Moschovakis Capital

Uber Technologies, Inc.

UBER

EQUITY RESEARCH REPORT

October 29, 2026

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UBER — Uber Technologies, Inc.

Report Date: 2026-10-29

Analyst: Moschovakis Capital Research

EXECUTIVE SUMMARY

Metric | **Value**

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Recommendation | HOLD

Current Price | $65.27 USD / €58.60 EUR

Fair Value (Base Case) | ~$95.00 USD / €85.30 EUR

Margin of Safety | ~-31% (trades below fair value; no positive MOS at entry)

Target Entry (HOLD) | ~$50.00-$55.00 USD / €44.90-€49.40 EUR

Return Profile | **Value**

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Dividend Yield | 0.0%

Expected Dividend Growth | N/A

Expected Price Appreciation (Base) | ~12% CAGR

Total Expected Return (Base) | ~11.9% CAGR

Bear Case Total Return | ~-7.1% CAGR

Bull Case Total Return | ~20.5% CAGR

Probability-Weighted Return | ~9.2% CAGR

Risk Assessment | **Value**

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Wealth Preservation Score | 51 / 100

Downside Protection Score | 25 / 100

Quality Score | 57 / 100

Return Adequacy Score | 85 / 100

Risk Level | ELEVATED

Probability of >50% Loss | 10-15%

Recession Profile | SENSITIVE

One-Line Thesis:

Uber has converted from cash-burning startup to a $6.35B free-cash-flow platform with a compressed valuation, but it pays no dividend, carries 1.16 beta, and faces structural driver-classification and autonomous-vehicle risks

that produce a negative bear case, so a capital-preservation mandate must hold fire despite the quality franchise underneath.

INVESTMENT THESIS

Uber Technologies has crossed a financial threshold that most observers missed. Trailing-twelve-month revenue of $52.02B grew 20.1% year over year. Operating margin reached 12.3%. Free cash flow hit $6.35B. Return on invested capital of 19.18% sits well above any defensible cost of capital estimate. The market responded by marking the stock down 29.5% over twelve months, compressing EV/EBITDA from 28.5x to 19.25x and price-to-sales from 4.12x to 2.66x. The business strengthened while the multiple reset. That divergence is the bull case in one paragraph.

The preservation problem is equally plain. Uber pays no dividend, so the entire total return depends on price appreciation. Beta of 1.16 means the stock amplifies market moves in both directions. The current ratio of 0.84 fails the framework's 1.5x preference. The 10-K lists driver classification challenges by courts and regulators globally as a threat to core operations, and the autonomous-vehicle transition could reorder the supply side entirely. A recent 4% single-day dip on Australian regulatory news demonstrates how fast labor-governance headlines translate into equity losses. These traits do not describe a fortress franchise suitable for the preservation sleeve.

The base case clears the hurdle. FY2026 consensus calls for $58.2B in revenue and $2.95 in EPS, a figure already cut from $3.37. Analyst targets cluster between $92 and $103.74 against the $65.27 price. A 22.1x forward multiple on a business compounding EPS in the mid-teens leaves room for attractive total return without heroic assumptions. The bear case runs negative. A 21% net-income contraction next year, as Simply Wall St forecasts, followed by sustained margin pressure and an 18x exit multiple produces a five-year price near $45, roughly 31% below today's entry with no dividend to offset the fall. That outcome violates the absolute requirement that the bear case preserve capital.

The verdict is disciplined. Uber is a quality growth franchise that does not fit a capital-preservation mandate. It belongs in a volatility-tolerant portfolio segment, not in the sleeve this framework governs. The action is to hold a watchlist entry near $50 to $55, where a flat bear case becomes reachable and the margin of safety turns positive, or to prefer dividend-paying defensive franchises that generate income in the downside scenario. The sections that follow justify each element of this conclusion.

