Meta Platforms Equity Research Note

Research case | META | 11 November 2026

Investment view

Meta pairs a scaled advertising engine with substantial AI infrastructure investment. The research question is whether AI-led monetisation can compound faster than the increase in infrastructure, legal and regulatory costs.

Latest reported evidence

- Q3 2026 revenue was $64.6bn, up 26% year on year.
- Ad impressions rose 10% and average price per ad rose 14%.
- Q3 capex, including finance-lease principal payments, was $34.9bn.
- Cash and marketable securities were $82.5bn.

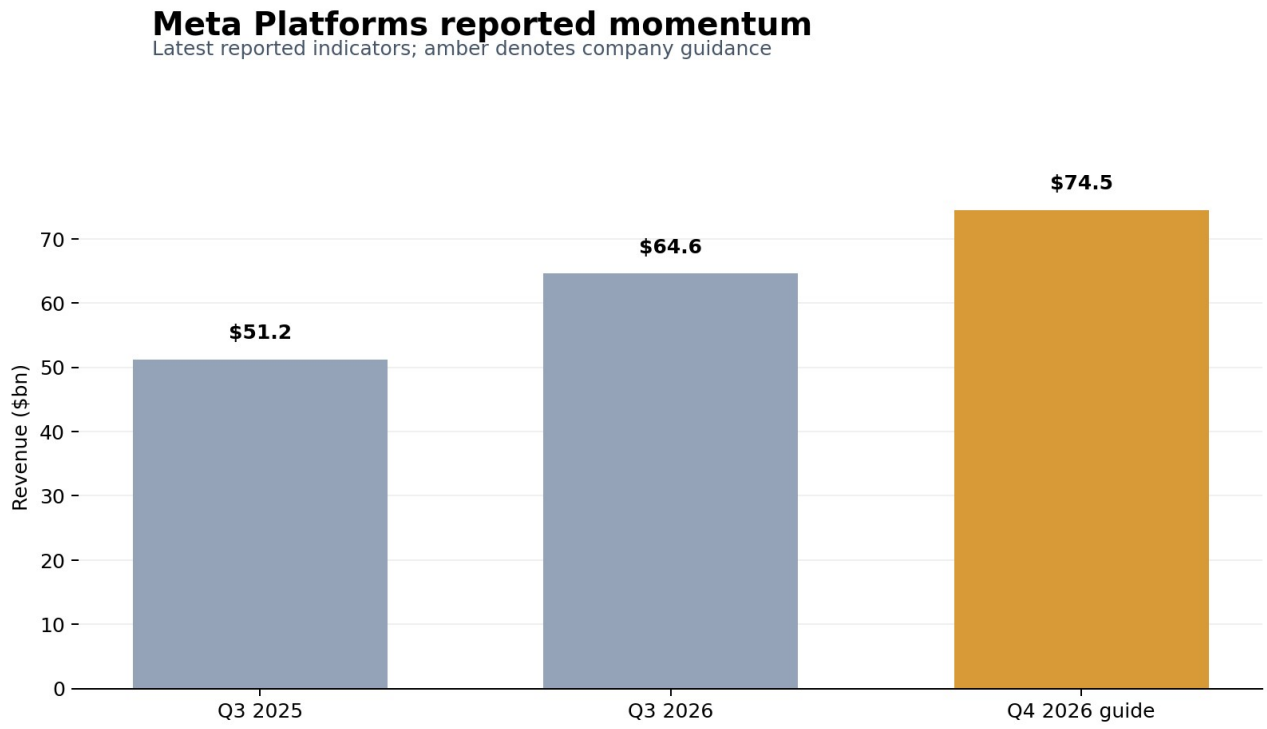


Figure 1. Latest reported momentum. Company guidance, where shown, is not an actual result.

Valuation framework

The valuation uses a simplified DCF cross-check. It is deliberately separate from the market price and highlights the assumptions that need to hold for the investment case. It is not a price target.

