

CoreWeave, Inc. NASDAQ: CRWV

Post-earnings equity research · Second quarter 2026, reported after the close on 11 August 2026 · Prepared 12 August 2026

RECOMMENDATION WATCHLIST	OVERALL SCORE 55 / 100	REFERENCE PRICE \$90.32 close (11 Aug, pre-release) ~\$103 indicated after hours
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Timing note. CoreWeave reported after the US close on 11 August 2026. The last regular-session close of \$90.32 predates the announcement and no post-earnings closing price exists at the time of writing; extended-session quotes indicated a move of roughly 14%, near \$103. Valuation and technical work below is presented against both levels. The July report on this name set out four explicit conditions for an upgrade, and section 1 tests the quarter against each of them rather than starting from a blank page.

Q2 revenue	Revenue y/y	Backlog, 11 Aug	Adj. op. income	Net loss
\$2.6bn	+112%	\$129bn	\$128m	\$(626)m

1. The quarter, tested against the stated upgrade conditions

The review published on 25 July rated CoreWeave a Watchlist at \$71.88 with a probability-weighted fair value of \$89, and named four specific things that would justify an upgrade to Buy. Setting out conditions in advance is only worth anything if they are then applied honestly, so the quarter is assessed against them directly.

Stated condition (25 July)	Outcome	Evidence from the quarter
Adjusted operating margin stabilising or improving sequentially	Met	Adjusted operating income of \$128m against \$21m in the first quarter, a margin of 5%. Management guided \$200–260m for the third quarter and a low-teens margin by the fourth. The sequential inflection the July report asked for arrived.
Capital-expenditure guidance held or reduced	Failed	Guidance was raised again, to \$35–39bn for 2026 against \$12.4–13.2bn of revenue. Second-quarter capex of \$9.4bn came in slightly above the prior range. This is the condition that did not clear, and it is the reason the rating holds.
Renewals signed on depreciated assets at maintained pricing	Met	Described in July as the single most powerful upgrade catalyst. Management stated pricing on earlier-generation systems remains at or above levels seen years ago, raised prices roughly 25% across SKUs in July, and reported contracts signed in the quarter carrying contribution margins 5–10 percentage points above recent cohorts.
Reclaim of the \$97–100 moving-average cluster on above-average volume	Pending	The 50-day sits at \$91.37 and the 100-day at \$97.57. An indicated \$103 would clear both, but no post-announcement close exists yet and volume confirmation cannot be observed.

Two conditions met, one failed, one unresolved. That is a materially better outcome than the July report expected and not a clean sweep, which is precisely why the conclusion below is an upgraded score and a raised fair value rather than an upgraded rating.

2. What the numbers actually show

Revenue of \$2.6 billion rose 112% year-over-year and 24% sequentially, narrowly ahead of the roughly \$2.56 billion consensus. Adjusted EBITDA of \$1.5 billion doubled year-over-year at a 59% margin. Revenue backlog closed the

quarter at \$104 billion, up 246%, and management disclosed that it stood at \$129.2 billion as of 11 August after roughly \$25 billion of net new commitments signed in under six weeks. Meta committed a further \$21 billion during the quarter, Anthropic signed a multi-year agreement and Jane Street committed \$6 billion.

Underneath the headline growth sits the tension this equity has always carried. Adjusted operating income of \$128 million improved sharply from \$21 million in the first quarter but remains below the \$200 million booked a year earlier — revenue more than doubled and adjusted operating income fell 36% over the same span. Depreciation on a fleet being expanded at roughly three times the revenue run rate is the reason, and it is a structural feature of the model rather than a one-off. The net loss widened to \$626 million from \$290 million, driven by interest expense of \$640 million against \$267 million a year ago. Interest is growing at 140% year-over-year, faster than the 112% revenue growth, which is the single most important number in this release for an equity holder standing behind that debt.

Metric	Q2 2026	Q1 2026	Q2 2025	Read
Revenue	\$2.6bn	~\$2.1bn	\$1.2bn	+112% y/y, +24% q/q; slight beat vs ~\$2.56bn consensus
Adjusted EBITDA	\$1.5bn	—	\$753m	59% margin, doubled y/y
Adjusted operating income	\$128m	\$21m	\$200m	Improving sequentially, still down 36% y/y
Interest expense	\$640m	—	\$267m	+140% y/y — outgrowing revenue
Net loss	\$(626)m	—	\$(290)m	Widened; adjusted net loss \$567m
Capital expenditure	\$9.4bn	—	—	Above the prior guidance range
Revenue backlog	\$104bn	—	\$30bn	+246% y/y; \$129.2bn as at 11 August
Active power	1.5 GW	~1.0 GW	—	+~500MW in the quarter, 300MW of it in June alone
Contracted power	3.7 GW	—	—	4.2 GW as at the call, plus ~1.5 GW of land and LOIs
Cash and marketable securities	\$6.9bn	—	—	~\$18bn raised during the quarter

3. Guidance, and what it commits the company to

Full-year revenue guidance rose to \$12.4–13.2 billion and adjusted operating income to \$960 million–\$1.15 billion, with a year-end annualised run-rate of \$18.5–19.5 billion and active power above 1.85 gigawatts. Third-quarter revenue is guided to \$3.45–3.6 billion. Those are unambiguous raises.