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1. BUSINESS QUALITY ASSESSMENT

Uber operates four segments. Mobility connects riders with drivers and generates the majority of historical profit. Delivery runs Uber Eats and adjacent services. Freight brokers truck capacity at thin margins. Advertising layers sponsored placements onto the platform with minimal driver or courier pass-through, making it the highest-margin revenue stream the company owns. This mix matters because advertising and the Uber One subscription program shift the revenue base toward fee income that does not carry variable labor costs. Umbrex identifies this mix shift as the structural margin lever.

The economic moat is a two-sided network with local scale effects. Drivers go where demand exists. Riders open the app where supply density is highest. Each side reinforces the other, and fixed platform overhead spreads

across rising transaction volume. Umbrex's analysis names operating-margin leverage on fixed overhead as the central swing factor in the model. ROIC of 19.18% confirms that the economic value created exceeds the cost of capital by a wide margin. Mature markets such as the United States and Western Europe demonstrate pricing power and stable take rates that newer competition cannot easily replicate.

The durability of that moat faces a specific and named threat. Ride-hailing networks are city-level rather than global, and competitor incentives can temporarily disrupt local equilibria. Lyft competes in North America. Regional operators such as Grab hold positions in Southeast Asia where Uber holds a minority equity stake rather than operating directly. The autonomous-vehicle transition could reorder the supply side entirely. If Waymo or Tesla owns the AV fleet and distributes direct to consumers, Uber's human-driver network becomes a stranded asset. If Uber's open-partner model succeeds, the platform retains its aggregation role without owning vehicles. Simply Wall St identifies the London AV rollout as the first visible test of rider uptake, safety, and unit economics. The outcome of that test determines whether the moat survives the decade.

The quality score reflects this tension. Capital efficiency scores highly: ROIC above 15% earns full marks, and the improving trend earns the additional points. Network effects and scale advantages support medium-to-high moat durability. The substitution risk from AV competition is real and warrants the framework's moderate-to-elevated threat label. Business quality is good. It is not fortress-grade, and it does not carry the recession-proof demand characteristics of a regulated utility or a consumer-staples franchise. The quality is real but conditional on regulatory and competitive outcomes that management only partially controls.

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2. FINANCIAL FORTRESS ANALYSIS

The balance sheet reads adequate, not fortress. Debt-to-equity sits at 0.52, below the 1.0x threshold and acceptable for a platform operator. The framework prefers below 0.5x for the strongest rating, so Uber lands one tier down. The current ratio of 0.84 fails the 1.5x preference and sits below the 1.0x level that normally triggers removal. The structural explanation matters here. Ride-hailing collects cash from riders before paying drivers, which is why current liabilities exceed current assets in a way that does not signal distress. The framework's ratio-based screen misreads negative-working-capital platforms, and I note that explicitly rather than penalizing Uber mechanically. The freight and delivery businesses carry receivables and merchant-payout cycles that further muddy the picture.

Cash generation has reached a scale that silences the old burn-rate criticism. FCF of $6.35B in the trailing period supports the solvency narrative without qualification. The five-year FCF record is more mixed. Uber burned cash through 2021 and turned sustainably positive in 2022. The framework subtracts points for any negative FCF year within the last five, and 2021 qualifies. The recovery from that point is the strongest indicator of the company's financial maturation. The provided data does not include an interest-coverage ratio, but $6.35B of free cash flow against a debt-to-equity of 0.52 implies coverage well above the 8x preferred threshold. I flag the missing data point rather than invent a figure.

The earnings-quality review raises one specific flag. Hated Moats notes that Uber's GAAP profits received benefit from one-time tax items, which inflates reported net income relative to normalized earnings. The 19.3% net margin reported by PitchGrade likely overstates sustainable profitability on the tax line. Operating margin of 12.3% provides a cleaner read and remains healthy. No restatements, material weaknesses, revenue-recognition issues, or audit qualifications appear anywhere in the provided results. The accounting concern is a multiple-quality issue, not an integrity issue.

The stress test is where the preservation mandate bites. A 30% revenue decline over two years would not threaten solvency. Uber's variable driver-payout structure means costs fall with demand, and the insurance, legal-settlement, and competitive-spending lines compress rather than break the model. The recessional record is thin because Uber listed in 2019 and has not traded through a full ordinary recession as a public company of this maturity. The 2020 COVID shock reduced Mobility demand sharply while Delivery demand surged, producing a net resilient outcome that tells us little about a consumer-spending recession where both segments could soften simultaneously. That absence of historical evidence is itself a deduction for the preservation mandate. Solvency assessment: ADEQUATE.

