

NVIDIA Corporation

NASDAQ: NVDA | Semiconductors and AI compute platforms | 27 October 2026

Verdict	Buy (unchanged)	Price (26 Oct close)	\$216.00
Weighted fair value	\$271.38 (+25.6%)	Base case	\$279
Buy range / entry	\$206-222 / \$214	Cut-loss	\$196
Targets	\$243 / \$279	Investment Score	84.0 / 100 (was 81.2)
Technical read (chart only)	Confirms	Fiscal 2028 consensus EPS	\$15.91 (13.6x)

Vera Rubin Moves From Slides to Racks

The most important change since the last report is that NVIDIA's next flagship platform is now shipping and going on sale. Lenovo began delivering Vera Rubin NVL72 systems in mid-October, and on 21 October NVIDIA and Google Cloud said Vera Rubin-based A5X instances will be generally available in November, with Google planning to scale to as many as 960,000 Rubin GPUs across several sites. On 26 October SpaceX disclosed a lease financing of about \$40bn for chips that the lender says are Vera Rubin parts. A new generation of the flagship is the item that matters most for NVIDIA, and the first evidence is that demand is there and is being financed.

The shares have not moved with that news. At \$216.00 they are 2% lower than on 15 October and trade at 13.6 times consensus fiscal 2028 EPS of \$15.91, an estimate that has risen from \$13.03 two months ago. The risks are the same as before: a fourth-quarter gross margin guided down to 71-72% as Rubin ramps, and a growing share of demand that depends on customers' borrowing, now including a \$3bn NVIDIA investment in Meta's share offering announced on 27 October.

Verdict: Buy, unchanged, from fundamentals. Technical read (chart only): Confirms. The chart is in a pullback inside an uptrend, which supports acting inside the \$206-222 range. The weighted fair value is \$271.38, +25.6% above the price, and the base case is \$279. Entry \$214, cut-loss \$196, targets \$243 and \$279.

1. Do the published levels still hold?

The last report set a buy range of \$212-226, an entry of \$220, a cut-loss of \$196 and targets of \$248 and \$279. The price has stayed inside the range for most of the period, touching a low of \$210.18 on 23 October, and never came near the stop. The levels still hold with small changes. The range now runs from about the 60-day closing low (\$206.64) to the 50-day average (\$222.30), at \$206-222. The cut-loss stays at \$196, about 1.25 times the average true range below the 200-day average, which has risen to \$203.82. The first target moves to \$243, the 52-week high of \$243.37, because \$248 sat above any traded level; the second stays at the base case.

2. Company developments

Items from 7 October to 27 October 2026 that bear on what NVIDIA earns or how it competes. One is High: the Vera Rubin ramp.

Development	Status and date	What is known	What is forecast (and by whom)	Impact
Vera Rubin shipments and cloud availability	Shipping; Google A5X GA in November (21 Oct)	Lenovo delivering NVL72 systems (mid-Oct); Google plans up to 960,000 Rubin GPUs	Q4 gross margin guided to 71-72% during the ramp (company)	High
Third-quarter fiscal 2027 results	Expected 18 Nov	Guide: revenue \$108bn plus or minus 2%, gross margin 74% plus or minus 0.5 points	Consensus revenue about \$109bn, EPS about \$2.47	Medium
\$3bn investment in Meta's share offering	Announced 27 Oct	NVIDIA will invest \$3bn in Meta's equity offering and expand work on the Muse models	None disclosed on Meta's purchases	Medium

Development	Status and date	What is known	What is forecast (and by whom)	Impact
Customers' chip financing	SpaceX lease 26 Oct; earlier OpenAI and Amazon items	Apollo-managed vehicle to buy about \$40bn of chips for SpaceX; NVIDIA's own role not disclosed	None	Medium
DSX POD reference design	Announced 21 Oct	Factory-built Vera Rubin AI factory design	Company: deployment in as little as 14 days	Low
\$150bn buyback increase	28 Sep	\$235bn remains authorised	None	Medium

NVIDIA blog, 21 Oct 2026; Reuters, 27 Oct 2026; SpaceX Form 8-K and Apollo, 26 Oct 2026; company releases.

2a. High item: the Vera Rubin ramp

What is known. Vera Rubin systems are shipping through partners, and Google Cloud will make A5X instances generally available in November, with plans for up to 960,000 Rubin GPUs. Large buyers are lining up financing for the parts, including the SpaceX lease disclosed on 26 October. **Why it matters.** Data-centre compute is the large majority of NVIDIA's revenue, and consensus fiscal 2028 revenue of about \$692bn assumes Rubin carries most of next year's growth. **Success and failure** will show in data-centre revenue against the \$108bn third-quarter guide on 18 November, in the fourth-quarter gross margin against the 71-72% guide, and in the January-quarter outlook. **Economics.** New platforms carry early yield and packaging costs, which is why the fourth-quarter margin is guided down; the question is how quickly it returns to the mid-70s.

