

META PLATFORMS, INC.

Equity Research | Nasdaq: META | Social platforms, advertising and consumer AI | 23 September 2026

WATCHLIST RECOMMENDATION	UNCHANGED RATING CHANGE	70 / 100 INVESTMENT SCORE
\$736.60 Close, 22 September	\$715.00 Weighted fair value (-2.9%)	\$635 - 665 Reinstatement band

Meta has risen 24.2% in three weeks on two genuinely new products: Muse, a personal AI agent that reached the top of the App Store free chart within a fortnight, and Meta One, a paid subscription tier across Instagram, Facebook and WhatsApp. Both are real, both are sized below, and neither fixes the reason this rating fell in the first place. Fair value rises from \$586.25 to \$715.00. The price has got there first.

Valuation is struck on the 22 September 2026 closing price of \$736.595 (Alpha Vantage GLOBAL_QUOTE, confirmed by StockAnalysis.com). The most recent results are the second quarter. Fair value is the probability-weighted output of the scenario table, not a price target. The reinstatement band is the level at which the shares would become interesting again, derived below. No entry, stop or take-profit levels are published, because this is not a Buy call. Meta Connect runs on 23 and 24 September 2026 and may add to the facts below after this report is filed.

Company developments

Development	Status and date	What is known	What is forecast (and by whom)	Impact
Muse, personal AI agent	Announced and rolling out, 8 September 2026	An agent that performs tasks rather than answering questions: email, bookings, forms, purchases, with approval required before sensitive actions. Runs on Muse Spark inside a dedicated virtual machine. Available on iOS, Android and muse.ai, rolling out in the US first, with AI glasses to follow. Free for most use with paid plans above it. Meta disclosed no pricing tiers, user count or revenue.	Meta has published no adoption or revenue figure. Reported: Muse reached the top of the Apple App Store free chart within roughly two weeks (trade coverage, 22 September). App-store rank is a weak early signal and is not extrapolated here.	High
Meta One, paid subscription	Announced and globally available, 15 September 2026	A subscription across Instagram, Facebook, WhatsApp and Meta AI. Single products at \$2.99 to \$3.99 a month; individual bundles at \$7.99 (Core) and \$19.99 (Premium); business and creator bundles from \$14.99 (Essential) to \$499 (Max). Includes expanded AI usage on Muse models, expression features, scheduling and analytics, Meta Business Agent access, and verified badges. Meta disclosed 15 million subscriptions and trials to date.	Meta gave no subscriber target, no conversion rate from trials and no revenue guidance. The sizing later in this section is this report's own calculation.	High
PayPal checkout inside Muse	Announced by PayPal, 22 September 2026	PayPal customers can shop and check out with a Muse agent across PayPal merchants worldwide. Stripe's Link was Muse's launch payment integration.	Reported. No take rate, fee split or volume figure disclosed by either party.	Medium

Development	Status and date	What is known	What is forecast (and by whom)	Impact
Shopify and Spotify integrations	Announced, 19 and 21 September 2026	AI-powered payments with Shopify; an AI shopping partnership with Spotify.	Reported. No economics disclosed.	Low
Meta Connect 2026	Scheduled, 23-24 September 2026	Meta's developer conference. Coverage points to smart glasses and a headset referred to as Phoenix.	Nothing here is announced fact. Product expectations are press and analyst commentary only.	Medium

Muse and Meta One: what a new revenue line is worth

What is known. On 8 September 2026 Meta announced Muse, a personal AI agent that executes tasks on a user's behalf and asks for approval before sending email or making a purchase. It is free for most use, with paid plans above that, and is rolling out in the United States across iOS, Android and the web. On 15 September Meta announced Meta One, a paid subscription spanning Instagram, Facebook, WhatsApp and Meta AI, priced from \$2.99 a month for a single product to \$499 a month for the largest business bundle, and available globally with regional variation. Meta disclosed 15 million subscriptions and trials to date. Both figures and all pricing come from Meta's own announcements. On 22 September PayPal said its customers can check out through Muse across PayPal merchants worldwide; Stripe's Link was the launch integration.

