

Broadcom Inc.

NASDAQ: AVGO | Semiconductors and infrastructure software | Coverage update | 15 September 2026

Last close (14 Sep 2026)	\$344.72 (-4.77%)	Recommendation	BUY, reaffirmed
Previous report (3 Sep)	\$367.24, Buy	Investment score	77.5 / 100 (prior 76.5)
Market capitalisation	\$1.64tn	Weighted fair value	\$430
Net debt	\$35.4bn	Ideal buy range	\$352 - \$372, unchanged
FY2027E P/E (adj., derived)	18.7x (19.8x on 3 Sep)	Cut-loss	\$342, unchanged and 0.8% away
FY2028 P/E on mgmt floor	11.5x (12.2x on 3 Sep)	Targets	\$500 then \$560, unchanged

Nothing Moved Except the Price and the Chart

The rating stays at Buy. In the twelve days since the last report Broadcom has fallen 6.1%, from \$367.24 to \$344.72, and it has done so without a single adverse company disclosure. The multi-year artificial intelligence revenue targets that anchor this valuation were not merely left standing but were put back on the record twice, once at a conference on 8 September and again on national television on the evening of 14 September, hours after the shares had fallen 4.77%. Six sell-side firms initiated, upgraded or raised targets over the same period. The chart, by contrast, is at its worst reading of this coverage, and the published stop now sits 0.8% below the market.

That combination is what this report has to resolve. The previous edition set an ideal buy range of \$352 to \$372 and a cut-loss at \$342, and instructed readers to accumulate in instalments inside the band rather than commit at once. The band was available: the shares closed inside it on every session from 3 to 11 September. The stop has not been breached on a closing basis. The trade is intact, under maximum pressure, and none of its published levels move in this report.

What Hock Tan said, and why it is the most important input

On 14 September the semiconductor complex fell together, the VanEck Semiconductor ETF losing more than 4% with Marvell down 7.6%, Teradyne 9.3% and Coherent 12.7%. Reporting attributed much of the move to a public argument from Anthropic's chief executive urging the industry to slow frontier development on safety grounds. Asked that evening on CNBC whether this changed Broadcom's outlook, Hock Tan answered "No, not in the least", restated artificial intelligence semiconductor revenue of approximately \$115bn in fiscal 2027 and \$230bn in fiscal 2028, described demand as "very strong and very durable", and added on inference specifically that "I don't know about training, but when you want to productize inference, I see it continuing to be very, very strong". The shares gained roughly 0.4% after hours.

One disclosure inside that interview matters more than the reassurance around it. Tan confirmed that Anthropic is positioned to become Broadcom's largest custom silicon customer in fiscal 2027, displacing Google. The company whose chief executive triggered the selloff is, on Broadcom's own account, about to become Broadcom's biggest buyer of the product the selloff was about. That does not make the safety argument wrong, and a customer calling for a slower industry is a genuine long-term consideration rather than a joke. But it does mean the market spent a session pricing a demand reduction that the largest prospective source of that demand was, at the same moment, not making.

The 8 September appearance at the Goldman Sachs conference added the more useful colour, and it sharpens the shape of the risk rather than removing it. Tan described the \$115bn and \$230bn figures as supply-constrained rather than demand-limited, and named the constraint precisely: power availability, grid capacity, construction schedules, permitting and equipment procurement, with roughly two years needed to ready a power site for a 2028 deployment. He put global inference token generation cost at about \$200bn a year against roughly \$150bn of associated revenue, with frontier model providers generating about half the tokens and capturing three quarters of the revenue. Broadcom works with six frontier model developers including OpenAI, Google and Anthropic, and delivered its Jalapeño application-specific integrated circuit sample to OpenAI within nine months.

Read carefully, that is a company telling investors its numbers fail if concrete, transformers and permitting fail, not if enthusiasm for artificial intelligence cools. Those are different risks with different observables, and the bear case below is built on the first rather than the second.

