blame with "sell-side" analysts who are "trying to justify their Tesla short thesis." And for the record, Tesla fell 5.6% to close Thursday at \$284.45, just above Sacconaghi's \$265 price target and almost in line with Spak's, who sees the shares falling to \$280.

Of course, Musk's latest display of petulant anger, which naturally spares such analysts as Morgan Stanley's Adam Jonas who have idiotically high price targets, merely indicates that Musk has no idea how this works at all: sellside analysts don't do anything to justify a thesis, whether long or short, that's what buy-side analysts are for; ***what the sellside does is serve as conduits to arrange management meetings.***

And in the case of RBC and Bernstein, they clearly won't be doing that any time soon - and certainly won't be invited to participate in any upcoming Tesla stock offering - so at least their analysis is credible, which may be what most angered Musk.

Actually, no, what infuriated Musk is that Tesla shares had their biggest drop in more than a month on Thursday after the earnings call, in which Musk said the questions "are so dry," and turned instead to one from a channel on the YouTube video-streaming service; he also urged 'daytrading' retail investors to sell the stock if they don't believe the long-term vision of the company.

That's precisely what they did.

Meanwhile, the Musk meltdown was far from done on Twitter, where in his latest mood swing, he claimed that the recent "news is actually super good. Model S & X are producing major positive cash flow & Model 3 is about to do same."

Phoenix Rosa @ThePhoenixFlare

7h

Replying to @ThePhoenixFlare and 3 others

I think there should have been an uptick in Tesla stock. Least the whole thing helped to weed out the unlikelys. Now true investors

who are in it for the long haul can pick up where the day dodgers of trade sold short cuz the real epiphanies of the call flew right over their head

Elon Musk 

@elonmusk



Yeah, news is actually super good. Model S & X are producing major positive cash flow & Model 3 is about to do same.

2:53 AM - May 4, 2018

 611  94 people are talking about this 

Well, if that's the case why cut off the two questions which both were explicitly seeking clarity on cash flow and the Model 3 ramp.

Then, in response to a clear objection by a twitter user, who responded to Musk's slam of the analysts, stating that "**The fact that you were clearly unable or unwilling to give a straight answer to valid and pertinent cash flow questions is a huge red flag to any investor**" led to the following response:

Ataraxia Investments @Ataraxia_Invest 7h

Replying to @elonmusk and 2 others

That's not the issue. The fact that you were clearly unable or unwilling to give a straight answer to valid and pertinent cash flow questions is a huge red flag to any investor.

Elon Musk 
@elonmusk



They were neither valid nor pertinent. I will explain why on a primary Twitter thread.

3:44 AM - May 4, 2018

 431  48 people are talking about this 

Musk then went the pity route, stating that "it's important to know that Tesla is the most shorted (meaning most bet against) stock on the market & has been for a while."

Elon Musk  @elonmusk

6h

Please ignore this thread unless you're interested in a tedious discussion about Tesla stock

Elon Musk 
@elonmusk



First, it's important to know that Tesla is the most shorted (meaning most bet against) stock on the market & has been for a while [cnbc.com/2018/04/11/tes...](https://www.cnbc.com/2018/04/11/tes...)

4:17 AM - May 4, 2018

Tesla is the biggest short in the US stock market

Tesla is once again the largest short sell on Wall Street.

cnbc.com

♡ 7,478 💬 1,112 people are talking about...

Tesla very well may be the most shorted stock, and that's for a reason: increasingly many believe that this company which burns over \$12 million a day and where things are going from bad to chaos, is just another Ponzi scheme which will never be able to grow into scalable production, and where quarter after quarter promises of future production milestones are only made to be broken.

Musk then repeated his original charge, claiming that "The 2 questioners I ignored on the Q1 call are sell-side analysts who represent a short seller thesis, not investors"

Elon Musk  @elonmusk

6h

Replying to @elonmusk

First, it's important to know that Tesla is the most shorted (meaning most bet against) stock on the market & has been for a while
cnbc.com/2018/04/11/tes...

Elon Musk 



@elonmusk

The 2 questioners I ignored on the Q1 call are sell-side analysts who represent a short seller thesis, not investors

4:35 AM - May 4, 2018

♡ 6,501 💬 835 people are talking about ... ⓘ

Only then did Musk reveal his original reason for cutting them off: *"The reason the Bernstein question about CapEx was boneheaded was that it had already been answered in the headline of the Q1 newsletter he received beforehand, along with details in the body of the letter."*

Elon Musk  @elonmusk

6h

Replying to @elonmusk

The 2 questioners I ignored on the Q1 call are sell-side analysts who represent a short seller thesis, not investors

Elon Musk 



@elonmusk

The reason the Bernstein question about CapEx was boneheaded was that it had already been answered in the headline of the Q1 newsletter he received beforehand, along with details in the body of the letter

4:55 AM - May 4, 2018

♡ 7,102 💬 681 people are talking about ... ⓘ

So... in just the span of a few hours, Musk changed his story, and instead of accusing the analysts of "pushing a short thesis", Musk has now decided the analysts were simply lazy instead, and wanted to be spoonfed information, which incidentally was not present in the "newsletter", hence the need for a conference call.

For now, the Musk tweetstorm continues, as time approaches 5am Pacific, suggesting Musk has been up all night, much of it spent tweeting. Readers [can track his latest tweets here](#).