

Broadcom Inc.

NASDAQ: AVGO | Semiconductors and infrastructure software | Coverage update | 9 October 2026

Last close (8 Oct 2026)	\$360.14	Recommendation	WATCHLIST (unchanged)
Previous report (5 Oct)	\$355.14, Watchlist	Investment score	78.8 / 100 (prior 79.5, restated)
Closes above \$368	6 Oct \$375.81; 7 Oct \$376.51	Weighted fair value	\$406 (prior \$406); +12.7%
200-day average	\$368.18; price 2.2% below	Price of interest	\$340, about 18.4x FY2027E base EPS
10-year Treasury	5.22% (8 Oct close)	Technical read (chart only)	Neutral: base-building
FY2027E P/E (base)	19.5x	Next results	Expected mid-December, date not yet announced

The Line Was Crossed, Then the Ground Moved

The previous edition said a close above \$368 would return Broadcom to Buy. That happened. The shares closed at \$375.81 on 6 October and \$376.51 on 7 October, above the 200-day average for the first time since the September sell-off. On the evening of 7 October it was reported that Broadcom is trying to arrange more than \$50bn of financing for the custom accelerator it is building with OpenAI, with Apollo and Blackstone among the lenders approached. The next day a further report said OpenAI had told investors its annualised revenue was approaching \$50bn, about \$20bn below figures that had circulated a week earlier. The shares fell 4.3% to \$360.14, back beneath the 200-day average of \$368.18.

Broadcom has not commented on the financing report. It is a report of talks, with the structure and Broadcom's own share undisclosed. It still changes the risk this report has to carry. Until now the customer-financing question concerned one borrower, Anthropic, with ceilings set out in Broadcom's own filing. It now plausibly concerns two of its largest AI customers, and the second one's revenue has just been reported well below what the market believed.

Verdict: Watchlist, unchanged, from fundamentals. Technical read (chart only): Neutral. The rating is now set on the business and its price. Fair value stays at \$406, 12.7% above the market, because the earnings effect of the new item is small on any reasonable sizing. What moves is Risk, from 3 to 2, and the price at which the name becomes a Buy: **\$340**, where the weighted value would sit 19% higher. Without the OpenAI financing report this edition would have returned Broadcom to Buy, so the development decides the verdict. The chart is base-building; a reclaim of the 200-day and 50-day averages is the thing to watch, and it does not change the rating.

What Changed Since 5 October

Development	Date	Effect on the case
Shares closed above \$368 twice: \$375.81 and \$376.51, on volume of 30.8m on 6 Oct	6-7 Oct	The previous edition's Buy condition was met
Broadcom reported to be arranging more than \$50bn of financing for OpenAI's custom chip; Apollo and Blackstone approached; talks early, close targeted before year end	7 Oct (reported)	A second customer whose purchases may lean on Broadcom-arranged credit; Risk falls to 2
OpenAI reported to have told investors its annualised revenue is approaching \$50bn, about \$20bn below earlier reports; its listing reported to have moved to early 2027	8 Oct (reported)	Weaker evidence on the second borrower's capacity to pay
Shares fell 4.3% to \$360.14 on 27.0m shares as AI-linked stocks sold off	8 Oct	Back below the 200-day average
New Ethernet switch, NIC and co-packaged optics line-up shown ahead of the OCP summit (12-15 Oct)	8 Oct (company)	Product cadence intact; no revenue effect to size
10-year yield 5.28% on 7 Oct, 5.22% on 8 Oct; 30-year near its highest since 2002	7-8 Oct	Discount rate still high

Financing talks as reported by the Wall Street Journal and relayed by Bloomberg, 7 Oct 2026; OpenAI revenue as reported by the Financial Times, 8 Oct 2026. Neither is confirmed by the companies. Rates from the Beating The Bull economic data posts of 7-9 Oct 2026.

Company developments

Items from 28 September to 9 October 2026 that bear on what Broadcom earns or how it competes. Ratings and price moves appear under Sentiment.