What Changed Since 3 September

Development	Date	Effect on the case
Hock Tan reaffirms \$115bn fiscal 2027 and \$230bn fiscal 2028 artificial intelligence revenue and calls demand durable; confirms Anthropic as the prospective largest custom silicon customer in fiscal 2027	14 Sep	Positive and material. The multi-year numbers are the valuation case, and they were restated under direct challenge rather than in a scripted setting
Goldman Sachs conference: targets described as supply-constrained, with power, grid, permitting and construction named as the binding limits	8 Sep	Clarifying. It relocates the principal risk from demand to physical deployment, which is the risk the bear case already modelled
Six sell-side actions: Piper Sandler initiates Overweight at \$460, DBS initiates Buy at \$470, Citic upgrades to Buy at \$525, Citi raises to \$515, Bernstein maintains \$575, Mizuho maintains \$530	5-14 Sep	Supportive but not decisive. Consensus has stood at Strong Buy through a year-long de-rating and has not been a useful timing signal
European Commission questioning cloud providers about VMware licensing changes, certification arrangements and the withdrawal of perpetual licences	11-13 Sep	Negative and new. Preliminary fact-finding rather than a formal investigation, but the Commission retains the option of interim measures, and software is what funds the semiconductor franchise
Fiscal third-quarter 10-Q filed; S-4 registration filed in connection with a business combination	10 Sep	Neutral. Routine filings; nothing in them contradicts the quarter reported on 2 September
The 10-year Treasury yield rises from 4.80% to 4.999%, its highest since October 2023, with rate-hike odds for the 15-16 September meeting moving to roughly 85%	3-14 Sep	Negative. It raises the cost of the structures underwriting the 2027 and 2028 numbers at the moment those numbers became the valuation case

Company developments from the moomoo news, research and notice feeds and from market reporting, as at 15 September 2026. Macroeconomic figures from this publication's own coverage of the August producer price, consumer price and payroll releases.

The Business and the Variables That Decide It

Broadcom runs two engines. Infrastructure software, built on CA, Symantec and VMware, throws off cash at roughly 94% gross margin and funds the semiconductor franchise; semiconductors, now dominated by custom accelerators and networking silicon sold to a handful of frontier model developers and hyperscalers, supplies the growth. The fiscal third quarter reported on 2 September was the strongest in the company's history on every line that matters: revenue of \$29.59bn grew 86%, non-GAAP operating income of \$20.10bn reached a record 67.9% of revenue, non-GAAP earnings of \$3.32 grew 96% and free cash flow of \$13.67bn was 46% of revenue. Artificial intelligence semiconductor

revenue of \$16.7bn tripled and was 56% of the group.

The qualification from that quarter is unchanged and it is the reason this remains a Buy rather than a Strong Buy. Gross margin fell to 75.0% from 77.1% in the second quarter and 78.4% a year earlier, with fourth-quarter consolidated gross margin guided to roughly 73%. The dilution is structural rather than cyclical, because custom accelerators carry far more bought-in memory than merchant silicon does. The previous report's upgrade test required fiscal 2027 artificial intelligence revenue above \$100bn with gross margin intact. The first limb was met at \$115bn; the second was not. Nothing since 3 September has changed either answer.

Variable	Why it decides the outcome	Where it stands today
Whether the \$115bn and \$230bn lines convert	They are the valuation. At \$344.72 the shares trade at 11.5 times a company-stated fiscal 2028 earnings floor, which is only defensible if those lines arrive	Reaffirmed on 14 September under direct challenge. Supply described as secured, with the constraint located in power and construction rather than orders
Gross margin through the mix shift	Custom accelerators dilute margin structurally. The earnings floor assumes the dilution stops somewhere	Unchanged and unresolved. Fourth-quarter consolidated gross margin is guided to roughly 73% against 75.0% reported. The next evidence arrives on 9 December
The financing backstop	Broadcom has disclosed a contractual cap on the first tranche but has never sized its maximum aggregate exposure across the platform. It is the largest unmeasured item in the accounts	Unchanged. Still unsized. Quantifying it, whatever the number, would be a positive because it converts an unbounded risk into a bounded one
The software franchise and its regulators	Software at 94% gross margin funds the semiconductor investment. Anything that caps VMware pricing attacks the funding mechanism rather than the growth story	Worse. The European Commission is questioning cloud providers about the licensing overhaul, with interim measures available to it and fines of up to 10% of global revenue in a breach scenario
The discount rate	Value concentrated in fiscal 2027 and 2028 is discounted harder as the long end rises, independent of delivery	Worse. The 10-year reached 4.999% on 14 September and a rate increase is widely expected on 16 September