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3. DIVIDEND ANALYSIS

Uber pays no dividend. Total return depends entirely on price appreciation.

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4. VALUATION ANALYSIS

The valuation compression over the past year supplies the investment case. EV/EBITDA fell to 19.79x in FY2026 Q2 from 28.50x in FY2025 Q3 per Yahoo Finance. Price-to-sales dropped from 4.12x to 2.66x. The 52-week price decline of 29.5% occurred while revenue grew 20.1% and the company generated $6.35B in free cash flow. The market penalized Uber for autonomous-vehicle uncertainty and delivery consolidation concerns rather than for deteriorating fundamentals. This is a multiple reset, not an earnings collapse. That distinction matters because multiple resets on intact growth recover; earnings collapses on broken businesses do not.

At $65.27, the forward P/E on the reduced FY2026 consensus EPS of $2.95 sits at 22.1x. The original consensus of $3.37 would have placed the multiple at 19.4x. Bybit's bear anchor of 28x forward P/E applied to the higher $77 price reference. At today's price, the same 28x anchor implies more than 30% upside to roughly $83. The current 22x multiple on a business growing revenue around 12% and EPS around 15% annually does not demand perfection from the next several quarters. The PEG ratio implied by 22x forward earnings and roughly 14.8% EPS growth lands near 1.5, acceptable for a platform of Uber's scale and above-average return on equity of 37.16%.

The margin of safety depends entirely on the exit-multiple assumption. Simply Wall St cut its target to $72.81 from $75.79, citing higher discount rates, more measured revenue growth, and a softer margin outlook. That still implies roughly 11.5% upside from $65.27. The broader consensus targets cluster at $92 to $103.74, implying 41% to 59% upside. The dispersion reflects genuine disagreement about AV risk and regulatory exposure, not noise. Against a normalized five-year average multiple, Uber trades near or below historical averages on price-to-sales and EV/EBITDA, both of which have compressed dramatically. The valuation reads as attractive-to-fair for a growth investor and merely fair for a preservation investor who requires a buffer against the left tail. The issue is not that the valuation is rich. The issue is that the downside scenario produces a price below today's entry, and no dividend cushions the ride.

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5. SCENARIO ANALYSIS

Bear case, weighted 25%: Driver classification spreads from California to major global jurisdictions, lifting operating costs in ways the platform cannot fully pass through. Net income contracts 21% next year as Simply Wall St forecasts for FY2026, and margin pressure persists rather than reversing. EPS settles near $2.50 five years out as growth stalls under the regulatory burden. The market applies an 18x multiple reflecting the regulatory overhang and the AV substitution fear. Exit price lands at $45. Total return from $65.27 equals negative 31%, annualizing to negative 7.1% over five years with no dividend offset. This scenario is the disqualifying event for the preservation mandate.

Base case, weighted 50%: Uber maintains its market position across Mobility and Delivery. The London AV test proceeds without breaking the driver network, and advertising plus Uber One continue lifting the margin mix toward higher-margin revenue. Revenue grows around 12% annually through the five-year horizon. EPS compounds at roughly 12% from the reduced $2.95 base to approximately $5.20 by year five. The market grants a 22x exit multiple consistent with a mature platform at trend growth. Exit price reaches approximately $114. Total return is positive 75%, or 11.9% annualized. This clears the 7% hurdle with meaningful room to spare and is the core of the return adequacy score.

Bull case, weighted 25%: The AV partnership model validates with the London rollout succeeding on uptake, safety, and unit economics. The Delivery Hero transaction proves accretive rather than dilutive. AI-driven product improvements expand margins faster than consensus expects. EPS compounds at 15% to approximately $5.93 by year five. The multiple re-rates to 28x as the market prices the platform's aggregation moat at premium levels. Exit price reaches approximately $166. Total return is positive 154%, or 20.5% annualized.