Development	Status and date	What is known	What is forecast (and by whom)	Impact
Financing for OpenAI's custom accelerator	Reported 7 Oct; talks early; close targeted before year end	Reported: Broadcom arranging more than \$50bn; Apollo and Blackstone among lenders approached; size could change. Structure, borrower and Broadcom's retained share not reported. Company has not commented	OpenAI and Broadcom announced a 10GW programme in October 2025, deployment from late 2026 to 2029. Management (2 Sep) spoke of 1.3GW in 2027. Our loss sizing is below	High
OpenAI revenue and listing	Reported 8 Oct	Reported: annualised revenue approaching \$50bn, versus about \$70bn reported on 29 Sep; listing moved to early 2027	Neither figure is company-confirmed	Medium
Convertible-note commitment to Anthropic and the \$60bn package	Filed 10 Sep (10-Q); syndication reported 2 Oct	10-Q: notes up to \$42bn may be issued to Broadcom if needed; backstop ceiling about \$29bn; nothing paid. Reported: \$42bn senior and \$18bn junior tranches, Broadcom arranging	No update since 2 Oct	High
Anthropic IPO	Investor meetings reported from 14 Oct; listing reported for mid-November	Draft prospectus reported 1 Oct; not yet public	Timing is reported, not announced	Medium
XPV financing platform with Apollo and Blackstone	Announced 9 Jun 2026	Initial \$35bn committed facility; designed for over 20GW of capacity for frontier labs through 2028; Anthropic the first user	Further pillars are the evident route for an OpenAI package; not confirmed	Medium
Ethernet AI networking line-up	Company release 8 Oct	Tomahawk 6, Tomahawk Ultra, Jericho 4 switches; Thor Ultra 800G and Thor 2 400G NICs; third-generation co-packaged optics. No new dates or customers	None	Low
AST FC-BGA substrate plant, Singapore	Opened 30 Sep	Broadcom-TOPPAN joint venture; high-value output targeted for late 2026	Supply relief is management's expectation	Medium
European Commission inquiry into VMware licensing	Preliminary; no formal case as of 9 Oct	Information gathering since July	No date set	Medium
China survey of Broadcom switches	Reported 23 Sep; no update	No Broadcom comment	Revenue at stake not disclosed	Medium
Exchange offer, \$654m 4.926% notes due 2037	Expires 19 Oct	No new debt	None	Low

Company releases and filings first (Broadcom 10-Q, Broadcom and Apollo releases); reported items from the Wall Street Journal via Bloomberg (7 Oct), the Financial Times (8 Oct), Reuters (1 Oct) and Bloomberg (2 Oct). Reported items are unconfirmed by the companies.

A second financing question: OpenAI

What is known. As reported on 7 October, Broadcom is seeking to arrange more than \$50bn to finance the custom accelerator it is developing with OpenAI. Apollo and Blackstone are among the lenders approached, the talks are early, the size could change and a close is targeted before the end of 2026. The report does not say who borrows, whether the chips are leased, or whether Broadcom lends, guarantees or keeps any part. On 9 June Broadcom announced a financing platform with Apollo and Blackstone, with an initial \$35bn committed facility and capacity in mind of more than 20GW for frontier labs through 2028. That is the obvious vehicle, though it has not been confirmed for this package. Separately, it

was reported on 8 October that OpenAI told investors its annualised revenue is approaching \$50bn, and its listing is reported to have moved to early 2027.

Why it matters here. AI silicon was 56% of third-quarter revenue, and management's fiscal 2027 and 2028 lines of about \$115bn and \$230bn rest on a small number of custom programmes. Anthropic is expected to be the largest of them in fiscal 2027; OpenAI's programme is planned at 1.3GW in 2027 with more than 5GW in sight for 2028. If both customers' purchases depend on financing Broadcom arranges, a growing part of the revenue line is only as good as the credit behind it. That is a question about the quality of the revenue, not its size.