Framework carried forward from the 3 September report on this company and updated where evidence has arrived. Fiscal third-quarter figures from Broadcom's release and 8-K of 2 September 2026.

Valuation

The estimates are unchanged because no company disclosure has revised them. What has changed is what they cost. Fiscal 2028 is the honest anchor here, because it is the only year for which management has put a figure on the record and described it as a floor rather than a forecast, and at \$344.72 the shares discount that floor at 11.5 times. Even the near year has become undemanding relative to the growth attached to it.

Measure	At \$344.72	At \$367.24 (3 Sep)	Comment
P/E on derived FY2026E adjusted EPS	29.7x	31.6x	The trailing-year multiple, least relevant of the three
P/E on FY2027E adjusted EPS of \$18.45	18.7x	19.8x	Base-case estimate carried forward unchanged
P/E on the stated FY2028 EPS floor of \$30	11.5x	12.2x	A company-stated floor, not a sell-side estimate
Market capitalisation	\$1.64tn	\$1.75tn	On 4.76bn shares outstanding
Enterprise value	\$1.68tn	\$1.78tn	Net debt of \$35.4bn, down from \$45.3bn a quarter earlier
Dividend yield	0.75%	0.71%	\$2.60 annualised. A capital allocation decision is due at the December board meeting

Measure	At \$344.72	At \$367.24 (3 Sep)	Comment
Consensus target (49 analysts)	\$525.97	\$525.97	52.6% above the market, with the distribution still extremely wide
Probability-weighted fair value	\$430	\$463	Cut on lower exit multiples, not lower estimates
Implied upside to weighted fair value	+24.8%	+26.0%	Broadly unchanged, because price and multiples fell together

The fiscal 2026 adjusted earnings figure is derived from the multiple published in the 3 September report and that report's price, and is this report's calculation rather than a company figure. The fiscal 2028 figure of \$30 is management's own stated floor. Fiscal 2027 estimates are analytical.

The macro variables that actually matter here

Two, and they are not the same two as for most semiconductor companies. The first is the cost of long-dated capital, because Broadcom's customers are increasingly funding deployment through capital markets rather than from operating cash flow, and because the company carries an unsized backstop against some of that financing. The 10-year Treasury yield reached 4.999% on 14 September, its highest since October 2023, having risen from 4.80% at the previous report. August producer prices lifted the annual rate to 5.4% from 4.8%, core consumer prices rose 0.3% against a 0.2% forecast, and payrolls came in at 162,000 against a 58,000 forecast with 55,000 of upward revisions. Futures price roughly 85% odds of a quarter-point increase at the meeting concluding on 16 September. A rising long end does not slow Broadcom's shipments this quarter; it raises the cost of the structures that underwrite the 2027 and 2028 numbers.

The second is not a rate variable at all, and identifying it correctly is most of the value in this section. Management has said its own targets are limited by power availability, grid capacity, permitting and construction rather than by orders. That makes electricity supply and industrial construction capacity the binding macro input on the revenue line, and it is largely insensitive to the policy rate on a two-year view. A reader watching Federal Reserve meetings for evidence about Broadcom's 2028 revenue is watching the wrong thing; the right thing is interconnection queues and turbine lead times.