Sizing. A one-quarter slip that moved about \$40bn of revenue out of fiscal 2028 would cut that year's EPS by about \$0.91, roughly 6% of the base case (own calculation: \$40bn at a 55% net margin over 24.3bn shares). A faster ramp would add a similar amount. **What the price assumes.** At 13.6 times next year's consensus, the price assumes less than consensus: the market is discounting the durability of spending, not the launch itself. **Effect on this report.** The Rubin ramp is the main input to the base case and the reason Growth Potential holds at 9. The verdict would be the same without the item, because the base case already assumed Rubin on schedule; the evidence that it is shipping keeps the bull case at 25% rather than lower. The 18 November results come before the next refresh; the levels assume no change to the guide, and position size allows for a gap through the stop on the day.

3. Business and financials

NVIDIA's data-centre platforms (GPUs, networking and systems) drive almost all of its profit. The third-quarter fiscal 2027 guide is revenue of \$108bn, plus or minus 2%, and a 74% gross margin. Consensus puts fiscal 2027 EPS at \$9.31 and fiscal 2028 at \$15.91, with revenue of about \$412bn and \$692bn; the fiscal 2028 figure has risen by about a fifth in two months. First-half free cash flow was about \$70bn, and the board added \$150bn to the buyback in September. The balance sheet carries large net cash, against which NVIDIA has made sizeable investments in customers, including OpenAI and now Meta.

4. Growth drivers

Driver	Status	Likelihood	Impact
Vera Rubin platform ramp	Shipping; cloud GA in November	High	High
Hyperscaler and AI-lab capacity build	Ongoing, partly debt-financed	Medium-high	High
Networking and systems attach	Ongoing	High	Medium
Sovereign and enterprise AI	Ongoing; European commitments	Medium	Medium

Company disclosures to 27 Oct 2026; likelihood and impact are this report's assessments.

5. Valuation at \$216.00

Case	Fiscal 2028 EPS	P/E	Value
Bull	\$18.00	21x	\$378.00
Base	\$15.50	18x	\$279.00

Case	Fiscal 2028 EPS	P/E	Value
Bear	\$11.50	13x	\$149.50

Own calculation. Consensus fiscal 2028 EPS \$15.91 (52 analysts, range \$12.85-18.75).

Next year's earnings are the right base for a company growing this fast. The base case takes fiscal 2028 EPS of \$15.50, a little under the \$15.91 consensus because the margin guide for the Rubin transition is below the current run rate, and pays 18 times, a discount to NVIDIA's own history that reflects how much of the demand is financed. That gives \$279. Consensus has risen since the last report while the base-case EPS and multiple have not, so the base value is the same; the price has fallen, so the upside is larger.

The macro variables that matter here. The cost of credit for data-centre projects, because a rising share of purchases is financed by leases and private debt: the ten-year Treasury yield closed at 5.00% on 23 October after the September rate increase, and lenders reportedly demanded higher rates on large AI packages this month. The second is export policy, which governs sales to China and some other markets and can change without notice. Consumer demand matters little to the data-centre business.

6. Sentiment

Indicator	Reading	Read
Broker actions	Bernstein Buy, \$400 (26 Oct); Barclays Buy, \$275 (26 Oct); Morgan Stanley Buy, \$300 and Needham Buy, \$300 (22 Oct); Arete target to \$369 from \$283 (16 Oct)	Strongly positive
Estimate revisions	Fiscal 2028 EPS up from \$13.03 to \$15.91 in 60 days; 7 upward revisions in 30 days	Rising
Insiders	Routine Form 4 filings in September and October	No signal
Valuation narrative	Shares described in market coverage as cheaper than the average S&P; 500 stock on forward earnings	Supports the case

Broker actions and estimates as reported to 26 Oct 2026.

7. Risks

Risk	Probability	Severity	Comment
Financed demand	Medium	High	Customers' purchases rely more on leases, private credit and NVIDIA's own investments.
Rubin margin and ramp	Medium	Medium	Q4 gross margin guided to 71-72%; a slower recovery would trim EPS.
Customer concentration	Medium	High	A handful of hyperscalers and labs account for most demand.
Custom silicon competition	Medium	Medium	Broadcom's Anthropic deal shows labs funding alternatives at scale.
Export policy	Medium	Medium	Rules on China and other markets can change quickly.
Earnings-day gap	Medium	Medium	Results on 18 Nov can move the price through the stop.

Probability and severity are this report's assessments.

8. Scorecard

Criterion	Score	Weight	Change	Basis
Business Quality		9/10 15%	unchanged	Platform leadership across chips, networking and software.
Financial Strength		9/10 15%	unchanged	Large net cash and about \$70bn of first-half free cash flow; customer investments are rising.
Competitive Advantage		9/10 15%	unchanged	CUDA and full-rack systems; custom silicon is gaining at the largest labs.
Management		9/10 10%	unchanged	Consistent delivery against guidance; Rubin on schedule.
Growth Potential		9/10 15%	+1 vs last report	Rubin shipping and fiscal 2028 estimates up about a fifth in two months.
Valuation		8/10 20%	+1 vs last report	13.6x consensus fiscal 2028 EPS after a lower price and higher estimates.
Risk (10 = lowest risk)		5/10 10%	unchanged	Financed demand and customer concentration; strong balance sheet.