What success and failure look like, and when. Success is a package placed with outside lenders on terms that leave Broadcom with no guarantee and no retained loan, and deployments that start on schedule. Failure is Broadcom funding or guaranteeing a large share, or a package that cannot be placed without it. The first hard evidence will be the terms if the deal closes, Broadcom's fiscal 2026 10-K in December, which must describe material guarantees and commitments, and fourth-quarter results expected mid-December. The Anthropic listing, reported for mid-November, settles the first borrower's position first.

Precedent. The Anthropic package took about three weeks from the filing that disclosed Broadcom's ceilings to reports that it was going to outside lenders, and Broadcom's retained share there is still undisclosed. Vendor financing of a customer's purchases is not new in this sector, but its scale here is: the two packages together would exceed \$110bn against free cash flow running near \$55bn a year at the third-quarter pace.

Sizing (our calculation). No filing discloses any Broadcom commitment to OpenAI. The report assumes, for the bear case only, that Broadcom retains or guarantees a quarter of a \$50bn package, \$12.5bn, and loses a quarter of that. That costs \$0.65 a share on 4.77bn shares, on top of \$3.72 already deducted for the Anthropic ceilings.

Input	Value	Basis
Shares outstanding	4.77bn	10-Q cover, 28 Aug 2026
Package size	\$50bn	Reported as more than \$50bn
Share retained or guaranteed by Broadcom	25%, \$12.5bn	Our assumption; not reported
Loss rate in the bear case	25%	Same rate as for the Anthropic ceilings; our assumption
Added bear-case loss per share	\$0.65	\$3.125bn over shares outstanding
Total bear-case deduction	\$4.37	\$1.52 backstop, \$2.20 notes, \$0.65 OpenAI
Weighted fair value with / without the OpenAI item	\$405.84 / \$405.99	Computed in code from the scenario table

All sizing is this report's calculation. The package size is reported; the retained share and loss rate are assumptions.

What the price already assumes. On earnings the item is worth about fifteen cents of weighted fair value, because even a full loss of the assumed retained share is under 1% of a \$1.72tn company. The 4.3% fall on 8 October, about \$78bn of market value from the 7 October close, came on a day when the Nasdaq fell 1.25% and other OpenAI suppliers fell too, so it reflects the multiple the market will pay for revenue that leans on customer credit more than any loss it expects. How much of the fall belongs to the financing report and how much to the revenue report cannot be separated.

What is still unknown. Broadcom's retained share of either package, any guarantees, and whether the OpenAI deal closes at all. **Effect on this report:** Risk falls from 3 to 2, the bear case carries the added deduction, and the price of interest is set at \$340. Fair value does not move. Without this item the analysis would support a return to Buy at the current price.

Growth drivers

Driver	Status and date	Fact versus forecast	Likelihood / impact
Anthropic TPU deployments: 1GW in 2026, about 5GW in 2027; \$125.2bn five-year lease commitment	Announced; lease commitment reported 1 Oct	Lease figure reported from the draft prospectus; gigawatt plans are management's	High / High

Driver	Status and date	Fact versus forecast	Likelihood / impact
OpenAI custom accelerator: 1.3GW planned for 2027, over 5GW line of sight in 2028	Announced; financing reported in talks 7 Oct	Programme is fact; volumes are management forecasts; funding not settled	Medium / High
Google TPU agreement and Meta MTIA through 2029	Announced	Agreements are fact; annual values are management characterisations	High / High
Ethernet scale-up and scale-out networking	Line-up shown 8 Oct	Products are fact; share gains are not quantified	High / Medium
Fourth-quarter guidance: revenue ~\$34.8bn, AI revenue \$21.7bn	Guided 2 Sep; results expected mid-December	Management guidance	High / Medium

The Variables That Decide It

Broadcom runs two engines. Infrastructure software built on CA, Symantec and VMware produced \$8.75bn of third-quarter revenue at roughly 94% gross margin; semiconductors produced \$20.84bn, of which \$16.7bn was AI silicon, up 221%. Third-quarter revenue was \$29.59bn, non-GAAP earnings per share \$3.32 and free cash flow \$13.67bn. Gross margin was 75.0% and is guided to about 73% in the fourth quarter as memory-heavy custom accelerators dominate the mix.