Sentiment and Positioning

Input	Reading	Interpretation
Analyst consensus	Strong Buy across 49 analysts, mean target \$525.97, 52.6% above the market	Unchanged through a year-long de-rating, which is precisely why it has not been a useful timing signal
Recent actions	Piper Sandler initiated Overweight at \$460 on 9-10 September; DBS initiated Buy at \$470 on 7 September; Citic upgraded to Buy at \$525 on 8 September; Citi raised to \$515 on 5 September; Bernstein maintained \$575 and Mizuho \$530 on 14 September	Two initiations inside a fortnight is unusual and both came in well below the consensus mean, which tightens the low end of the distribution rather than raising the average
Options	342,590 contracts traded on 14 September against 2.45m of open interest	Heavy single-session activity into the selloff, consistent with hedging rather than positioning for a recovery
moomoo news feed and digest	Both ran. The feed surfaced the 14 September chief executive remarks, the European Commission item and all six broker actions; the digest reads mildly bullish on the reaffirmed targets	The feed carried the two items that matter most here, the regulatory inquiry and the initiations, and the digest carried neither
Sector tape	VanEck Semiconductor ETF down more than 4% on 14 September; Marvell -7.6%, Teradyne -9.3%, Coherent -12.7%, Credo -7.9%	Broadcom's 4.77% decline was among the smaller moves in its own complex, which is what a diversified revenue base and a dividend are for

Analyst actions, filings and options activity from the moomoo research, news and notice feeds as at 15 September 2026. Both moomoo research steps completed successfully for this ticker.

Technicals

The previous two editions of this report could not compute a 200-day average because the retrievable series ran to only 100 sessions, and the 3 September edition explicitly declined to substitute a third-party figure. This report uses 300 completed sessions, so the average is computed from the same series as every other window. It sits at \$370.04, against the \$369.30 third-party figure that was noted but not used, and the price is 6.8% below it.

Indicator	Value	Reading	Versus 3 Sep report
Price of record (14 Sep)	\$344.72	Down 4.77% on the session and 6.1% since the previous report	\$367.24
SMA 20 / EMA 20	\$365.08 / \$367.85	Price 5.6% and 6.3% below	Was 4.6% below the SMA
SMA 50 / EMA 50	\$382.77 / \$378.64	Price 9.9% and 9.0% below	Was 4.5% below the SMA
SMA 100 / EMA 100	\$396.10 / \$380.19	Price 13.0% and 9.3% below	Was 7.9% below the SMA
SMA 200 / EMA 200	\$370.04 / \$370.29	Price 6.8% and 6.9% below. Computed, not estimated	Not computable
RSI (14)	34.3	Weak and approaching oversold without reaching it	42.1
MACD (12,26,9)	-8.61, signal -7.80, histogram -0.81	Still negative, but the histogram has narrowed from -1.20. Momentum is deteriorating more slowly	-7.94, histogram -1.20
ATR (14)	\$12.46, 3.6% of price	Broadly unchanged. One average day's range is four and a half times the distance to the stop	\$12.66, 3.4%
Structural low	\$342.33 intraday on 3 September	Superseded the \$350.06 low of 26 August. The 14 September low of \$343.91 held above it	\$350.06
100-session range	\$342.33 - \$495.00	The close sits 0.7% above the period low and 30.4% below the high	\$350.06 - \$495.00
Volume, 20-day vs 50-day	25.9m vs 22.1m, +16.9%	Participation rising into the decline	20.2m / 21.4m

Computed in code from a 300-session Twelve Data daily series to 14 September 2026, with all averages taken from that one series. Distances are measured against the \$344.72 price of record.

The chart is the weakest it has been in this coverage and the reason is simple: the price is below every moving average, including for the first time a properly computed 200-day. The one constructive detail is the MACD histogram, which has narrowed from -1.20 to -0.81 even as the price fell. That is momentum decaying more slowly rather than momentum turning, and it is worth exactly as much as that description implies. Support is the 3 September low of \$342.33 and then the low \$330s. Resistance runs from \$365 at the twenty-day simple average, through the \$370 cluster where the 200-day averages sit, to \$383 at the fifty-day.

