



Why Tesla Is a Must-Buy Today

Description

Tesla ([NASDAQ:TSLA](#)) is one of the world's largest automotive companies and a very polarizing stock. There are many investors that think this is a generational company. However, there are probably just as many individuals out there that think this stock has a long downward spiral waiting for it in the future. If you asked me, I would tell you that I think Tesla stock is a must-buy today. In this article, I'll discuss my thoughts on this exciting [international company](#).

Tesla is a leading player in the electric vehicle industry

Around the world, electric vehicles (EVs) are becoming more widely used. As a result, automotive manufacturers have really started pushing their EVs in recent years. Among those manufacturers, Tesla is one of the most well known. Whether this fame has been earned by the quality of its cars or the quirks of its chief executive officer can be debated. However, what cannot be debated is Tesla's outstanding share of the global EV industry.

In 2022, Tesla has reportedly sold nearly 407,000 vehicles. That gives it a 12.6% share of the global EV industry, which represents the second largest share of the EV market. It's important to note that Tesla's production and, therefore, sales numbers, may be even more impressive had it not been for a mountain of struggles related to its Shanghai factory. In the first quarter (Q1), the factory experienced a temporary shutdown due to the COVID-19 pandemic. In Q2, the Shanghai factory has either completely or partially closed for most of the quarter.

Despite those struggles, Tesla continues to find ways to keep up with its peers. With Tesla's Berlin factory continuing to ramp up production after it started operating in March 2022, this company could be even more formidable in the coming years.

Taking a look at its financials

A quick look at Tesla's financials suggests that this company is as strong as ever. [In Q2 2022](#), Tesla reported US\$14.6 billion in automotive revenues. When considering the other aspects of its business

as well, the company's total revenue amounted to US\$16.9 billion. That represents 43% and 42% year-over-year increases, respectively.

More importantly, investors should note that as Tesla continues to scale, the company is also becoming more profitable. In Q2 2022, Tesla reported US\$4.2 billion in profit, representing a year-over-year increase of 47%. Those results suggest that Tesla is finding ways to optimize its operations and is a characteristic that investors should look for in growth stocks.

Foolish takeaway

There may be no avoiding the negative sentiments that surround a company like Tesla. However, looking at the numbers, it's clear that this company is a top player in an important and emerging industry. This year, Tesla holds the second-largest share of the EV industry. With production in Germany continuing to ramp up, investors could see this company's production skyrocket in the near future.

If you're hoping to build [generational wealth](#), Tesla is a stock that I think you should consider buying today.

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