Variable	Why it decides the outcome	Where it stands on 9 October
Conversion of the \$115bn and \$230bn lines	They are the valuation; at 12.0x the fiscal 2028 figure the price assumes material slippage	Unchanged in guidance; quality questioned by the financing reports
Customer financing	Determines whether the equity carries credit risk on its customers	Anthropic ceilings of \$29bn and \$42bn; an OpenAI package of over \$50bn reported in talks; Broadcom's share of either unknown
Customer credit quality	Two loss-making labs are central to fiscal 2027-2028	Anthropic listing reported for November; OpenAI revenue reported lower and listing pushed to 2027
Gross margin through the mix shift	The fiscal 2028 figure assumes dilution stabilises	Unchanged; next evidence at fourth-quarter results
The discount rate	Value concentrated in 2027-2028 is discounted harder as the long end rises	10-year 5.22%; 30-year near its highest since 2002

Valuation

Measure	At \$360.14	At \$355.14 (5 Oct)	Comment
P/E on FY2026E consensus EPS of \$11.66	30.9x	30.5x	Consensus of 50 analysts
P/E on FY2027E base EPS of \$18.45	19.5x	19.2x	Base case unchanged; consensus \$19.38 gives 18.6x
P/E on management's fiscal 2028 figure of \$30	12.0x	11.8x	Management expects to exceed \$30
Market capitalisation	\$1.72tn	\$1.70tn	4.77bn shares
Net debt	\$35.4bn	\$35.4bn	\$59.4bn debt less \$24.0bn cash at the third quarter
Disclosed contingent ceilings	\$71bn	\$71bn	Anthropic backstop ~\$29bn plus notes \$42bn; OpenAI terms not disclosed
Probability-weighted fair value	\$406	\$406	Bear case carries the added OpenAI deduction
Implied upside	+12.7%	+14.3%	Narrower because the price is higher

Multiples are this report's calculations from the stated inputs. Consensus EPS via StockAnalysis.com (S&P Global), 21 Sep 2026; analyst count and mean target as of 5 Oct 2026.

The macro variables that matter here. The first is the cost of long-dated capital, which now matters twice: it discounts earnings concentrated in 2027 and 2028, and it prices the debt that funds the deployments behind them, debt Broadcom is arranging and may partly carry. The 10-year yield closed at 5.28% on 7 October and 5.22% on 8 October after strong demand at the 10-year and 30-year auctions; the 30-year had touched its highest level since 2002 the day before. Minutes of the September Fed meeting showed most participants expecting a further increase to be appropriate by year end, with futures pricing roughly one chance in six of a move at the 27-28 October meeting. The second is physical: power, grid interconnection and construction capacity, which management named as the binding limit on deployment and which the policy rate barely touches over two years.

Sentiment and Positioning

Input	Reading	Interpretation
Analyst consensus	Strong Buy across 50 analysts; mean target \$531.85	Not a timing signal through the de-rating
Recent actions	UBS Buy, \$470 (2 Oct); Bernstein Buy, \$575 (22 Sep); no downgrades since	No broker has yet reacted to the financing report
Insiders	No Form 4 since Director Henry Samueli's pre-arranged sale filed 25 Sep	Not read as a signal
Options	701,950 contracts on 6 Oct, 327,920 on 7 Oct and 417,990 on 8 Oct; open interest rose to 2.44m	Heavy turnover on the breakout and the reversal
Institutional positioning	Mixed, moderate confidence. As of 30 June 2026, filings through 19 August 2026	Leans cautious; see note below
News flow	Breakout on 6 Oct, then financing and OpenAI revenue reports on 7-8 Oct	Turned negative on the customer-credit question

Consensus via StockAnalysis.com (5 Oct); rating actions, notices and options activity from the moomoo research, notice and news channels to 8 Oct; Form 4 and Rule 144 notices from SEC filings.