Risk Register

Risk	Probability	Severity	Assessment
Financing backstop exposure	Low	Severe	A contractual cap of \$29bn was disclosed for the first tranche; maximum aggregate exposure across the platform has never been sized. Unchanged, and still the largest unmeasured item
Gross margin dilution continues	High	Moderate	Guided to roughly 73% consolidated in the fourth quarter from 75.0% reported and 78.4% a year ago. Structural, driven by bought-in memory content. The earnings floor assumes it stabilises

Risk	Probability	Severity	Assessment
Deployment delay rather than demand loss	Medium	Severe	Management's own stated constraint. Power, grid capacity, permitting and construction push revenue right without changing the eventual total, which is fatal to a 2028-anchored multiple even when the thesis is correct
European Commission action on VMware licensing	Medium	Moderate	New. Preliminary fact-finding as at mid-September, with interim measures available and fines of up to 10% of global revenue in a breach scenario. It attacks the cash engine, not the growth engine
Customer concentration in frontier labs	Medium	Severe	Six frontier model developers, with one prospectively becoming the largest customer in fiscal 2027. A lab whose financing fails does not slow down, it stops
Discount rate	High	Moderate	The most likely source of further drawdown and the least connected to the business. It compresses the multiple mechanically and reverses mechanically
The stop triggers on noise	High	Low	At \$342 the stop is 0.8% below spot against a \$12.46 average true range. The probability of being stopped out of a thesis that turns out to be right is currently high

Probability and severity are this report's assessments. The Risk score of 4/10 in the scorecard below denotes a high-risk business, consistent with this register.

Scorecard

Factor	Score	Rationale and change since the previous report
Business Quality weight 15%	 9/10	Unchanged. The dual engine is intact, with software at roughly 94% gross margin funding the semiconductor franchise and free cash flow at 46% of revenue
Financial Strength weight 15%	 9/10	Unchanged. Net debt of \$35.4bn, reduced from \$45.3bn in the prior quarter, against \$13.67bn of quarterly free cash flow
Competitive Advantage weight 15%	 9/10	Unchanged on balance. A prospective largest customer among the frontier labs and a nine-month sample turnaround for OpenAI widen the moat; the European inquiry into VMware licensing narrows the software side
Management weight 10%	 8/10	Unchanged. Multi-year targets restated under direct public challenge within hours of a sector selloff, still offset by the continued refusal to size the aggregate financing backstop
Growth Potential weight 15%	 9/10	Unchanged. The \$115bn and \$230bn lines were reaffirmed and the constraint was located in physical deployment rather than in orders
Valuation weight 15%	 7/10	Raised from 6. Fiscal 2027 falls to 18.7x and the company-stated fiscal 2028 floor to 11.5x, against a consensus target 52.6% above the market
Risk (10 = lowest risk) weight 10%	 4/10	Unchanged. The new European inquiry is real but preliminary, and it is offset within an existing score that already carried the unsized backstop and confirmed margin dilution
Technical Setup weight 5%	 2/10	Cut from 3. Price is below every average including a properly computed 200-day for the first time, and the close sits 0.7% above the 100-session low
Investment Score	77.5 / 100	Weighted sum of the eight factors above, computed in code. The previous report scored 76.5 / 100 on the same weights and the same direction convention.

Scored 1-10, where 10 is always best, including Risk. A Risk score of 4 therefore denotes a high-risk business, consistent with the risk register above. The 3 September report used the same direction convention and its Risk score entered its composite uninverted, so the two totals are directly comparable and no restatement was required. Weights: Business Quality 15, Financial Strength 15, Competitive Advantage 15, Growth Potential 15, Valuation 15, Management 10, Risk 10, Technical Setup 5.

Recommendation: BUY

Reaffirmed, and reaffirmed with none of its published levels altered. The buy range stays at \$352 to \$372, the cut-loss stays at \$342, and the targets stay at \$500 and \$560. Each of those decisions is deliberate and each is worth a sentence.

