

US Stock Express

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Santa Claus Rally starts

It denotes in 2026 traditional Space Race re-ignites; also denotes Quantum Computer will fight against space center.

Picture generated by AI, also denotes learning of AI will be as hot as World Cup Final or Olympic Games.



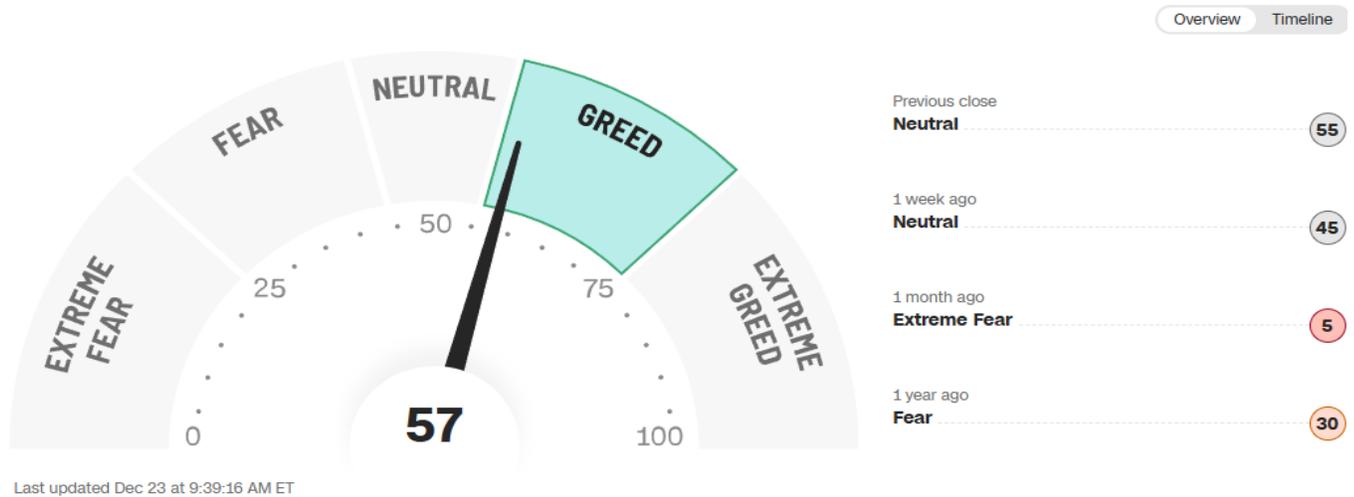
Space exploration and IPO of SpaceX benefited related stocks.

*Risk disclosure: Price can go up and down at any moment, use free money to trade and bear the risk according to your own capital;
 Never trade with money that has a deadline for withdrawal.
 All suggestions are for reference only, even AI cannot be 100% reliable, final decision still lies upon investors.
 Copy trading cannot replicate another trader's background or psychological state.*

Fear & Greed Index

What emotion is driving the market now?

[Learn more about the index](#)



Holiday Notice: Dec 25th is a market holiday and The Express will clock off on that day and resume normal on Dec 26th Boxing Day, we apologize for any inconvenience caused.

North East West South is NEWS

US President Donald Trump, after appointing a special envoy to Greenland, has once again ignited tensions with Denmark over the vast Arctic island he has previously expressed a desire to annex. He stated that the US needs Greenland to ensure "national security," emphasizing, "We must have it."

US tech giant Amazon stated that it has blocked more than 1,800 North Koreans from joining the company. North Korea has been exporting a large number of IT personnel overseas in recent years to earn foreign exchange and launder money.

As US military action and threats against Venezuela escalate, Russia, a key ally of Venezuela, has pledged its "full support" to the government of Venezuelan President Nicolas Maduro. The UN Security Council convened to discuss the escalating crisis. US officials told AFP yesterday that the US is pursuing a third oil tanker.

Johns Hopkins University economics professor and Nobel laureate Steve Hanke stated that two major problems are keeping him up at night regarding the US economy and markets in 2026: runaway inflation and a potential stock market crash.