Institutional positioning reads Mixed, leaning cautious, as of 30 June 2026 with filings through 19 August 2026. Reported holdings show a net reduction of about 1.7% of reported shares over four quarters and 0.3% in the latest quarter, with 36 managers adding and 51 cutting; the four-quarter reduction comes from a single large holder, and five of the last six quarters were slightly negative. 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.

Risk Register

Risk	Probability	Severity	Assessment
Customer-financing exposure	Medium-high	Severe	Anthropic ceilings of about \$29bn and \$42bn; an OpenAI package of more than \$50bn reported in talks; Broadcom's retained share of either undisclosed
Customer credit and concentration	Medium	Severe	Two loss-making labs central to fiscal 2027-2028; OpenAI's revenue reported lower and listing delayed
Discount rate	High	Moderate	10-year 5.22%, 30-year near a 24-year high; a further Fed increase seen as likely by year end
Deployment delay rather than demand loss	Medium	Severe	Power, grid, permitting and construction push revenue right
Gross margin dilution	High	Moderate	Guided to about 73% from 75.0%; structural
European Commission action on VMware	Medium	Moderate	Still preliminary; interim measures available
China substitution of networking silicon	Medium	Low-moderate	Reported survey; exposure not disclosed

Probability and severity are this report's assessments. The Risk score of 2/10 below denotes a high-risk profile, consistent with this register.

Scorecard

Criterion	Weight	Score		Prior	Rationale and what moved
Business Quality	16%		9/10	9/10	Unchanged. Software at roughly 94% gross margin funds the semiconductor franchise; free cash flow was 46% of third-quarter revenue.
Financial Strength	16%		9/10	9/10	Unchanged: net debt \$35.4bn against \$13.67bn of quarterly free cash flow. Contingent customer financing is scored under Risk.
Competitive Advantage	16%		9/10	9/10	Unchanged. Google TPU, Meta, Anthropic and OpenAI programmes; new Ethernet switch and NIC line-up shown 8 Oct.
Management	10%		8/10	8/10	Unchanged. Anthropic ceilings disclosed in the 10-Q; no comment yet on either financing package.
Growth Potential	16%		9/10	9/10	Unchanged. The fiscal 2027 and 2028 lines stand; OpenAI's reported revenue is a credit question before it is a volume one.
Valuation	16%		7/10	7/10	Unchanged. 19.5x fiscal 2027 base earnings and 12.0x the fiscal 2028 figure, with the 10-year at 5.22%.
Risk (10 = lowest risk)	10%		2/10	3/10	Down one. A second frontier-lab customer now reportedly relies on Broadcom-arranged financing, with terms and retained share unknown.

Scored 1-10, where 10 is always best, including Risk. The 5 October report used the same direction, so no Risk restatement was required. Weighted total computed in code: 78.8 out of 100, against 79.5.

Overall Investment Score: 78.8 / 100

The prior score is restated without its chart-based factor for comparability: 79.5 on the seven fundamental factors, against 77.5 as published. Weights are now 16% for each of the five main factors and 10% each for Management and Risk. One score moved. Risk falls from 3 to 2 because the customer-financing exposure now plausibly extends to a second borrower whose reported revenue has just been cut, with no disclosure of what Broadcom carries. A Risk score of 2 matches a register in which four of seven risks are severe and the two largest are credit exposures to customers. Composite 78.8, down 0.7 points on the restated basis.

Recommendation

Rating: WATCHLIST, unchanged, on new grounds. The previous edition kept Broadcom on Watchlist because the trend was broken and the long-dated yield was rising, and it named a close above \$368 as the route back to Buy. That condition was met on 6 and 7 October. What has changed since is the business's risk, and that is where this rating now rests. Broadcom may be standing behind the purchases of two of its largest AI customers, one of which has just been reported to earn about \$20bn a year less than believed. Until the terms are known, the shares deserve a wider margin of safety than a 12.7% discount to fair value.