Why it matters here. Meta has been an advertising company with a rounding error of other revenue. A subscription line and an agentic commerce path are different economics: recurring, high incremental margin, and not directly exposed to the teen-engagement remedies that this coverage has flagged since the settlement, because a subscriber is not inventory. That is a structural change to the revenue mix and it is why both items are rated High. It is also the first genuinely new answer to the question the last three reports have asked, which is what the \$130 to \$145 billion capital programme is being built to earn.

Sizing it, and the sizing is small. This report's calculation from the disclosed inputs, against trailing revenue of \$228.25 billion. Fifteen million subscriptions and trials at a blended \$6 a month, assuming every one converts, is about \$1.08 billion a year, or 0.47% of revenue. That is the figure available today, and it is immaterial. To move the thesis the line has to scale: 100 million paying subscribers at a blended \$8 a month would be \$9.6 billion a year, 4.2% of trailing revenue, and at high incremental margin perhaps \$1.80 a share on 2.55 billion shares, which at the current forward multiple is roughly \$42 of value. That is a real number and it is not a 24% re-rating. Muse itself carries no disclosed revenue at all and cannot be sized; what can be said is that a free consumer agent running continuous background inference adds to the capital and operating bill before it adds to revenue.

What success and failure look like. Success is observable in metrics Meta already reports or could: paid subscribers as distinct from trials, average revenue per subscriber, and any disclosure of other-revenue growth in the third-quarter release. Failure looks like trials that do not convert, an inference bill that pushes 2027 capital expenditure above the guided range without a return metric, or Muse settling as a free feature that costs money and earns none. The first hard data arrives with third-quarter results in early November. Nothing before then will settle it, with the partial exception of Meta Connect on 23 and 24 September, which falls after this report's cutoff.

What the price already assumes. A great deal. The shares have added roughly a quarter of their value in three weeks and now trade at 22.9 times forward earnings against 19.4 times normalised earnings when this coverage last looked. Sell-side targets moved with the price rather than ahead of it: Jefferies to \$875 from \$710, KeyBanc to \$900 from \$780, Cantor Fitzgerald to \$860 from \$680 and Wells Fargo to \$796 from \$640, all inside four sessions. The 62-analyst consensus target of \$761.01 now sits just 3.3% above the market. The developments raise this report's fair value from \$586.25 to \$715.00, a 22% increase, and the price rose 24.2%. Without these two products the verdict would be the same Watchlist at a fair value near \$590, which is to say the products did the work on value and the market did slightly more.

What is still unknown. Paid conversion, Muse's unit economics, whether agentic checkout carries a take rate for Meta at all, and whether the capital guide survives contact with consumer agent inference.

What has changed

Measure	2 Sep 2026	22 Sep 2026	Read
Last close	\$592.85	\$736.60	Up 24.2%, near the 52-week high of \$785.73.
Weighted fair value	\$586.25 (-1.1%)	\$715.00 (-2.9%)	Raised 22% on Muse and Meta One. Still below the price.
Multiple	~19.4x normalised earnings	22.9x forward earnings	Re-rated, not just re-priced.
Analyst range	\$595 to \$810	\$750 to \$900; consensus \$761.01 across 62 analysts	Targets followed the price. Average upside is 3.3%.
Revenue and other income	Advertising, essentially all of it	Plus a disclosed subscription line, 15m subscriptions and trials	The mix has changed in kind, not yet in size.
Labour market	Read as losing momentum	August payrolls +162,000 against a 58,000 forecast; unemployment 4.1%	The demand argument against advertising budgets no longer holds.
Consumer spending	Read as flat in real terms	August retail sales +1.2% against 0.8% expected; +6.0% year on year	Supportive of advertising, not a headwind.
Policy rate	September increase seen as likely	Raised 25bp to 3.75-4.00% on 16 September, unanimous	Occurred. Raises the financing cost of the build.
200-day average	Not computed; only 100 sessions retrieved	\$625.11, price 17.8% above	Now computed from a 300-session series.

