

# Tesla's stock market value accelerates past \$500 billion

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A driver prepares to test drive a Tesla on September 5, 2020, during a presentation at the Automobile Club of Budapest

Tesla's market value soared to more than \$500 billion Tuesday ahead of its listing on the S&P 500, with its stock finishing up 6.4 percent or by

nearly \$32 billion in 24 hours.

That gave it a valuation of \$526 billion, a rise of more than 560 percent since the start of the year; and means founder Elon Musk, who owns 18 percent of the company, earned \$100 billion in the same period.

Tesla is riding a wave of enthusiasm from investors who see the electric car maker's future as bright.

Its share price has also been boosted in recent weeks by Joe Biden's victory in the US presidential election. The Democrat has promised to promote the development of electric vehicles in the country.

The announcement that Tesla will be listed on the prestigious S&P 500 index as of December 21 has added to the momentum.

The company's soaring value means that it can borrow or raise money on more advantageous terms than competitors, CFRA analyst Garrett Nelson said in a note Tuesday.

That "is critical as the company continues to build new factories and deliver on its goal of increasing annual auto volumes by 40x over the next decade," from 500,000 units in 2020 to 20 million in 2030, the specialist said.

Tesla produces far fewer cars than traditional manufacturers, but is clearly favored by markets: giants General Motors and Ford are worth only \$66.5 billion and \$37.5 billion respectively on the [stock exchange](#).

Musk said Tuesday that he plans to build the world's largest battery-cell factory at the group's electric car plant near Berlin.

On Monday he became the second richest person in the world,

overtaking Microsoft founder Bill Gates with a fortune of \$128 billion, though Amazon boss Jeff Bezos remains in the lead, according to a Bloomberg ranking.

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