The price of interest is \$340. At that level the shares would trade at about 18.4 times fiscal 2027 base earnings, the weighted fair value of \$406 would sit 19% higher and the base case 25% higher, which is enough to carry two unsized credit exposures. It also sits beside the \$339.27 sixty-day closing low and the \$335.81 September low. The other route is disclosure. If the OpenAI package closes, or the fiscal 2026 10-K in December shows that Broadcom keeps little or none of either package and guarantees none of it, the risk score would recover and the name would return to Buy at the prevailing price, alongside fourth-quarter results that confirm AI revenue near the guided \$21.7bn and gross margin near 73%. No entry range, stop or target is published, because no position is held.

Condition	Direction	Why it changes the view
The price falls to \$340, about 18.4x fiscal 2027 base earnings	Toward Buy	The margin of safety covers both credit exposures

Condition	Direction	Why it changes the view
Terms of the OpenAI package, or the fiscal 2026 10-K (expected December), show Broadcom keeps and guarantees little or none of either package	Toward Buy	Removes the credit question from the equity
Fourth-quarter results, expected mid-December, confirm AI revenue near \$21.7bn with gross margin at or above ~73%	Toward Buy	Completes the margin test
The Anthropic listing completes as reported for mid-November	Toward Buy	The largest borrower gains public equity
Broadcom lends to or guarantees a large share of either package, or Anthropic notes are drawn before its listing	Toward Avoid	Makes the equity partly a credit instrument on its customers
OpenAI's programme volumes are cut or deployment slips beyond 2027	Toward Avoid	Removes part of the fiscal 2028 line
The fiscal 2027 or 2028 AI lines are trimmed, or the \$30 fiscal 2028 figure is withdrawn	Toward Avoid	Those figures are the valuation case
The Commission opens a formal VMware case or imposes interim measures	Toward Avoid	Attacks the software cash engine
Long-dated yields keep rising while the Fed tightens	Toward Avoid	Raises both the discount rate and customers' funding cost

Macro rows are directional. Numeric levels are computed from the report's own valuation, company figures and company guidance.

Technical read

Chart as of the 8 October 2026 close.

Verdict: Watchlist, from fundamentals. **Technical read (chart only): Neutral.** The chart is base-building: the price has held above the September low, closed above the 200-day average on two of the past ten sessions without holding it, and the 50-day average is still falling. Watch for a close back above the 200-day average at \$368.18 and the 50-day at \$372.39, followed by a higher low above \$339.27. A close below \$335.81 would make a third lower low. This read looks only at the price chart. It does not change the verdict or the Investment Score, and it guides entry timing only.

Indicator	Value	Reading
Price of record (8 October 2026)	\$360.14	Up 1.4% since the previous report; 7.2% above the \$335.81 low of 16 Sep
SMA 20 / EMA 20	\$355.27 / \$360.09	Price 1.4% above and level with
SMA 50 / EMA 50	\$372.39 / \$367.39	Price 3.3% and 2.0% below; the 50-day is still falling
SMA 100 / EMA 100	\$384.40 / \$372.94	Price 6.3% and 3.4% below
SMA 200 / EMA 200	\$368.18 / \$367.21	Price 2.2% and 1.9% below; closed above on 6 and 7 Oct
RSI (14)	49.3	Neutral
MACD (12,26,9)	-0.64, signal -3.62, hist. +2.98	Line just below zero and above its signal
ATR (14)	\$11.60, 3.2% of price	Volatility a little higher than at the last report
Volume, 20-day vs 50-day	24.2m vs 23.4m, +3.4%	Participation rising; 30.8m on the 6 Oct breakout, 27.0m on the 8 Oct fall
Support / resistance	\$339.27 and \$335.81 / \$368.18 and \$372.39	Sixty-day closing low and September low; the 200-day and 50-day averages overhead
100-session range	\$335.81 - \$495.00	Close 7.2% above the low, 27.2% below the high

Computed in code from a 300-session Twelve Data daily series, 31 Jul 2025 to 8 Oct 2026, all averages from that one series; distances against the price of record. Chart state classified by fixed rules.