The capital-expenditure line is the price of them. Guidance of \$35–39 billion for 2026 against \$12.4–13.2 billion of revenue means the company intends to spend roughly three dollars of capital for every dollar of revenue it books this year, with third-quarter capex alone guided to \$11.5–13.5 billion — more than a full quarter of revenue, spent in a quarter. Free cash flow will be deeply negative for as long as this continues, and the gap is funded with debt. That is not a criticism of the strategy, which is coherent given a \$129 billion backlog and near-term capacity described as effectively sold out. It is a statement about where the equity sits in the capital structure while it happens.

The financing picture did improve on every observable measure. The weighted average cost of debt fell by nearly 300 basis points over the past year, more than \$32 billion of debt and equity capital has been secured to date, and the DDTL 5.5 facility closed — which management framed as unlocking shorter-duration enterprise contracts at higher ASPs and margins. The July report listed a widening of credit spreads or a failed financing as a downgrade trigger. The opposite happened.

4. The part of the thesis that genuinely changed

The most important disclosure was not a financial one. The July analysis identified the treatment of GPUs coming off their initial contracts as the unresolved question at the heart of the business: if depreciated assets can only be re-let at falling prices, the whole return profile deteriorates as the fleet ages. Management addressed this directly and with specifics. Pricing on earlier-generation systems is at or above levels seen years ago. Managed inference annual recurring revenue went from \$1 million to more than \$100 million in the months since launch, built substantially on capacity coming off contract, with a target of at least \$250 million exiting 2026. Products beyond GPU rental — storage, CPU, networking and software — exceeded \$400 million of ARR at higher margins.

That is a real answer to a real objection, and it is the reason the business-quality and competitive-advantage scores move up. A second-life market for depreciated infrastructure converts what looked like a wasting asset into an annuity, and it is the mechanism by which a capital-intensive business of this shape can eventually earn its cost of capital.

Customer concentration also improved. Meta, Anthropic and Jane Street were joined by Caterpillar, Isomorphic Labs, Flow Traders, IMC and Leidos across industrial, life-sciences, financial and public-sector applications, and the first CoreWeave Omni agreement was signed for scaling in 2027. CoreWeave was also the first cloud provider to bring up and validate NVIDIA's Vera Rubin NVL72 platform, which matters because first access to each generation is the clearest evidence of the NVIDIA relationship being a genuine advantage rather than a supply arrangement.

5. Risks

Risk	Probability	Severity	Assessment
Leverage and interest burden	High	High	Interest expense of \$640m per quarter is growing faster than revenue. The equity is a residual claim behind a debt stack being added to at roughly \$9bn a quarter of capex. This remains the dominant risk.
Capital-efficiency deterioration	Moderate	High	Adjusted operating income is still below the year-ago level on more than double the revenue. If the low-teens fourth-quarter margin does not arrive, the depreciation drag is structural rather than timing.

Risk	Probability	Severity	Assessment
Funding-market dependence	Moderate	High	The model requires continuous access to debt markets at improving terms. Cost of debt fell ~300bps this year, which is the benign case. A credit-market dislocation is the scenario that breaks the equity.
Data-centre siting and moratoriums	Moderate	Moderate	Management argued moratoriums affect where capacity gets built rather than whether demand exists. That is probably right, but siting friction adds cost and delay to a plan already dependent on speed.
Customer concentration	Lower now	High	Downgraded. The customer list broadened materially this quarter, though the largest commitments still dominate the backlog.
Competitive entry	Moderate	Moderate	Hyperscalers and other neoclouds are building comparable capacity. Management noted demand, pricing and margins all expanding despite it — true today, and a statement about the past.
Valuation and distribution width	High	High	The scenario spread below runs from roughly \$23 to \$208. An expected value close to the price is not the same as an attractive bet when the downside is a near-total loss.