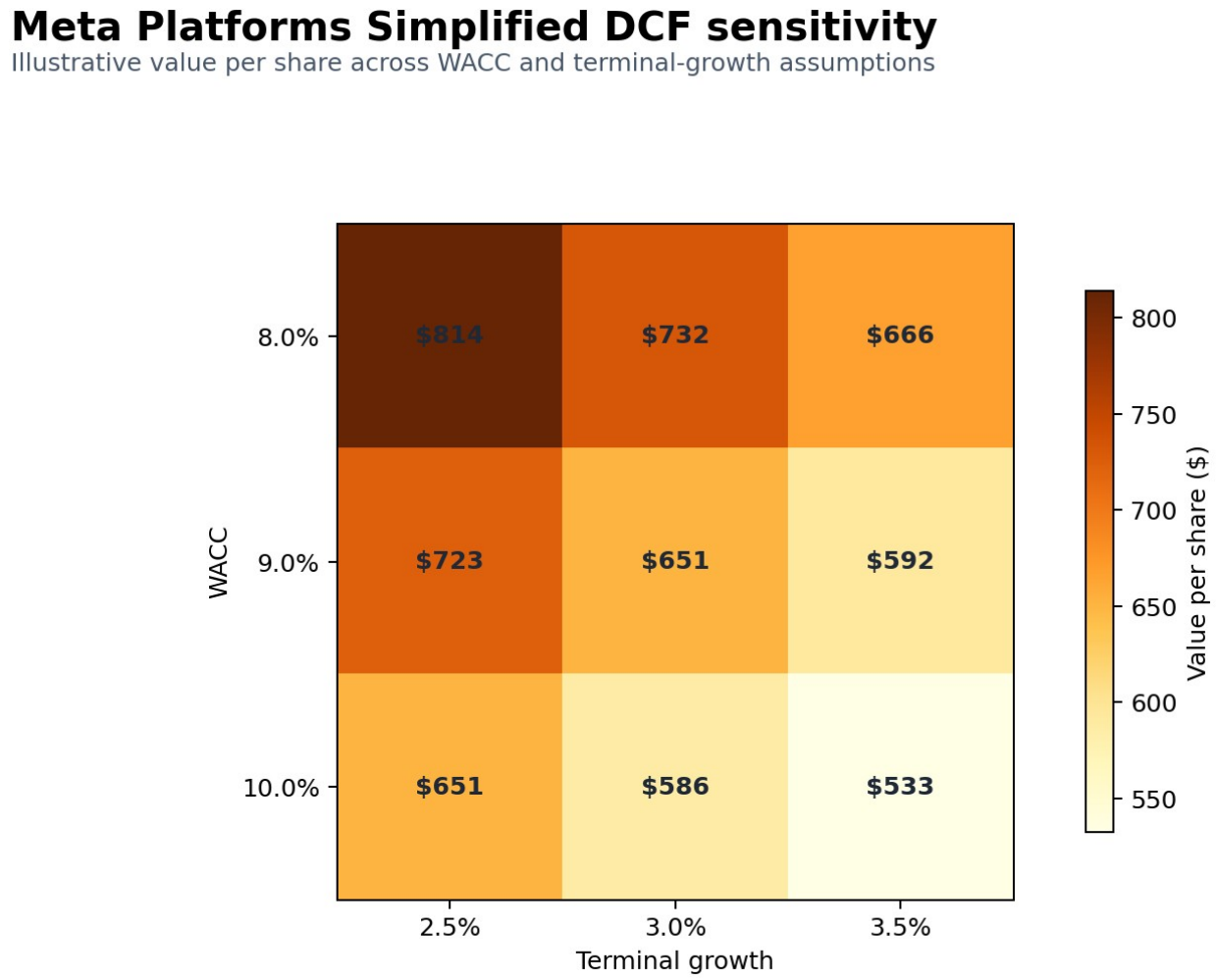


Figure 2. Sensitivity analysis. Values are illustrative and rounded.

Catalysts

- Higher engagement and advertising monetisation from AI tools.
- Q4 revenue guidance of $73bn to $76bn.
- Longer-term monetisation opportunities from AI products.

Risks and monitoring

- Capex intensity and negative free cash flow in the latest quarter.
- Legal and regulatory costs, including the Q3 charge.
- Execution risk in long-dated AI investments.

Source and limitation

Meta, Q3 2026 earnings release, 21 October 2026. https://investor.atmeta.com/investor-news/press-release-details/2026/Meta-Reports-Third-Quarter-2026-Results/

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