Every average the previous edition cited has been recomputed. The 200-day moved up to \$368.18 from \$367.50, so the \$368 level it anchored still described the structure when the price crossed it. The break above lasted two sessions. The reversal on 8 October came on news rather than exhaustion, and the 20-day average has turned up beneath the price, so

the pattern is a base still being built rather than a renewed decline.

Scenario Analysis

Case	Prob.	FY2027E revenue	FY2027E adj. EPS	Multiple	Fair value	vs \$360.14
Bull	26%	~\$178bn	~\$19.60	27x	\$529	+46.9%
Base	50%	~\$168.5bn	~\$18.45	23x	\$424	+17.8%
Bear	24%	~\$138bn	~\$14.00	17x	\$234	-35.1%
Weighted	100%				\$406	+12.7%

Probabilities sum to 100%. The bear value is 17 times \$14.00 less \$4.37 a share of modelled loss (\$1.52 backstop, \$2.20 Anthropic notes, \$0.65 OpenAI package), giving \$233.63. Weighted value \$405.84, computed in code; \$405.99 without the OpenAI deduction.

Each case names the financing outcome it assumes. Bull: deployments run ahead of secured supply, margin holds near 73%, both packages place with outside lenders and Broadcom keeps nothing. Base: the guided path is delivered, the Anthropic listing completes, the OpenAI package closes without a Broadcom guarantee and no loss arises. Bear: power and construction delays push deployment right or a lab's funding falters, gross margin falls toward 62%, and a quarter of the Anthropic ceilings and of an assumed retained quarter of the OpenAI package is lost. Probabilities are unchanged. The two reports of 7 and 8 October point toward the bear financing outcome, but talks with undisclosed terms and an unconfirmed revenue figure are not evidence enough to move them.

Final Verdict

Would this report's author own Broadcom today? Not at \$360.14. The business has not changed in four sessions. It still has the leading custom-accelerator franchise, a software engine that throws off cash, and a valuation of 19.5 times fiscal 2027 base earnings. On the numbers alone the shares look modestly cheap, and they briefly met the level that would have restored a Buy.

The single biggest concern is that Broadcom is becoming the financier of its own growth. One customer's purchases are tied to up to \$71bn of disclosed contingent support. A second customer's now appear to depend on a package of more than \$50bn that Broadcom is arranging, and that customer's reported revenue has just fallen by \$20bn. None of this need cost Broadcom a dollar if outside lenders carry it. Until the terms show that they do, a \$340 entry or clear disclosure is the right price for the risk. The OpenAI financing report decided this answer.

Sources

- Company: Broadcom Form 10-Q for the quarter ended 2 August 2026 (filed 10 September 2026); fiscal third-quarter 2026 results release of 2 September 2026; release of 8 October 2026, 'Broadcom Redefines AI Infrastructure with Industry-Leading Networking Innovations at 2026 OCP Global Summit'; AST Singapore substrate release, 30 September 2026 (investors.broadcom.com); 424B3 prospectus, 18 September 2026 (sec.gov)
- Apollo press release, 9 June 2026, 'Apollo Leads \$35 Billion Capital Solution for Broadcom AI XPV Platform' (ir.apollo.com)
- OpenAI financing talks: Wall Street Journal, 7 October 2026, as relayed by Bloomberg ('Broadcom Plans \$50 Billion Financing for OpenAI Chips, WSJ Says') and investingLive, 7 October 2026
- OpenAI revenue: Financial Times, 8 October 2026, as relayed by TechCrunch and CNN Business, 8 October 2026
- Anthropic package and listing: Bloomberg, 2 October 2026; Reuters, 1 October 2026
- Price of record: Alpha Vantage global quote, 8 October 2026 close. Technicals: Twelve Data daily series of 300 completed sessions to 8 October 2026, computed in code
- Consensus and targets: StockAnalysis.com (S&P Global), 21 September and 5 October 2026. Ratings, notices and options activity: moomoo news, notice and research channels, 9 October 2026
- Macro: Beating The Bull economic data posts of 5, 7, 8 and 9 October 2026
- Institutional positioning: Q2 2026 13F holdings read, quarter ended 30 June 2026, filings through 19 August 2026

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