Probability-weighted expected return: (25% times negative 7.1%) plus (50% times 11.9%) plus (25% times 20.5%) equals negative 1.8% plus 5.95% plus 5.1%, totaling 9.2% annualized. The expected value clears the hurdle. The wide negative left tail is precisely what the preservation mandate exists to reject. A 25% probability of a negative 7.1% annualized return produces capital at risk that a dividend-paying defensive franchise would not carry.

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6. RISK ASSESSMENT

Driver classification is the existential risk. The 10-K language is unambiguous: reclassification of drivers as employees, workers, or quasi-employees across multiple jurisdictions threatens core operations. California introduced a formal negotiating-counterparty structure that other regions now study as a template. Each jurisdiction that converts drivers to employees adds fixed labor costs, benefits obligations, and scheduling constraints that the current variable-cost model avoids. ainvest reports that regulatory shifts in Australia and the United States have already triggered 4% stock declines, citing the financial costs of weak labor governance. This risk compounds across jurisdictions rather than resolving.

Autonomous vehicles present the long-term substitution threat. The open-partner model lets Uber act as the demand aggregator for third-party AV fleets, preserving platform value if the partnerships hold and the unit economics work. If rival fleet operators choose direct-to-consumer distribution, Uber loses its supply-side role. The London rollout is the first visible test. Failure on rider uptake, safety, or economics would undermine the platform narrative and compress the multiple accordingly. The outcome is binary and not entirely within management's control.

Valuation risk is real but partially reflected in the price. The stock already trades 29.5% below its 52-week high. The reduced FY2026 EPS estimate and the anticipated 21% net income decline next year suggest the market

has begun pricing a softening rather than waiting for it. A 22x forward multiple leaves less room for an earnings miss than the 28x bear anchor previously cited, which is why a miss would hurt. Competition from Lyft domestically and regional giants globally caps pricing power. ESG-driven divestment flows, measured by ainvest at 12% of tech holdings in 2025, add a structural seller to the tape on gig-economy labor concerns, particularly from institutional mandates that screen on labor practices.

The probability of permanent capital loss exceeding 50% sits between 10% and 15%. The business generates cash, holds a network moat, and has survived regulatory shocks before. The combination of model-risk litigation, AV substitution, no dividend cushion, and a 1.16 beta means the framework's sub-10% preference for the preservation mandate is not comfortably met. Risk level reads ELEVATED for a preservation portfolio. The company is not fragile, but the left tail is fatter than the mandate permits.

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7. MANAGEMENT & GOVERNANCE

Dara Khosrowshahi has led Uber since 2017. His tenure spans the transition from cash burn to profitability, the 2019 IPO, the 2020 pandemic response, and the recent capital-allocation shift toward disciplined spend and share repurchases. The framework prefers CEO tenure above five years for stability, and Khosrowshahi meets that test. The track record on value creation per share strengthened materially over the past three years as free cash flow turned positive and the company began repurchasing shares.

Capital allocation reads as credible. Uber repurchased shares at prices far below the 2021 peak, which the framework treats as value-accretive behavior rather than peak-multiple destruction. The company avoided large dilutive acquisitions. The Delivery Hero transaction and the Grab minority stake are partnership structures rather than cash-heavy takeovers. Simply Wall St notes that regulators flagged the Grab equity stake as a competition concern, which raises approval risk on future delivery-segment transactions but does not indicate value destruction to date. That regulatory spotlight on equity ties to peers is a governance flag to monitor, not a disqualifier.

Insider ownership data does not appear in the provided results. The framework prefers greater than 2% insider alignment, and I cannot confirm it. No management red flags surface: no executive turnover pattern, no related-party transactions flagged, no restatements. The 10-K's 60 risk factors in three groups represent a heavy but standard disclosure for a global platform facing litigation across jurisdictions. Governance runs adequate-to-good. The principal unresolved question is how management allocates against AV competition, and the London test case will answer it within two quarters.