According to reports from media outlets such as *The Information*, more than two years after CEO Jensen Huang envisioned building a cloud service that could compete with Amazon Web Services (AWS), NVIDIA has significantly restructured its cloud business strategy, abandoning plans to directly compete with these large cloud companies. Last week, the company reorganized its cloud team, integrating its core cloud business—DGX Cloud—into its engineering and operations systems.



World Observation

Day 1400
Russia/Ukraine Conflict

Mars Landing 2030

(8) Learn From Failure

In the shooting of SpaceX, people always encountered some cases never heard before. That is sometimes the rocket exploded in the air and Elon Musk still considered it as a success, and all people on the ground watching were clapping hands furiously as if watching *Empress of the Pop* singing. Elon Musk called it *fail fast, learn fast*, so that he can really know the limits of that hardware were to what level before explosion.

This had never happened before, no matter in Mercury Project (for 1 crew only), Gemini Project (2 members per flight) or Apollo Project (3 members per flight). Meanwhile, for those accidents said yesterday, I have 2 accidents wished to share with readers. Some accidents are caused by complicated technical problems hard to understand, but some were caused by simple negligence which was a great regret.

As for Moon Landing Project, from 1961 to 1966, there were 10 Gemini Projects for rendezvous testing and completed satisfactorily around the orbit of the Earth. In 1967, started the Apollo Project heading against the Moon. The Apollo 1 should carry 3 crews trying to orbit round the moon first, but as the rocket was mounted on shooting platform, a fire occurred and killed 3 crews on the site before shooting. As I watched the news, I was surprised why there was no fire extinguisher inside the cockpit. I know that the room is quite limited, but even on a bus, train or ferry, extinguishers are compulsory in order to get a license. The capsule was 100% oxygen much higher than atmosphere and need time to depressurized before opening the door. Fire burns quickly in pure oxygen area and they were burnt seriously

and inhaled smoke to death. Henceforward, they improved the cockpit safety greatly. The Apollo Project was delayed for 20 months.

Another accident was in Jun 30, 1971. US already had successful landing on the Moon. Soviet Union turned to develop space station in orbit. Three crews died when coming back. That is when helicopter picked the capsule up on the sea and found 3 members were dead. I was surprised to see 3 of them had not put on pressurized suit. It is a common sense that they must put on those suits on shooting and coming back to atmosphere. They can take off in space station. Ultimately, the report said it was due to not putting on the pressurized suit. It is unbelievable that the commander should told every one to do so, and ground control centre should remind them. But quite a regret that it is a simple but detrimental mistake.

Because all these accidents were publicized, so later on, all countries can learn from these experiences including China, Europe, India, Isarel, Korea, Japan ...etc. But I asked the AI to list out all fatal accidents and GPT only listed crew member accidents and said China has no fatal crew accidents. It is true, but China had one accident that the rocket shooting up and exploded and kill citizens nearby. Grok listed also this accident which show Grok is smarter for I had not limited them to list out only crew member accidents. GPT has no wrong but Grok is cleverer.

Please mind that 2026 will be an era of quantum computer of OpenAI and GOOG against the space data centre of TSLA and NVDA. I will talk about this later. Anyway, I have already asked the AI to list out the 12 tranches of the Pay & Performance Scheme of Elon Musk and TSLA. What will happen if one or two tranches cannot meet with the target? Anyway, too many stocks wish to buy and too little capital for retail investors. Please use the Christmas holiday to do your research deeper and broader in order to face hurricane of AI and Space Race in 2026.

Quick Answer: SpaceX often calls Starship launches “successful” even when the vehicle explodes because the goal of these test flights is to *gather data and validate engineering milestones*, not necessarily to complete a full mission. If the rocket achieves new objectives—like clearing the launch pad, reaching orbit, or surviving reentry—SpaceX counts it as progress, even if the vehicle is lost afterward. 1 2 3

 [GPT-5 is here - OpenAI](#)

Why Explosions Can Still Mean Success

- **Test Philosophy:** SpaceX designs Starship flights as *experimental trials*. Each flight is meant to push the rocket further than before, so even partial success provides valuable engineering data.
- **Incremental Milestones:** For example, one flight might aim to prove liftoff stability, another to test stage separation, and another to survive reentry. If those specific goals are met—even if the rocket explodes later—the mission is considered successful.
- **Rapid Iteration:** SpaceX embraces a “fail fast, learn fast” approach. Explosions reveal weaknesses in design, which engineers quickly fix in the next prototype.
- **Data Collection:** Every flight provides telemetry on aerodynamics, heat shielding, engine performance, and structural loads. This data is more valuable than a perfect flight with no lessons learned.

