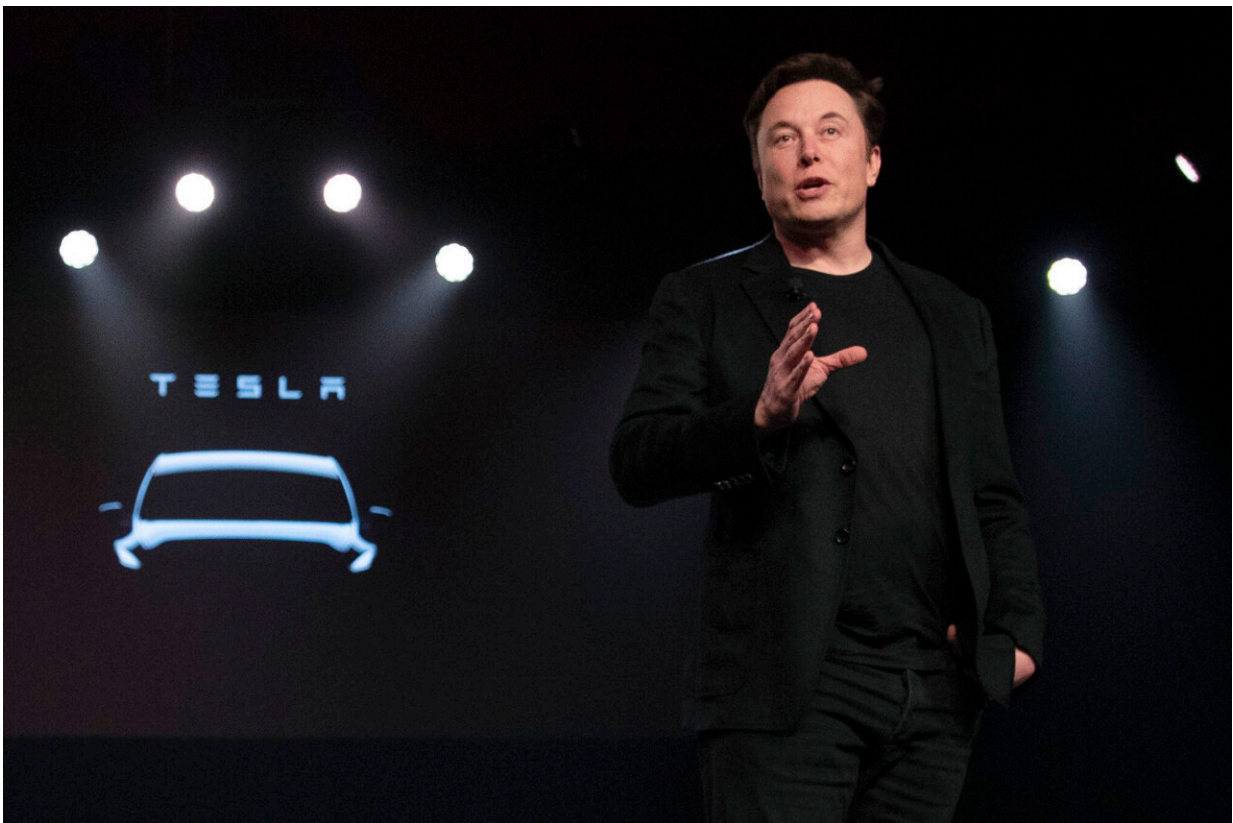


Elon Musk sells \$7B in Tesla shares ahead of Twitter fight

August 10 2022, by MICHELLE CHAPMAN



Tesla CEO Elon Musk speaks before unveiling the Model Y at the company's design studio on March 14, 2019, in Hawthorne, Calif. Musk is selling about 8 million Tesla shares worth nearly \$7 billion as the billionaire looks to get his finances in order ahead of his court battle with Twitter. Credit: AP Photo/Jae C. Hong, File

Elon Musk has sold nearly \$7 billion worth of shares in Tesla as the billionaire gets his finances in order ahead of his court battle with Twitter.

Musk disclosed in series of regulatory filings that he unloaded about 8 million shares of his company Tesla Inc. in recent days.

"In the (hopefully unlikely) event that Twitter forces this deal to close and some equity partners don't come through, it is important to avoid an emergency sale of Tesla stock," Musk [tweeted](#) late Tuesday.

Musk is by far the largest individual shareholder in both Tesla and Twitter.

Shares of Tesla rose 4% to close Wednesday at \$883.07. Shares of Twitter Inc. jumped 3.7% to close at \$44.43, and are up 36% since July 11, with most believing Musk faces long-shot odds of success in court.

Musk countersued Twitter last week, accusing the company of fraud over his aborted \$44 billion acquisition. He claimed that Twitter held back critical information and misled his team about the size of its user base.

Musk alleges that Twitter committed fraud, breach of contract and violation of a securities law in Texas, where Musk lives.

Musk offered to buy Twitter earlier this year, then tried to back out of the deal claiming the social platform was infested with a larger numbers of "spam bots" and fake accounts than Twitter had disclosed.

Musk said in the spring that he planned no major sales of his stake in Tesla after lining up financing to acquire Twitter, but Dan Ives, an industry analysts with Wedbush, said Wednesday that "the situation has

dramatically changed."

Wedbush raised its target price for shares of Twitter, "With the chances of a Twitter deal now more likely in our opinion and the Street seeing through this poker move by Musk," Ives wrote to clients.

"We can also see Musk trying to resolve this powder keg situation before the Twitter deal officially heads to court in October," Ives wrote. "At a minimum, we see Twitter getting a massive settlement from Musk in the \$5 billion to \$10 billion range that is starting to be factored into the stock."

© 2022 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed without permission.

Citation: Elon Musk sells \$7B in Tesla shares ahead of Twitter fight (2022, August 10) retrieved 25 April 2024 from <https://techxplore.com/news/2022-08-elon-musk-billion-worth-tesla.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.