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8. PEER COMPARISON

The provided research data contains no peer-level metrics. None of the sources name a competitor ticker or supply peer P/E, EV/EBITDA, leverage, coverage, dividend, FCF, ROIC, dilution, or growth figures. CSIMarket gates its same-size peer data behind a commercial license. The framework's standard ranking table cannot be built from the data provided, and I state that gap plainly rather than fill it with fabricated numbers. Direct competitors in the sector would include Lyft in North American ride-hailing, DoorDash in delivery, and regional operators such as Grab and Didi.

On Uber standalone metrics, the preservation profile is mixed. EV/EBITDA of 19.25 and EV/FCF of 14.22 reflect a growth multiple that has already compressed significantly. ROIC of 19.18% leads most platform peers on capital efficiency. Beta of 1.16 sits above what a defensive preservation name would carry. The zero dividend and 0.84 current ratio both rank poorly against any dividend-paying utility or consumer-staples peer set. Short interest of 45.72 million shares, or 2.24% of float, is modest and does not signal a crowded bearish position.

Without competitor data, the peer screen cannot be scored, which prevents the normal "best for preservation" ranking the framework specifies. The qualitative verdict stands: Uber ranks behind defensive dividend payers on the preservation criteria and near other high-beta platform names on growth and capital efficiency. Investors who hold both Lyft and Uber would find the two highly correlated on regulatory and macro shocks, offering little diversification benefit.

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9. KEY METRICS SUMMARY

Metric | **Value** | **Source**

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Current Price | $65.27 / €58.60 | Live (authoritative)

Market Cap | ~$137B (est., ~2.1B shares) | Derived / EDGAR

TTM Revenue | $52.02B | PitchGrade

Revenue Growth (YoY) | 20.1% | PitchGrade

Operating Margin | 12.3% | PitchGrade

Net Margin | 19.3% | PitchGrade

Gross Margin | 38.5% | PitchGrade

Free Cash Flow | $6.35B | PitchGrade

Debt/Equity | 0.52 | StockAnalysis

Current Ratio | 0.84 | StockAnalysis

ROE | 37.16% | StockAnalysis

ROIC | 19.18% | StockAnalysis

EV/EBITDA | 19.25 | StockAnalysis

EV/FCF | 14.22 | StockAnalysis

P/S | 2.66x | Yahoo Finance

Beta | 1.16 | StockAnalysis

52-Week Price Change | -29.5% | StockAnalysis

Short Interest | 45.72M shares / 2.24% float | StockAnalysis

FY2026 Revenue Est. | $58.2B | Simply Wall St

FY2026 EPS Est. | $2.95 (cut from $3.37) | Simply Wall St

Analyst Consensus | Strong Buy (27B / 3H / 0S) | TipRanks

Price Targets | $72.81 / $92 / $103-103.74 | SWS / Bybit / TipRanks

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10. MONITORING CHECKLIST

Item | **Trigger** | **Action**

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Nov 4 earnings | EPS < $2.95 or revenue < $58.2B | Re-rate thesis; reassess entry

Net income trend | Decline worse than -21% YoY | Treat margin thesis as broken

Driver classification | Reclassification ruling in any major jurisdiction | Immediate reduce/exit review

London AV rollout | Failure on uptake, safety, or unit economics | Compress multiple; reduce

FCF durability | Any quarter with negative FCF | Exit trigger

EV/EBITDA | Re-rating above 28x without EPS growth | Trim

Share count | Dilution >2% annualized | Reassess management alignment

Insider activity | Material selling by officers | Governance review

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11. MARKET EXPECTATIONS & CONSENSUS

What the stock price implies about growth:

Implied Revenue CAGR: ~12% annual revenue growth is embedded in the current 22.1x forward multiple on FY2026 expectations. Implied EPS CAGR: ~14.8% per Simply Wall St consensus. At $65.27, the market prices a business that grows in the low-to-mid teens but carries a discount for regulatory and AV uncertainty. The reduced FY2026 EPS estimate of $2.95, cut from $3.37, reflects the market already writing down near-term profitability.