Examples of “Successful Failures”

| Test Flight | Outcome | Why SpaceX Called It a Success |
|--|--|--|
| Early Starship prototypes (2019–2021) | Exploded during landing attempts | Validated Raptor engine relight and controlled descent maneuvers |
| Orbital flight attempts (2023–2024) | Vehicle lost after stage separation | Achieved liftoff, booster separation, and partial orbital trajectory |
| Flight 10 (Aug 2025) 1 2 3 | Splashdown in Indian Ocean after reentry | First time Starship endured reentry and deployed payload simulators |

Musk's Perspective

Elon Musk has repeatedly said that "success is measured by how much we learn". In his view:

- A rocket that explodes after achieving new milestones is still a win.
- Each test reduces risk for future operational flights (like deploying satellites or crewed missions).
- The ultimate goal is *reusability and reliability*, but the path there requires tolerating failures.



Risks & Trade-Offs

- **Public Perception:** Explosions can look like failures to outsiders, but SpaceX frames them as progress.
- **Regulatory Scrutiny:** Repeated failures raise safety and environmental concerns, requiring FAA oversight.
- **Engineering Reality:** Even "successful" failures cost millions, but the long-term payoff is cheaper, reusable rockets.

In short: Musk calls explosive Starship launches "successful" because they achieve *incremental engineering goals* and provide critical data. The philosophy is that every failure accelerates the path to eventual full success.

Would you like me to build a **timeline chart of Starship test flights** showing which milestones were achieved (even in explosive flights)? That would make the progression clearer.

Sources:

- 1 Interesting Engineering
- 2 Wikipedia
- 3 MSN



ARKX jumps up above 5 major averages lines.

Elon Musk and SpaceX view Starship test flights through the lens of rapid iterative development, a philosophy that prioritizes learning from real-world testing over avoiding all risks. In this approach, a test is considered successful if it achieves key objectives, gathers valuable data on vehicle performance, and identifies issues to fix in future iterations—even if the rocket ultimately explodes (often humorously referred to as a "Rapid Unscheduled Disassembly" or RUD). This mindset stems from the complexity of building the world's most powerful reusable rocket: traditional aerospace development is slow and conservative to minimize failures, but SpaceX believes pushing hardware to its limits accelerates progress toward full reusability, which is essential for missions to Mars and beyond.

[cbc.ca](#) [edition.cnn.com](#)

For example, Musk has outlined success criteria for early Starship tests as simply clearing the launch pad without damaging it, allowing engineers to analyze what went right or wrong during flight. Explosions aren't seen as total failures because they provide critical insights—such as structural weaknesses, engine performance under stress, or heat shield durability—that simulations alone can't fully replicate. This "fail fast, learn fast" strategy enables quicker design refinements and cost reductions compared to more cautious methods used by competitors. Musk has emphasized that as long as data is collected to improve the next version, the test advances the program, turning apparent setbacks into stepping stones for eventual success. [spaceflightnow.com](#) [+4 more](#)



There is no retreat for SATS



Overview of Elon Musk's 2025 CEO Performance Award

The Pay & Performance Scheme refers to Tesla's 2025 CEO Performance-Based Restricted Stock Award granted to Elon Musk, approved by shareholders in November 2025. It is structured as a 10-year plan (expiring in 2035) consisting of 12 tranches of restricted stock, totaling up to approximately 423.7 million shares (about 12% of Tesla's outstanding shares at the time of grant, valued potentially up to \$1 trillion or more depending on stock price growth). Each tranche grants Musk around 35.3 million shares, but these are subject to strict performance, service, vesting, and holding requirements.