Valuation

At \$736.60 Meta carries a market capitalisation of \$1.88 trillion across 2.55 billion shares, on trailing revenue of \$228.25 billion growing 27.7% and trailing net income of \$68.10 billion, which is 4.8% lower than a year ago. Trailing earnings per share are \$26.54, putting the shares at 27.8 times trailing and 22.9 times forward earnings. Revenue growing 28% while net income falls is the whole story of this company in one line: the spending is real, it is running through the income statement, and it has not yet produced the revenue it was raised to produce. Second-quarter free cash flow of \$784 million against \$8,549 million a year earlier, buybacks at zero against \$10,167 million, and long-term debt at \$83,664 million are the same facts that moved this rating to Watchlist in August and none of them has been revised.

What is new is that there is now something to point at. The previous reports could describe the capital programme but not the product it was funding. Muse and Meta One are that product, and the market has decided they justify a 22% higher valuation inside three weeks. This report broadly agrees on direction and not on magnitude: the disclosed subscription base is worth roughly half a percent of revenue today, and the path to something that matters runs through conversion data nobody has seen.

The macro variables here are advertising demand and the cost of debt-funded construction, and they have moved in opposite directions since the last review. On demand the picture reversed outright: August non-farm payrolls rose 162,000 against a 58,000 forecast with the prior two months revised up a combined 55,000, the unemployment rate held at 4.1%, and August retail sales rose 1.2% against 0.8% expected, up 6.0% on the year. The argument that advertising budgets could not expand from here rested on a labour market that the revised data says was never contracting. On financing, the Federal Open Market Committee raised its target range 25 basis points to 3.75% to 4.00% on 16 September, unanimously and for the first time in three years, with projections carrying at least one more before year-end, and the ten-year Treasury sits near 4.94%. For a company issuing debt to fund a multi-year build, that is a

direct cost. The net of the two is mildly positive for revenue and mildly negative for the return on the capital being spent.

Scenario analysis

Case	Prob.	Fair value	What happens
Bull	30%	\$900 (+22.2%)	Muse converts free users to paid at a rate Meta chooses to disclose, Meta One passes 50 to 100 million paying subscribers, agentic checkout earns Meta an economic share rather than only traffic, capital spending moderates from the guided peak during 2027 and buybacks resume. Assumes the success case on both High items.
Base	45%	\$700 (-5.0%)	Both products are real and neither is material in the guided period. Meta One grows steadily but stays under 1% of revenue through 2027, Muse remains mostly free and adds to the inference bill, capital spending holds at \$130 to \$145 billion, free cash flow stays depressed and no cash return resumes this year. Advertising compounds in the low twenties on a firmer consumer. The multiple holds near 22x. Assumes the base case on both High items.
Bear	25%	\$520 (-29.4%)	Trials do not convert, consumer agent inference pushes 2027 capital spending above the guided range with no return metric attached, the teen remedies bite into engagement, advertising decelerates, cash return stays suspended into 2027 and the multiple compresses toward 17x. Assumes the failure case on both High items.

Probabilities sum to 100%. Probability-weighted fair value: $0.30 \times \$900 + 0.45 \times \$700 + 0.25 \times \$520 = \$715.00$, computed in code, which is 2.9% below the \$736.60 close. Bull probability rises from 25% to 30% and bear holds at 25%, because the new products are evidence about the upside case and not about the capital case. The bull value moves from \$720 to \$900 and the base from \$585 to \$700 on the subscription line and the firmer advertising backdrop; the bear rises from \$455 to \$520 because the legal tail stays capped and the consumer has proved stronger than the last review assumed.