6. Valuation and scenarios

Fair value is derived as equity value per share after subtracting forecast year-end 2027 net debt including operating leases, discounted at 12% over an eighteen-month horizon — the same construction the July report used, so the two are directly comparable. Revenue assumptions rise against that report because the guided year-end run-rate of \$18.5–19.5 billion and a \$129 billion backlog make the previous \$24 billion base case for 2027 look conservative. Net-debt assumptions rise too, because the capital-expenditure guidance that funds the revenue was raised at the same time. These are this report's own estimates, not company figures.

Case	Prob.	FY27 revenue	FY27 adj. EBITDA	Net debt	Fair value	Assumptions
Bear	25%	\$22bn	\$10.6bn (48%)	\$70bn	\$23	Capital spending cut hard into a digestion phase, renewals repriced down, 8x exit multiple.
Base	47%	\$28bn	\$15.1bn (54%)	\$85bn	\$93	Backlog converts broadly on schedule, low-teens operating margin arrives, 9.5x exit multiple, ~630m shares.
Bull	28%	\$32bn	\$17.9bn (56%)	\$80bn	\$208	Backlog converts ahead of plan, second-life pricing holds, debt refinanced toward investment grade, 12x.

Probabilities sum to 100%. The probability-weighted fair value is **\$107.70** ($0.25 \times \$23 + 0.47 \times \$93 + 0.28 \times \$208$), computed and checked against its own inputs. That is up from \$89 in July and represents about 19% upside on the \$90.32 close — but only about 5% on the ~\$103 indicated after-hours level. The distribution has not narrowed: from \$103, the bear case still loses roughly 78% and the bull case gains roughly 102%.

Analyst targets published after the release moved up but stayed well spread: Baird to \$130 from \$100, JP Morgan to \$120 from \$110, Piper Sandler to \$153 from \$151, and Mizuho to \$115 while retaining a Hold. Nobody on that list is arguing the business is failing; they are arguing about what a company with this balance sheet is worth.

7. Technical position

The readings below are as at the 11 August close and therefore describe the chart before the news. The stock closed at \$90.32, above its 20-day average of \$78.91 but below the 50-day at \$91.37 and the 100-day at \$97.57 — the same \$97–100 cluster the July report named as the level to reclaim. RSI at 54.9 was neutral and MACD had just crossed its signal line. An indicated \$103 would clear the whole cluster in one move, but a gap through resistance is not the same as a reclaim on sustained volume, and the distinction matters when the trigger was written to require the latter.

Indicator	Value	Read
Close (11 Aug 2026, pre-release)	\$90.32	Last settled price; predates the announcement
SMA 20 / 50 / 100	\$78.91 / \$91.37 / \$97.57	Price above the 20, below the 50 and 100
SMA 200	Not computed	Only 100 sessions available; a 200-day average cannot be derived
EMA 20 / 50	\$83.60 / \$88.54	Both reclaimed during the early-August rally
RSI (14)	54.9	Neutral into the print
MACD (12,26,9)	0.00, signal -2.73, hist +2.74	Fresh bullish crossover
ATR (14)	\$7.36 (8.1% of price)	Very high. An 8% daily range is routine

Indicator	Value	Read
Volume, 20d vs 50d average	27.8m vs 29.0m	Slightly below trend ahead of the release
20-day range	\$60.55 – \$94.30	The July low of \$60.55 is the base to defend
100-session range	\$60.55 – \$138.25	May's \$138.25 remains far overhead

8. Scorecard

Dimension	Score	Rating	Comment / change vs previous report
Financial strength	3/10 (+1)		Cost of debt down ~300bps and DDTL 5.5 closed, but interest expense of \$640m a quarter is outgrowing revenue and capex guidance rose again.
Business quality	6/10 (+1)		Managed inference ARR from \$1m to over \$100m and non-GPU products past \$400m ARR; revenue mix is broadening.
Growth potential	9/10 (=)		Unchanged and already near the ceiling. Backlog of \$129bn as at 11 August.
Valuation	5/10 (-1)		Fair value rose to \$108, but the price rose faster. Only ~5% upside remains at the indicated level.
Competitive advantage	6/10 (+1)		Demonstrated pricing power: ~25% July increase, older-generation pricing at or above prior levels, first to validate Vera Rubin NVL72.
Risk	3/10 (+1)		Financing and demand risk both fell; absolute leverage rose. Net improvement, from a very low base.
Management	7/10 (+1)		Delivered the sequential margin inflection they guided to, raised full-year guidance and cut the cost of debt.
Technical setup	6/10 (+3)		From 26% below every major average to clearing the \$97-100 cluster on the indicated open.