The award vests in tranches based on achieving both a specific **Market Capitalization Milestone** (measured as Tesla's market cap exceeding the threshold on both a 6-month trailing average and a 30-day trailing average) and a cumulative number of **Operational Milestones** (there are exactly 12 operational milestones, detailed below). Once achieved, any milestone (market cap or operational) is deemed permanently achieved and cannot be lost due to later declines.

- **Pairing Mechanism:** The tranches are not strictly tied to specific operational milestones. Instead, vesting for each tranche requires the designated market cap milestone **plus** a cumulative total of operational milestones achieved (e.g., Tranche 1 requires 1 operational milestone, Tranche 2 requires 2 total, and so on). Multiple tranches can vest simultaneously if conditions are met at once.
- **Additional Requirements:** Musk must remain in "Eligible Service" (as CEO or an approved executive role focused on product/operations) through the vesting period. Shares earn no dividends or voting rights until "earned" (milestones met) and vested (service period completed). Even after vesting, shares are subject to a 5-year holding period (with limited exceptions for taxes).
- **Voting Rights:** Upon earning a tranche (milestones met), Musk gains immediate voting rights for those shares, but economic rights (ownership benefits) only vest after the service period.
- **Special Condition for Tranches 11 and 12:** In addition to the milestones, these require approval of a "CEO Succession Framework" by Tesla's Compensation Committee (or equivalent), developed in collaboration with the Board to plan for long-term leadership continuity.

Market Capitalization Milestones (Tied to Specific Tranches)

These are sequential and increase in \$0.5 trillion increments starting from \$2 trillion (Tesla's market cap as of late 2025 is approximately \$1.63 trillion):

1. \$2.0 trillion
2. \$2.5 trillion
3. \$3.0 trillion
4. \$3.5 trillion
5. \$4.0 trillion
6. \$4.5 trillion
7. \$5.0 trillion
8. \$5.5 trillion
9. \$6.0 trillion
10. \$6.5 trillion
11. \$7.5 trillion
12. \$8.5 trillion



Operational Milestones (Cumulative for Pairing)

There are 12 distinct operational milestones. They can be achieved in any order and are measured based on Tesla's SEC filings (e.g., cumulative from grant date or over specified periods). A single product (e.g., a vehicle with Full Self-Driving used as a robotaxi) can count toward multiple milestones if applicable.

The milestones are:

1. Cumulative delivery of 20 million Tesla vehicles (from the first vehicle delivery ever).
2. 10 million active paid Full Self-Driving (FSD) subscriptions (average daily over a consecutive 3-month period, excluding free trials).
3. Cumulative delivery of 1 million bots (AI-enabled physical products like Optimus, excluding vehicles; from grant date).
4. 1 million robotaxis in commercial operation (average daily over a consecutive 3-month period; vehicles using FSD for driverless transportation services).
5. \$50 billion in Adjusted EBITDA (over four consecutive fiscal quarters; Adjusted EBITDA = net income/loss before interest, taxes, depreciation, amortization, impairment, stock-based compensation, and digital asset gains/losses).
6. \$80 billion in Adjusted EBITDA (over four consecutive fiscal quarters).
7. \$130 billion in Adjusted EBITDA (over four consecutive fiscal quarters).
8. \$210 billion in Adjusted EBITDA (over four consecutive fiscal quarters).
9. \$300 billion in Adjusted EBITDA (over four consecutive fiscal quarters).
10. \$400 billion in Adjusted EBITDA (over four consecutive fiscal quarters).
11. Another \$400 billion in Adjusted EBITDA (over four separate consecutive fiscal quarters, non-overlapping with Milestone 10).
12. A third \$400 billion in Adjusted EBITDA (over four separate consecutive fiscal quarters, non-overlapping with Milestones 10 or 11).