Principal risks

Risk	Probability	Severity	Comment
Capital expenditure and depreciation drag	Occurring	High	\$130-145bn guided for the year must be depreciated. Consumer agent inference adds to it before it earns.
Cash return stays suspended	Moderate	High	Buybacks at zero against \$10.2bn a year earlier.
The price has run ahead of the evidence	Occurring	High	Up 24.2% in three weeks on products with no disclosed revenue. RSI at 76. Consensus upside of 3.3%.
Muse conversion disappoints	Moderate	Medium	App-store rank is not revenue. Meta has disclosed no paid conversion from 15 million subscriptions and trials.
Teen engagement remedies	Certain	Medium	Usage limits and age assurance reduce inventory by design; no fixed price.
Settlement cash claim	Capped	Medium	\$16.68bn maximum, staged and quantified rather than open-ended.
Further regulatory action	Moderate	Medium	The August settlement resolves one case, not the category. Agentic commerce invites a new category.

Sentiment and technicals

Indicator	Reading	Interpretation
Close of record, 22 September	\$736.60	Up 24.2% in fourteen sessions.
SMA 20 / 50	\$633.06 / \$610.42	Price is 16.4% and 20.7% above. An extended advance.

Indicator	Reading	Interpretation
SMA 100 / 200	\$605.31 / \$625.11	17.8% above the 200-day, now computed from 300 sessions.
RSI 14	76.0	Overbought. Strong trends stay overbought, and entries here are poor.
MACD	33.65; signal 21.89; hist. +11.76	Momentum strongly positive and still widening.
ATR 14	\$26.05, or 3.5% of price	Normal for a megacap, large in dollars.
Volume, 20-day vs 50-day	21.2m vs 18.3m, up 15.7%	Participation rising. The 21 September gap traded 48.7m shares.
52-week range	\$520.26 to \$785.73	The price sits 6.3% below the high and 41.6% above the low.
Analyst consensus	Strong Buy, \$761.01 average across 62 analysts	Average upside of 3.3%. The street is barely above the market.

Computed from 300 completed, split-adjusted Twelve Data sessions to 22 September 2026. Distances are measured against the \$736.60 price of record. Technicals inform timing only and do not override the fundamental view.

Institutional positioning is mixed and is reported here because the size of the move invites the question of who was positioned for it. Reported holdings show a net reduction of 2.49% of reported shares over four quarters with no dominant seller, the largest being T. Rowe Price at about 0.6%; 44 managers were adding and 54 cutting, and 20 of 96 continuing managers reduced without adding back. Quarterly flows alternate, at +2.2%, -3.8% and +0.1% across the last three. Positioning is as of 30 June 2026, filings through 19 August 2026, so it long predates both product announcements and says nothing about them. Based on reported holdings filed by the cutoff. Late filers are not included, and passive, strategic and mixed holders are left out of the flow measure.

Scorecard

Factor	Score	Weight	What moved
Business Quality	 9/10	15%	Up. 3.4bn users, and a demonstrated ability to put a new consumer product at the top of the App Store in a fortnight.
Financial Strength	 6/10	15%	Unchanged. Free cash flow of \$784m in the second quarter, buybacks at zero, long-term debt \$83.7bn.
Competitive Advantage	 9/10	12%	Up. Distribution now shows in AI distribution, with PayPal, Stripe, Shopify and Spotify integrating around Muse.
Management	 7/10	10%	Up. Two significant launches and a priced subscription business inside one quarter. Capital allocation remains the open question.
Growth Potential	 9/10	13%	Up. Revenue growing 27.7%, plus a disclosed subscription line and an agentic commerce path.
Valuation	 5/10	18%	Down. 22.9x forward after a 24.2% run, above a raised fair value, with consensus upside of 3.3%.
Risk (10 = lowest risk)	 5/10	12%	Unchanged. The capped legal tail is offset by a price that now requires execution and an inference bill with no guide.
Technical Setup	 5/10	5%	Unchanged. A powerful trend and a poor entry are the same observation from two sides.