Weights retained unchanged from the 25 July report so the two scores are directly comparable: Financial strength 20%, Business quality 15%, Growth potential 15%, Valuation 15%, Competitive advantage 12%, Risk 10%, Management 8%, Technical setup 5%. Weighted result 5.48/10, reported as 55/100 (previous report: 48/100).

9. Recommendation

Verdict: Watchlist. Rating unchanged, fair value raised from \$89 to \$108, score raised from 48 to 55.

This was a good quarter that answered the hardest question asked of the company. The second-life pricing evidence was the specific catalyst the July report identified as most powerful, and it arrived with numbers attached rather than as reassurance. The margin inflection arrived on schedule. Financing terms improved. The customer base broadened. All of that is reflected in a fair value nineteen percent higher than a month ago.

The rating does not change for two connected reasons. The condition that failed was capital-expenditure guidance, which was raised rather than held, and the year-over-year decline in adjusted operating income on more than double the revenue says the capital-efficiency question the July report raised has not yet been answered — only postponed to the fourth quarter, when the low-teens margin is supposed to appear. More immediately, the price has already moved. At roughly \$103 the shares sit about five percent below a weighted fair value whose bear case still loses seventy-eight percent. Paying up for a five percent expected return while carrying that downside is not a trade worth making, and it would be a poor use of the July analysis to abandon its discipline the moment the stock rallied.

Trigger	Detail
Upgrade to Buy	Fourth-quarter adjusted operating margin arriving in the low teens as guided, with 2027 capital-expenditure guidance framed as a declining ratio to revenue rather than a rising absolute. Alternatively, a retracement into \$80–88 — the 20-day and 50-day averages — which would restore roughly 25% expected upside to the same fair value.
Speculative accumulation	A pullback into \$62–70 with the backlog intact. Most of the distance to the bear case would be in the price. Size as venture capital, never as a core holding.
Downgrade to Avoid	A material customer non-renewal or reduction; an equity raise at a discount to the prevailing price; a widening of credit spreads or a failed financing; a change in GPU depreciation life to five years or less; or a third-quarter adjusted operating income below the guided \$200m floor.
Levels to watch	Support at \$78.91 (20-day) then \$60.55, the July low. Resistance now at \$94.30, the 20-day high, then \$105 and the \$138.25 May peak. A weekly close back below \$78 would say the gap was sold into and the market does not believe the margin path.
Position sizing if held	A 14-day average true range above 8% of price means an 8% day is normal. Any position must be small enough that a 50% adverse move is survivable, because the bear case here is not a drawdown, it is an impairment.

10. Final verdict

Would this be bought with personal capital at roughly \$103? No, but the reasoning has narrowed to a point where the answer could change within two quarters.

CoreWeave is building the largest independent AI compute platform in existence and has just demonstrated that it can raise prices into that build, that infrastructure coming off contract does not have to be re-let at falling rates, and that it can broaden beyond raw GPU rental into higher-margin managed services. A \$129 billion backlog against \$12.4–13.2 billion of 2026 revenue is not a demand problem in any form. The July report's central worry — that the economics of an ageing fleet would erode the return profile — received the best answer it was going to get on this call.

What has not been resolved is whether the equity captures any of it. Adjusted operating income is still lower than it was a year ago on more than twice the revenue. Interest expense is compounding faster than sales. Capital spending is guided at roughly three times revenue, and the guidance was raised, not held. Every dollar of that backlog has to travel through a depreciation charge and an interest bill before it reaches a shareholder, and on current disclosure very little of it does. The fourth-quarter low-teens operating margin is the test. If it arrives, the argument that this is a capital-structure story rather than a business-quality story collapses, and the rating should change.

The single biggest concern is not demand or execution. It is that an investor buying at \$103 is accepting an asymmetry in which being wrong costs roughly three quarters of the capital while being right, in the base case, returns under ten percent from here. That asymmetry improves sharply at \$80–88, which this stock has visited twice in the last month. Patience costs very little against a business whose backlog now stretches years out; chasing a fourteen percent gap costs the entire margin of safety.

Sources and scope. CoreWeave second-quarter 2026 results release and investor materials (11 August 2026); the second-quarter 2026 earnings call, for which a transcript covering prepared remarks and the full analyst question-and-answer session was obtained and is reflected throughout this report; the 25 July 2026 report on this company, against whose stated conditions the quarter is tested in section 1; Alpha Vantage daily price series through 11 August 2026, from which all technical indicators were computed directly; published analyst actions dated 11–12 August 2026. Scenario revenue, EBITDA and net-debt assumptions, the probability-weighted fair value and all derived ratios are this report's own estimates, built from company guidance, and are labelled as such rather than presented as company figures. Prices are as at the close of 11 August 2026; no post-announcement closing price was available at the time of writing.

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