The stop does not move. On 3 September the shares traded to \$342.33 intraday, which superseded the \$350.06 low of 26 August as the structural floor. Under the anchoring rule the previous report used, that would argue for resetting the stop lower a second time. It is not being reset. A stop that steps down every time the price does is not risk control, it is a running rationalisation, and the previous edition had already moved this level once. \$342 sits fractionally below the structural low and it stays there. A close beneath it exits the position and moves the rating to Watchlist, and that instruction is the whole of the downside plan.

The buy range does not move either, and the consequence needs stating plainly rather than buried. At \$344.72 the market is below the recommended band, which normally reads as an improvement. Here it does not, because the distance from spot to the stop is now 0.8% against an average true range of \$12.46. The arithmetic risk and reward at spot works out near 57 to 1, which is a true calculation and a useless one: a stop inside a quarter of one day's normal range will be hit by noise as readily as by a thesis failure. New money should therefore not initiate at \$344.72. The band reopens on a reclaim of \$365, the twenty-day average, at which point a position taken inside \$352 to \$372 carries a sane 3% to 8% risk budget against the same stop. An existing holder inside the band holds, with the stop where it is.

The targets do not move because the analysis behind them has not. The base case of \$443 still sits below the first target of \$500, so that target continues to require the base case to be beaten rather than merely met, which is the correct relationship between a fair value and a profit objective.

Level	This report	3 Sep report	Basis
Ideal buy range	\$352 - \$372	\$352 - \$372	Unchanged. Not actionable at spot; reopens on a reclaim of \$365
Cut-loss	\$342	\$342	Unchanged and deliberately not reset a second time. A close below exits and moves the rating to Watchlist
Take-profit 1	\$500	\$500	Above the base-case fair value of \$443, so it requires the base case to be beaten
Take-profit 2	\$560	\$560	Approaches the bull case of \$549 on \$178bn of fiscal 2027 revenue at 28 times
Holding horizon	12 - 24 months	12 - 24 months	Long enough to see fiscal 2027 reported and the fiscal 2028 floor tested
Position size	3 - 4% of portfolio	3 - 4% of portfolio	Unchanged. A 3.6% average true range on a \$1.6tn company is moderate by this coverage's standards
Risk / reward at spot	Not meaningful	~5.3 : 1	The stop is 0.8% away. The ratio is arithmetically correct and analytically empty

Expected upside is 45.0% to the first target and 62.5% to the second from the 14 September close. The risk and reward ratio is deliberately not stated, for the reason given in the final row.

What would change the view

Condition	Direction	Why it changes the view
A close below \$342	Exit; downgrade to Watchlist	The stated stop. Treat it as thesis-neutral risk control rather than as evidence the analysis was wrong
Fourth-quarter results on 9 December confirm fiscal 2026 artificial intelligence revenue near \$58bn with gross margin at or above the guided 73%	Toward Strong Buy	Completes the second limb of the upgrade test that the September quarter only half-met
Broadcom quantifies its maximum aggregate backstop exposure across the platform	Toward Strong Buy	Converts the largest unmeasured risk into a measured one, whatever the number turns out to be
The European Commission opens a formal investigation or imposes interim measures on VMware licensing	Downgrade to Watchlist	Software at 94% gross margin funds the semiconductor investment. A cap on that pricing attacks the funding mechanism directly
The fiscal 2027 or fiscal 2028 artificial intelligence revenue lines are trimmed, or the \$30 earnings floor is withdrawn or qualified	Downgrade to Avoid	Those figures are the valuation. At 11.5 times a withdrawn floor there is nothing underneath the price
Evidence that customer deployments are slipping on power, grid or permitting rather than on demand	Downgrade to Watchlist	Management named this as the binding constraint. A slip pushes revenue right without reducing it, which still breaks a multiple anchored on fiscal 2028
Long-dated Treasury yields retreating alongside a Federal Reserve that pauses after September	Argues for the band reopening sooner	The compression has been mechanical rather than fundamental, so it reverses mechanically

Macro rows are phrased directionally rather than against invented thresholds. The numeric levels stated are the published stop, the computed twenty-day average and company-stated figures.