Tranche Vesting Terms

Each tranche vests as follows (combining the specific market cap with the cumulative ops):

- **Tranche 1:** \$2.0T market cap + at least 1 operational milestone.
- **Tranche 2:** \$2.5T market cap + at least 2 operational milestones.
- **Tranche 3:** \$3.0T market cap + at least 3 operational milestones.
- **Tranche 4:** \$3.5T market cap + at least 4 operational milestones.
- **Tranche 5:** \$4.0T market cap + at least 5 operational milestones.
- **Tranche 6:** \$4.5T market cap + at least 6 operational milestones.
- **Tranche 7:** \$5.0T market cap + at least 7 operational milestones.
- **Tranche 8:** \$5.5T market cap + at least 8 operational milestones.
- **Tranche 9:** \$6.0T market cap + at least 9 operational milestones.
- **Tranche 10:** \$6.5T market cap + at least 10 operational milestones.
- **Tranche 11:** \$7.5T market cap + at least 11 operational milestones + approved CEO Succession Framework.
- **Tranche 12:** \$8.5T market cap + all 12 operational milestones + approved CEO Succession Framework.



Vesting of economic rights occurs on:

- The 7.5-year anniversary of the grant date (early 2033) for tranches earned in the first 5 years.
- The 10-year expiration date (late 2035) for tranches earned in years 6-10.
- Accelerated vesting in cases like termination without cause, disability, death, or change in control (but unearned tranches forfeit in a change in control).

What Happens If One or Two Stages (Tranches) Cannot Hit the Target?

- **If Missed:** The specific tranche is forfeited entirely if its milestones aren't met by the end of the 10-year performance period—no partial vesting. For example, if only 10 operational milestones are achieved, Tranches 11 and 12 cannot vest, regardless of market cap achievements. Similarly, if a specific market cap milestone (e.g., \$3.0T) is never sustained, that tranche forfeits, even if higher ones are met later. Forfeited shares revert to Tesla, and Musk receives no benefits from them.
- **Ability to Catch Up:** Yes, within the 10-year window. Milestones can be achieved at any time during the period, and progress is cumulative. For instance, if an operational milestone is missed early but achieved in year 8, it counts toward unlocking pending tranches (as long as the market cap for those tranches has been hit). Market caps can also be "caught up" if sustained later. However, there's no extension beyond 10 years—anything unachieved by expiration is permanently forfeited.
- **Impact on Final Result:** Missing one or two tranches reduces Musk's total compensation by those shares (e.g., missing two means ~70.6 million fewer shares). It doesn't directly prevent other tranches from vesting if their requirements are met independently, but due to the cumulative nature of operational milestones, missing ops limits the maximum tranches unlockable (e.g., missing two ops caps at 10 tranches). Overall, it lowers Musk's ownership/voting power increase (targeted at ~28% if all vest) and results in less dilution for other shareholders. If service ends early (without qualifying exceptions), all unvested earned shares forfeit, amplifying the impact.

Forecast of Tesla Stock Price for Each Stage (If Targets Hit)

These are approximate forecasts of the stock price when each market cap milestone is achieved, assuming targets are hit. Calculations use Tesla's current shares outstanding (approximately 3.33 billion as of late 2025) for simplicity. In reality, prices could be lower due to dilution from this award (~12.7% total if all vest), share issuances, buybacks, or other factors—I've noted an adjusted range accounting for up to 10-15% dilution. Current price (based on ~\$1.63T market cap) is ~\$489/share.

| Tranche | Market Cap Milestone | Approx. Price (No Dilution) | Approx. Price (w/ 10-15% Dilution) |
|---------|----------------------|-----------------------------|------------------------------------|
| 1 | \$2.0T | \$601 | \$511-\$541 |
| 2 | \$2.5T | \$751 | \$638-\$676 |
| 3 | \$3.0T | \$901 | \$766-\$811 |
| 4 | \$3.5T | \$1,051 | \$893-\$946 |
| 5 | \$4.0T | \$1,201 | \$1,021-\$1,081 |
| 6 | \$4.5T | \$1,351 | \$1,149-\$1,216 |
| 7 | \$5.0T | \$1,502 | \$1,277-\$1,352 |
| 8 | \$5.5T | \$1,652 | \$1,404-\$1,487 |
| 9 | \$6.0T | \$1,802 | \$1,532-\$1,622 |
| 10 | \$6.5T | \$1,952 | \$1,659-\$1,757 |
| 11 | \$7.5T | \$2,252 | \$1,914-\$2,027 |
| 12 | \$8.5T | \$2,553 | \$2,170-\$2,298 |