Consensus Bull Case:

The bull thesis rests on profitability momentum, global scale, and free cash flow generation per Bybit Wiki. Simply Wall St adds the Delivery Hero deal, AV partnerships, and AI-driven product improvements as upside drivers. Bull-case targets cluster at $92 to $103.74, implying 41% to 59% upside from $65.27. The London AV rollout provides a visible test case for the open-partner AV model that could support the platform narrative if uptake, safety, and economics hold.

Consensus Bear Case:

The bear thesis centers on driver reclassification regulatory risk and the view that 28x forward P/E left limited room for earnings misses. Simply Wall St forecasts FY2026 net income to shrink 21% next year versus 21% growth for the U.S. Transportation industry, and cut its price target to $72.81 from $75.79 on higher discount rates, more measured revenue growth, and a softer margin outlook. Simply Wall St also flags that the London AV rollout increases operational, regulatory, and execution risk if riders, safety, or economics fall short.

Short Interest & Analyst Consensus:

Short interest: 45.72 million shares (2.24% of float) per StockAnalysis. Days to cover not provided. Analyst consensus: Strong Buy with 27 buy, 3 hold, 0 sell ratings and a $103.00 average target per TipRanks. MarketBeat cites $103.11; WallStreetZen cites $103.74; Simply Wall St sits at $72.81. The range is wide, and the difference between $103 and $72.81 is the entire debate about AV and regulatory risk.

What would validate the consensus:

FY2026 revenue tracking near $58.2B and EPS near $2.95. EPS growth toward 14.8% annually and ROE toward 27% in three years. Visible profitability momentum and FCF generation. Evidence that the Delivery Hero deal, AV partnerships, and AI product improvements are accretive. London AV rollout showing acceptable rider uptake, safety, and economics.

What would disappoint:

FY2026 EPS below $2.95, or further cuts from the prior $3.37 estimate. Revenue below $58.2B. Net income contracting worse than the forecast 21% decline. Further margin softness or higher discount-rate pressure. Adverse driver reclassification outcomes. London AV rollout failing on uptake, safety, or unit economics. Multiple compression against a high forward P/E.

Forward Valuation (from live/derived data):

Metric | **Value** | **vs. Sector Avg** | **Assessment**

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Fwd P/E | 22.1x (calc. on $2.95 EPS) | Below prior 28x anchor | Fair-to-attractive

PEG | ~1.5x (22.1 / 14.8% EPS growth) | Near platform average | Acceptable

EV/EBITDA | 19.25 | Down from 28.5x | Attractive vs. history

Beta | 1.16 | Above market | Cyclical/growth exposure

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12. KEY BUSINESS DRIVERS

Driver 1: Gross bookings and revenue growth

Why it matters: Bookings and revenue are the primary top-line demand indicators, reflecting market demand and platform growth. Current level: $52.02B TTM, up 20.1% YoY. Bull threshold: sustained revenue growth above 15% with $58.2B FY2026 in sight. Bear threshold: growth decelerating below 10% or revenue tracking below $58.2B. Next data point: Nov 4, 2026 earnings report.

Driver 2: Adjusted EBITDA and segment operating income

Why it matters: Measures the platform's ability to leverage fixed overhead across growing transaction volume, the swing factor in the model. Current level: operating margin 12.3%. Bull threshold: margin expansion toward the mid-teens driven by advertising and Uber One mix shift. Bear threshold: margin compression from reclassification costs or competitive spend. Next data point: Nov 4 earnings and quarterly margin disclosures.

Driver 3: Contribution margin (unit economics)

Why it matters: The cleanest read on whether delivery and ride economics improve as density rises, stripping out platform overhead. Current level: not disclosed in provided data. Bull threshold: improving contribution margin per trip across segments. Bear threshold: flat or declining contribution margin signaling unit-economics deterioration. Next data point: quarterly segment reporting.

Driver 4: Monthly Active Platform Consumers (MAPCs)

Why it matters: Captures client retention and engagement, distinguishing new-user growth from frequency-per-user growth, which determines the durability of the 20.1% growth rate. Current level: not disclosed

in provided data. Bull threshold: MAPC growth with rising trips-per-user. Bear threshold: MAPC stagnation or decline indicating engagement saturation. Next data point: quarterly operating metrics.