Scenario Analysis

Scenario	Prob.	FY2027E revenue	FY2027E adj. EPS	Multiple	Fair value	vs \$344.72
Bull	28%	~\$178bn	~\$19.60	28x	\$549	+59.2%
Base	50%	~\$168.5bn	~\$18.45	24x	\$443	+28.5%
Bear	22%	~\$138bn	~\$14.00	18x	\$250	-27.3%
Weighted	100%				\$430	+24.8%

Probabilities sum to 100%. The bear fair value is 18 times \$14.00 less \$1.52 a share of modelled backstop loss, being a 25% loss rate on the \$29bn contractual cap disclosed for the first tranche spread across 4.76bn shares, giving \$250.48. The weighted fair value of \$430.17 was computed in code from these inputs. Revenue and earnings cases are unchanged from 3 September; each exit multiple has been cut by one to two turns to reflect a 10-year Treasury yield at 4.999% against 4.80% at that report.

The bull case has demand converting above the secured-supply floor with margin holding and the financing structures read by the market as an enabler rather than a liability. The base case is the guided path delivered as stated, no backstop called, and a multiple that stops compressing. The bear case is the one management themselves described: land, power and shell delays pushing deployment right, or a frontier lab's financing failing to clear, with gross margin falling to 62%. Note that the bear fair value of \$250 sits 27% below the market and 27% below the stop, which is the honest measure of what the \$342 level is protecting against.

Final Verdict

Would this report's author own Broadcom today? Yes, and at a price below the one at which the previous edition said so, but not by initiating at this exact spot. The distinction is about execution rather than conviction, and it is the only thing that separates this update from a straight reaffirmation.

Why now and why at this valuation: because 11.5 times a company-stated fiscal 2028 earnings floor is a price that assumes the floor is wrong, and the chief executive spent the past week defending it in two different rooms, one of them hostile. Because the business generated \$13.67bn of free cash flow in a single quarter and used it to cut net debt by \$9.9bn. And because the risk that actually threatens the thesis, on management's own account, is transformers and permitting rather than an argument about how fast artificial intelligence should advance, and the market spent 14 September pricing the second.

What invalidates it: the \$30 floor being withdrawn or qualified, a backstop being called at a size the company has never disclosed, or evidence that customer deployments are slipping on physical constraints. The single biggest concern is the one the company will not quantify, and it has now been the single biggest concern for three consecutive editions of this report. A number, any number, would move this rating higher.

The practical instruction is narrow. Holders inside the band hold, with the stop at \$342 and no discretion to widen it. New money waits for a reclaim of \$365 before entering the band, because a 0.8% risk budget is not a trade and pretending otherwise with a 57 to 1 ratio would be the kind of arithmetic that flatters a report and costs a reader.

Sources and basis

Price of record and session data: Alpha Vantage GLOBAL_QUOTE for 14 September 2026. Daily price series and all computed indicators: Twelve Data time series, 300 completed sessions to 14 September 2026, computed in code. Reported results, guidance and the multi-year artificial intelligence revenue lines: Broadcom's fiscal third-quarter 2026 release and 8-K of 2 September 2026, the 10-Q filed 10 September 2026, and management commentary on the earnings call, as carried in the 3 September report on this company. Chief executive remarks of 14 September 2026: CNBC interview as reported in contemporaneous coverage. Conference remarks of 8 September 2026: Goldman Sachs conference transcript coverage. European Commission inquiry into VMware licensing: reporting of 11 to 13 September 2026. Analyst actions, notices and options activity: moomoo news, notice and research feeds as at 15 September 2026, both the raw feed and the interpreted digest. Macroeconomic figures: this publication's own economic coverage of the August producer price, consumer price, payroll and claims releases and the September rate-path pricing.

This report is informational only and is not financial advice. It reflects the author's assessment as at 15 September 2026 and may change without notice.