

CLUB

# Nvidia quarter not make or break. Why such drama has no place in our investment decisions

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## In this article

BHC +0.05 (+0.58%)

AAPL -0.58 (-0.32%)

DIS -2.08 (-1.91%)

META -7.03 (-1.49%)

LLY -17.69 (-2.34%)

BHC-CA +0.03 (+0.26%)

NVDA -25.60 (-3.69%)

*Every weekday, the CNBC Investing Club with Jim Cramer releases the Homestretch — an actionable afternoon update, just in time for the last hour of trading on Wall Street. We're no longer recording the audio, so we can get this new written feature to members as quickly as possible. Here is Wednesday's edition.*



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its record close last Thursday. The bond market wasn't doing equities any favors after a weak auction of \$16 billion in [20-year bonds](#). Bond yields on Wednesday were up, which oftentimes pressures stocks. "Terrible bond auction, which is bad news for home sales. Was Toll Brothers the peak?" Jim Cramer wondered.

**Not make or break:** The action in semiconductors, especially [Nvidia](#) ahead of earnings after the bell, was grabbing most of the market's attention. While Wall Street tends to only focus on how companies are performing on a quarter-to-quarter basis, Jim is urging shareholders to block out the hype and take a longer-term view of the businesses, good or bad.

- "Nvidia is NOT make or break. That is about drama. Nvidia has products that allows for the fastest generative AI – and if you are going to have machines learn at a fast pace, you can really only use their product," he said. Nvidia is one of two "own it, don't trade it" stocks in [Jim's Charitable Trust](#), the portfolio used for the CNBC Investing Club.

**Sports app:** Our other "own it, don't trade it" stock is [Apple](#), which announced earlier a brand-new iPhone app dedicated to sports fans. Jim thinks the new Apple Sports app is "one more example of something Apple does simply because it can. Free and clean."

**Sector action:** At one point, the decline in the [tech sector](#) moved the group down to fourth in the year-to-date standings.



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post-earnings moves in [Netflix](#) as well as Club names [Disney](#) and [Meta Platforms](#) .

- Disney has been no stranger to the headlines lately, whether it be due to its proxy fight with Triun's Nelson Peltz over board seats or its still confusing sports streaming joint venture. Jim said FuboTV's lawsuit against the planned Disney, [Fox](#) , [Warner Bros Discovery](#) offering is making waves and driving Disney lower.

Health care and [financials](#) are the other two sectors round out the top four.

- Jim said the long knives are out for anything digitizing while people like health care and finance and food stocks. "I think it might be the last hurrah for the latter, especially junk food, given that [Eli Lilly](#) 's Zepbound is now generally available at \$300 less than a similar [Novo Nordisk](#) Wegovy shot," he added.

**Up next:** While the focus Wednesday evening is clearly on Nvidia earnings, there are a bunch of other companies reporting, including [Rivian](#) , [Etsy](#) , [Synopsys](#) , and [Dutch Bros](#) . Thursday morning Club name [Bausch Health Companies](#) reports. We hope to learn more about the [Bausch + Lomb](#) monetization strategy and de-leveraging plans. BHC owns an 88.45% stake in Bausch + Lomb.

(See [here](#) for a full list of the stocks in Jim Cramer's Charitable Trust.)

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