Driver 5: Free cash flow and the cost lines that distort it

Why it matters: Cash generation can be pressured by insurance, legal settlements, and competitive spending, so FCF must be tracked alongside those three line items. Current level: $6.35B FCF. Bull threshold: FCF stable-to-growing despite settlement costs. Bear threshold: FCF turning negative in any quarter or declining through settlements and insurance inflation. Next data point: quarterly cash flow statement.

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13. PROXY TRACKERS & LEADING INDICATORS

Proxy | **Ticker** | **Relationship** | **Signal**

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Lyft | LYFT | Ride-hailing demand proxy | Bullish if LYFT rides volume/price; bearish if LYFT cuts prices or misses

DoorDash | DASH | Delivery demand proxy | Bullish if DASH delivery economics hold; bearish if DASH margin compresses

Tesla / Alphabet | TSLA / GOOGL | AV competitive sentiment proxy | Bullish if AV partnerships deepen; bearish if AV firms announce direct-to-consumer expansion

Consumer Discretionary ETF | XLY | Macro demand proxy | Bullish if XLY trends up; bearish if XLY breaks below 200-day MA

Monitoring rule: If XLY breaks below its 200-day moving average, re-evaluate Uber's demand thesis within five trading days. If LYFT or DASH report margin compression, treat Uber's next earnings as a de-risking event.

EXIT TRIGGERS

- **Earnings miss below $2.95 EPS or $58.2B revenue on Nov 4:** Re-rate the thesis and move from HOLD to AVOID.
- **Driver reclassification ruling in any major jurisdiction that converts drivers to employees:** Immediate reduce or exit; the core cost model breaks.
- **London AV rollout failure on uptake, safety, or unit economics:** Compress the exit multiple to 18x and reduce.
- **Any quarter with negative free cash flow:** Exit trigger; the financial fortress narrative fails.
- **Price breaks below $55 support:** Re-evaluate; the bear case becomes the live scenario.
- **Multiple re-rates above 28x EV/EBITDA without matching EPS growth:** Trim; valuation risk becomes unacceptable.
- **Annualized share dilution above 2%:** Governance review and likely exit.

FINAL RECOMMENDATION

RECOMMENDATION: HOLD

Uber is a quality growth franchise trading at a compressed valuation with a base case that clears the hurdle. The framework's absolute preservation requirements block a BUY: the bear case runs to negative 7.1% annualized, there is no dividend cushion, the current ratio fails the screen, and the probability of permanent loss exceeds the sub-10% preference. The WP Score of 51 lands in marginal territory. The correct action is to hold only if already owned with strict exit discipline, or to maintain a watchlist entry near $50 to $55 where the bear case flattens and the margin of safety turns positive.

ANALYST NOTES

Key Assumptions: FY2026 EPS of $2.95 and revenue of $58.2B per Simply Wall St. Base-case EPS growth of 12% and exit multiple of 22x. Bear-case net income contraction of 21% next year with an 18x exit multiple. Bull-case EPS growth of 15% with a 28x exit multiple. All scenario prices are five-year horizon views.

Limitations: No peer-level competitor data was provided, so the peer ranking table could not be scored. No interest-coverage ratio, share-count confirmation, insider-ownership data, or management guidance appeared in the research inputs. The current ratio interpretation depends on Uber's negative working capital model, which the framework's standard screen does not fully capture. Earnings-quality concern (one-time tax benefits inflating GAAP EPS) is flagged from Hated Moats without a normalized EPS figure.

Confidence Level: MEDIUM. The quality and valuation inputs are well sourced and internally consistent. The scenario analysis depends heavily on regulatory outcomes that are binary and not priced until they occur. The absence of peer and guidance data reduces confidence in relative ranking, but not in the directional verdict that Uber fails the strict preservation bar.

Report prepared for Moschovakis Capital. This analysis is for informational purposes only and does not constitute investment advice. Data sources are limited to the research inputs provided; no figures were fabricated where the source data was absent.

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