Scored 1-10, where 10 is always best, including Risk. Weighted score = 70/100 against 67 in the previous review, computed in code. The previous report used this same direction for Risk, so no restatement was required; it published its factor scores as bars without printed values, so the movements above are described against its stated rationale rather than against numbers. Weights: Valuation 18, Business Quality 15, Financial Strength 15, Growth Potential 13, Competitive Advantage 12, Risk 12, Management 10, Technical Setup 5.

Verdict: Watchlist

Watchlist, unchanged, with the level moved a long way up. The reinstatement band goes from \$520-545 to **\$635 to \$665**, which is 9.7% to 13.8% below the market. It is derived rather than chosen: it applies the same discount to the base case that the August and September notes applied, being the compensation required for a capital programme that returns nothing to shareholders while it runs, to a base case that has risen from \$585 to \$700 on the new subscription line and a firmer consumer.

It is not an upgrade, because the shares are 2.9% above a fair value that has just been raised 22%, and because everything that has changed is a promise rather than a number. Fifteen million subscriptions and trials is roughly half a percent of revenue even if all of them convert. Muse has no disclosed revenue and its most cited achievement is an app-store ranking. Meanwhile the thing that is measured, free cash flow, was \$784 million in the second quarter against \$8.5 billion a year earlier, and the buyback is still switched off. Paying 22.9 times forward earnings for the resolution of that is not compensation.

It is not a downgrade either, and that is a real change of tone from the last three reports on this name. Until this month the capital programme had no product attached to it that a reader could point at. It now has two, both priced, one with a disclosed user base, and a payments ecosystem assembling around them. The direction of travel is better than this coverage has described since July. The disagreement is entirely about how much of that belongs in the price today.

Would an investor commit their own money here? No, and the reason is timing rather than quality. A 24.2% advance in fourteen sessions, an RSI of 76, and a consensus target 3.3% above the market together describe a stock that has already collected the reward for news that is three weeks old. Third-quarter results in early November carry the first hard evidence on paid conversion and on whether the capital guide survives Muse. Meta Connect on 23 and 24 September, which falls immediately after this report, may add product detail and will not add revenue disclosure. The band is where this becomes interesting; a drift into it with the thesis intact would be worth acting on, and reaching it on a new and unquantified shock would not.

What would change the view

Toward Buy	Toward Avoid
Shares into \$635-665 on a drift lower rather than on a new shock	2027 capital spending guided above \$145bn with no return metric, with consumer agent inference named as a cause
Third-quarter disclosure of paid Meta One subscribers, as distinct from trials, with an average revenue figure	Trials failing to convert, or Meta declining to disclose the split
A quarter showing free cash flow recovering toward historic levels, or buybacks resuming	A visible step down in engagement attributable to the teen remedies
Agentic checkout shown to earn Meta an economic share rather than only traffic	A further regulatory action of comparable scale to the one settled in August, including any directed at agentic commerce
Advertising revenue holding above 20% growth on the firmer consumer backdrop	Advertising decelerating despite a labour market and a consumer that are now visibly expanding
Dated milestones ahead: Meta Connect on 23 and 24 September 2026, and third-quarter results in early November 2026, which carry the first reported evidence on either product.	

Sources

Introducing Muse: personal AI agent (8 Sep 2026)	about.fb.com/news/2026/09/introducing-muse-personal-ai-agent/
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Introducing Meta One: subscription service and pricing (15 Sep 2026)	about.fb.com/news/2026/09/introducing-meta-one-subscription-service-more-features-ai/
PayPal checkout with Muse (22 Sep 2026)	pymnts.com , artificial intelligence section
Meta second-quarter 2026 Form 8-K Exhibit 99.1 and Form 10-Q	investor.atmeta.com
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Market news, notices and analyst actions	ai-news-search.moomoo.com/news_search
Macroeconomic context, 4 to 17 September 2026	beatingthebull.com/blog/

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