Scored 1-10, where 10 is always best, including Risk. Investment Score 84.0 / 100 (weights 15/15/15/10/15/20/10); previous report 81.2.

Factor weights changed on 18 October 2026, so part of the change in the Investment Score reflects the new weights.

9. Scenarios

Case	Probability	FY2028 revenue	EPS x P/E	Value
Bull. Rubin ramps fast, spending holds and financing stays open; margin returns to 73% or more.	25%	above \$750bn	\$18.00 x 21	\$378.00
Base. Fiscal 2028 revenue near consensus with margin at 72-73%; financing commitments stay contingent.	50%	about \$690bn	\$15.50 x 18	\$279.00
Bear. AI credit tightens and the largest buyers pause; growth near 35% and margin near 70%.	25%	about \$560bn	\$11.50 x 13	\$149.50
Weighted	100%			\$271.38

Own calculation.

The bull case needs Rubin to ramp as fast as Blackwell did and financing to stay open; shipments and the Google plan support it, rising funding costs argue against more than a quarter's weight. The base case follows the company's guidance. The bear case is an industry pause driven by credit rather than demand; the strain visible in AI financing this month keeps it at a quarter, and nothing in the period argues for raising it.

10. Recommendation and trade plan

Buy, unchanged. The flagship platform is shipping, next year's estimates are rising and the shares are cheaper than at the last report. The verdict rests on the same grounds as before, with more evidence behind the growth case.

Item	Level
Recommended entry	\$214
Ideal buy range	\$206-222
Cut-loss	\$196 (about 1.25 ATR below the 200-day average)
Take-profit 1 / 2	\$243 (52-week high) / \$279 (base case)

Item	Level
Expected upside / downside	+30.4% / -8.4% from \$214
Risk / reward	3.61 : 1 to target 2; 1.61 : 1 to target 1
Holding horizon	12 to 24 months
Position size	Core, volatility-adjusted; stage in two tranches either side of the 18 Nov results
Suggested allocation	3% to 5%

Levels are this report's.

What would change the view	Direction
Q3 gross margin below the guided 73.5% low end on 18 November	Worse
Q4 gross margin below the guided 71% floor	Worse
A large customer cutting or deferring orders because it cannot fund them	Worse
Investments, guarantees or capacity commitments to customers being drawn or written down	Worse
A close below the \$196 stop	Worse
Financing conditions for data-centre projects tightening further alongside rising long yields	Worse
Fiscal 2028 outlook raised with margins holding at 72-73%	Better
A sustained easing in long yields or credit spreads for AI infrastructure	Better

Conditions are this report's; none is a forecast.

11. Technical read

Chart as of 26 October 2026 close

Verdict: Buy, from fundamentals. Technical read (chart only): Confirms. The chart is in a pullback within an uptrend: the price is below its 20 and 50-day averages but above the 100 and 200-day, and the 50-day is still rising. That supports acting inside the \$206-222 range; a close back above the 50-day at \$222.30 would end the pullback.

Indicator	Value	Reading
Price of record	\$216.00	26 Oct close
20-day SMA / EMA	\$224.90 / \$221.03	Price 4.0% / 2.3% below
50-day SMA / EMA	\$222.30 / \$220.70	Price 2.8% / 2.1% below; 50-day rising
100-day SMA / EMA	\$214.41 / \$215.80	Price 0.7% / 0.1% above
200-day SMA / EMA	\$203.82 / \$206.21	Price 6.0% / 4.7% above
RSI(14)	44.1	Neutral
MACD (12,26,9)	-2.73, signal -0.94	Below signal
ATR(14)	\$6.11	2.8% of price
Volume, 20-day vs 50-day	102.7m vs 114.8m	Participation fading
Support / resistance	\$206.64 (60-day closing low), \$203.82 (200-day) / \$222.30, \$243.37	52-week range \$164.27-243.37

Daily bars to 26 Oct 2026; indicators computed by this report.

The Technical read looks only at the price chart. It does not change the verdict or the Investment Score, and only guides entry timing.

12. Final verdict

Yes, at \$216.00, inside the range. NVIDIA's next flagship is shipping on time, next year's estimates are rising, and the shares trade at 13.6 times those estimates. The biggest concern is that a growing part of the demand is financed, by

lenders and partly by NVIDIA itself, so a credit squeeze would hit orders before it hit the technology. A close below \$196, or a gross margin below the guided floors, would invalidate the case. The Vera Rubin ramp is the High development behind this report, and it supports the rating rather than changing it.

Sources

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Beating The Bull economic data posts, 14 to 23 Oct 2026

This report is for informational use only and is not financial advice. Figures are as of 27 October 2026 unless stated.