

Distribution 01 July

## Retail investors remain bullish about electric vehicle makers despite recent share price woes

- Tesla leapfrogs Nio to become the most held stock on eToro in the second quarter
- GameStop remains in the top 10, proving so-called 'meme' stock is far from a fad
- Investors hold their nerve despite inflation worries

Retail investors remain bullish about electric vehicle makers despite their recent share price struggles, global user data from multi-asset investment platform eToro reveals.

Tesla and Nio remained the two most held stocks globally on eToro in the second quarter, with Tesla leapfrogging its Chinese rival to take the top spot.

The share prices of Tesla and Nio have fallen 6.9% and 0.5%, respectively, since the start of the year after 12 months of consistent and impressive gains. eToro noted a modest 4% increase in users holding Tesla this quarter compared to last, while those holding Nio stock declined by 8%, suggesting sentiment towards Tesla's Chinese rival has dampened.

The electric vehicle manufacturers' slump has coincided with a rotation in the wider market by investors out of growth sectors, such as technology and electric vehicles, due to fears about rising inflation. However, the fact that Tesla, Nio, Apple, Palantir and Microsoft – all in what are generally considered growth sectors – remain in the 10 most held stocks in Q2 suggests investors see long-term value in these companies.

**eToro's Global Markets Strategist, Ben Laidler, comments:** *"Inflation is the hot topic at the moment with much debate about how it will influence behaviour in the coming weeks and months. As countries have started exiting lockdown, it has led to an inevitable increase in prices, which has in turn caused some investors to pivot away from growth stocks and into companies with lower valuations.*

*"However, Tesla's and Nio's enduring popularity suggests investor confidence in the electrical vehicle sector as a long-term investment opportunity, despite fears over a prolonged inflationary period. The fact that Apple, Microsoft and Palantir also remain in the top 10 most held stocks on eToro also suggests that investors believe the recent bout of inflation may be temporary.*

*"eToro has long advocated the importance of investing in companies that you know and understand. It's clear from our data that that's what investors are doing."*

<b>Most held stocks among eToro clients globally in Q2 2021</b>			
<b>Rank</b>	<b>Stock</b>	<b>Q1 2021 rank</b>	<b>Q2 rank 2020</b>
1	Tesla Motors, Inc.	2	6
2	Nio Inc.	1	17
3	Apple	3	1
4	Amazon	5	2
5	GameStop Corp	4	341
6	Palantir Technologies Inc.	6	N/A
7	Alibaba	8	16
8	Coinbase Global Inc	N/A	N/A
9	BioNano Genomics Inc	7	N/A
10	Microsoft	10	7

Source: eToro

### **Gaming and crypto stocks popular with investors**

Elsewhere, GameStop Corp was the fifth most held stock in Q2. The fact it remains in the top 10 suggests it is more than just a passing fad among investors.

Earlier this month, eToro facilitated a pilot scheme allowing investors to vote at GameStop's AGM. 63% of GameStop shareholders on eToro's platform voted, highlighting this community's dedication to a brand they love. And one which retail investors have helped to revitalise this year.

The video game retailer last week sold five million additional shares, raising an extra \$1.1bn to fund its growth plans.

Cryptoasset exchange Coinbase Global Inc, which listed on the New York Stock Exchange in April, was the only new entrant in eToro's quarterly list of most held stocks, debuting at number eight. It means now that investors can gain indirect exposure to cryptoassets through the stock market, rather than investing in crypto directly.

**Laidler adds:** *“Investors are currently facing a lot of uncertainty but our data shows that they seem to be sticking to their long-term strategies. We may start to see more investors diversify their holdings if central banks such as the Federal Reserve, Bank of England and European Central Bank change their tune on inflation.”*

ENDS

#### EU and UK disclaimer

#### Notes to editors

The data in the table represents the top 10 most held stocks by global investors on the eToro platform in the second quarter of 2021. As the vast majority of stocks traded on eToro are the real asset this data does not include positions held as CFDs. Data accurate as of 01.07.2021.

#### [About eToro](#)

eToro is a multi-asset investment platform that empowers people to grow their knowledge and wealth as part of a global community of successful investors. eToro was founded in 2007 with the vision of opening up the global markets so that everyone can trade and invest in a simple and transparent way. Today, eToro is a global community of more than 20 million registered users who share their investment strategies; and anyone can follow the approaches of those who have been the most successful. Due to the simplicity of the platform users can easily buy, hold and sell assets, monitor their portfolio in real time, and transact whenever they want.

#### Disclaimer:

eToro is regulated in Europe by the Cyprus Securities and Exchange Commission, authorised and regulated by the Financial Conduct Authority in the UK and by the Australian Securities and Investments Commission in Australia.

This communication is for information and education purposes only and should not be taken as investment advice, a personal recommendation, or an offer of, or solicitation to buy or sell, any financial instruments. This material has been prepared without taking into account any particular recipient's investment objectives or financial situation, and has not been prepared in accordance with the legal and regulatory requirements to promote independent research. Any references to past or future performance of a financial instrument, index or a packaged investment product are not, and should not be taken as, a reliable indicator of future results. eToro makes no representation and assumes no liability as to the accuracy or completeness of the content of this publication.

**AUS DISCLAIMER:**

Zero commission is available to clients of eToro (Europe) Ltd., eToro (UK) Ltd. and eToro AUS Capital Limited.

Zero commission means that no broker fee will be charged when opening or closing the position. Other fees apply including FX fees on non-USD deposits and withdrawals. For additional information regarding fees, [click here](#).

eToro AUS Capital Limited is authorised by the Australian Securities and Investments Commission (ASIC) to provide financial services under Australian Financial Services Licence 491139. For clients with account under Australian regulation: 0% commission share trading is only available on specific stock exchanges and interests are issued under ARSN 637 489 466 operated by Gleneagle Asset Management Limited ABN 29 103 162 278 AFSL 226199 and promoted by eToro AUS Capital Limited AFSL 491139. The shares are non-transferable. Investing in shares via a managed investment scheme does not result in direct ownership of the underlying assets, the scheme has legal ownership, you as the investor have beneficial ownership i.e. the shares are held on your behalf. Your capital is at risk. Refer to our Financial Services Guide (FSG) and the [Product Disclosure Statement \(PDS\)](#) before transacting.