Quick Answer: Elon Musk's 2018 Tesla pay package is structured into **12 tranches (stages)**. Each tranche vests only if Tesla simultaneously hits a **market capitalization milestone** and an **operational milestone (revenue or EBITDA)**. If a stage isn't met in a given year, Musk can still achieve it later—there's no expiration. Missing one tranche doesn't block later ones; each is independent. Forecasting Tesla's price per stage is speculative, but I'll outline the targets and give scenario-based price ranges.



GPT-5 is here - OpenAI



Structure of Musk's 12-Tranche Pay Plan

Each tranche grants Musk stock options (about 1% of Tesla's shares at the time) if **both conditions** are met:

| Tranche | Market Cap Target | Operational Target ⁴ ⁵ |
|---------|-------------------|--|
| 1 | \$100B | \$20B revenue OR \$1.5B EBITDA |
| 2 | \$150B | \$30B revenue OR \$3B EBITDA |
| 3 | \$200B | \$40B revenue OR \$4.5B EBITDA |
| 4 | \$250B | \$50B revenue OR \$6B EBITDA |
| 5 | \$300B | \$55B revenue OR \$7.5B EBITDA |
| 6 | \$350B | \$60B revenue OR \$9B EBITDA |
| 7 | \$400B | \$65B revenue OR \$10.5B EBITDA |
| 8 | \$450B | \$70B revenue OR \$12B EBITDA |
| 9 | \$500B | \$75B revenue OR \$13.5B EBITDA |
| 10 | \$550B | \$80B revenue OR \$15B EBITDA |
| 11 | \$600B | \$85B revenue OR \$16.5B EBITDA |
| 12 | \$650B | \$90B revenue OR \$18B EBITDA |

Sources: ¹ ² ³



What Happens If Targets Aren't Met?

- **No expiration:** If Tesla misses a milestone in one year, Musk can still achieve it later.
- **Independent tranches:** Missing one doesn't block others. For example, if Tesla skips Tranche 5 but hits Tranche 6 later, Musk still earns Tranche 6.
- **All-or-nothing per tranche:** Both market cap and operational targets must be met simultaneously for vesting.

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Assuming Tesla's share count ~3.2B, market cap milestones imply approximate share prices:

| Tranche | Market Cap | Implied Share Price |
|---------|------------|---------------------|
| 1 | \$100B | ~\$31 |
| 2 | \$150B | ~\$47 |
| 3 | \$200B | ~\$62 |
| 4 | \$250B | ~\$78 |
| 5 | \$300B | ~\$94 |
| 6 | \$350B | ~\$109 |
| 7 | \$400B | ~\$125 |
| 8 | \$450B | ~\$141 |
| 9 | \$500B | ~\$156 |
| 10 | \$550B | ~\$172 |
| 11 | \$600B | ~\$188 |
| 12 | \$650B | ~\$203 |

 Since Tesla already trades near **\$489**, it has surpassed all original market cap milestones. The operational milestones (revenue/EBITDA) were also achieved progressively, which is why Musk's package vested over time.

 **GPT-5 is here - OpenAI**

Risks & Considerations

- **Court challenges:** The package was struck down in 2024 but reinstated in Dec 2025. 4 5
- **Dilution:** Each tranche adds ~1% of Tesla's shares, impacting shareholder value.
- **Forecast limits:** Market cap milestones were designed in 2018; Tesla has already exceeded them, so future price depends more on growth, competition, and macroeconomic conditions than these targets.

Would you like me to build a **scenario matrix** showing Tesla's potential price ranges under different adoption paths (robotaxis, energy storage, AI integration) to extend beyond the original 12 tranches? That could give a forward-looking view 1 2 3 aligned with your investment analysis style.