

NVIDIA Corporation

STRONG BUY

NVDA | Technology | \$189.82 | Mkt Cap: \$4621.5B | Score: 76.6/100

12-Month Price Target: **\$226.50** (▲19.3% upside) | Conviction: Low Conviction — Models Diverge

| | | | | | | | |
|------------|--------------|--------------|------------|--------------|-------------|--------------|---------------|
| Rev Growth | 62.5% | Gross Margin | N/A | Sharpe Ratio | 1.69 | Max Drawdown | -66.3% |
|------------|--------------|--------------|------------|--------------|-------------|--------------|---------------|

INVESTMENT THESIS

NVIDIA Corporation (NVDA) has a 12-month price target of \$226.50, implying 19.3% upside from the current price of \$189.82. The company is growing revenue at 62% year-over-year — a standout growth rate that reflects strong demand and market share gains. With a 53% net margin, the business is highly profitable and cash generative. On a DCF basis, the stock appears significantly overvalued. Wall Street's consensus (56 analysts) has a price target of \$253.88 with a STRONG BUY recommendation. Model conviction: Low Conviction — Models Diverge.

12-MONTH PRICE TARGET

| Model | Target | Upside | Weight | Confidence |
|----------------------------------|-----------------|---------------|-------------|--|
| Wall Street Analyst Consensus | \$253.88 | +33.8% | 0% | 100% |
| DCF Valuation (1-yr convergence) | \$167.30 | -11.9% | 0% | 60% |
| Monte Carlo (GBM, 10k paths) | \$317.08 | +67.0% | 0% | 32% |
| Peer P/E Re-rating | \$179.79 | -5.3% | 0% | 55% |
| Technical Trend Projection | \$198.14 | +4.4% | 0% | 45% |
| BLENDED TARGET | \$226.50 | +19.3% | 100% | Low Conviction — Models Diverge |

COMPOSITE SCORE BREAKDOWN

| Module | Weight | Score | Bar |
|-------------------------|-------------|-----------------|-----------------------------------|
| Fundamental Analysis | 28% | 79/100 | <div style="width: 79%;"></div> |
| Competitive / Moat | 22% | 75/100 | <div style="width: 75%;"></div> |
| Technical Analysis | 17% | 62/100 | <div style="width: 62%;"></div> |
| News Sentiment | 10% | 53/100 | <div style="width: 53%;"></div> |
| Risk-Adjusted Metrics | 8% | 40/100 | <div style="width: 40%;"></div> |
| Insider / Institutional | 7% | 56/100 | <div style="width: 56%;"></div> |
| Options Flow | 5% | 76/100 | <div style="width: 76%;"></div> |
| Short Interest | 3% | 50/100 | <div style="width: 50%;"></div> |
| COMPOSITE SCORE | 100% | 76.6/100 | <div style="width: 76.6%;"></div> |

FUNDAMENTAL ANALYSIS

| Metric | Value |
|--------|-------|
|--------|-------|

| | |
|---------------------|----------------------------------|
| P/E Ratio | 47.0x |
| P/B Ratio | 38.8x |
| EV/EBITDA | 40.5x |
| Revenue Growth YoY | 62.5% |
| Earnings Growth YoY | 66.7% |
| ROE | 107.4% |
| Net Margin | 53.0% |
| Debt/Equity | 0.09 |
| Current Ratio | 4.47 |
| Piotroski F-Score | 8/9 — Very Strong (High Quality) |

ACCOUNTING QUALITY & FRAUD DETECTION

| Test | Score | Assessment |
|------------------|---------|---|
| Beneish M-Score | -1.0155 | ■ MANIPULATOR — High probability of earnings manipulation |
| Altman Z-Score | 91.101 | ■ SAFE ZONE |
| Earnings Quality | 75/100 | ■ HIGH QUALITY — Earnings are real and cash-backed |

Risk Flags:

- SGI 2.14 — high growth creates manipulation incentive
- TATA 0.079 — high accruals vs cash earnings

COMPETITIVE ANALYSIS & ECONOMIC MOAT

Moat: Wide Moat (85/100) | **Position:** Industry Leader | **vs Peers:** Significantly Overvalued vs Peers

- Revenue Growth: Best-in-class (vs peer avg 0.14)
- Gross Margin: Above average (vs peer avg 0.56)
- Net Margin: Best-in-class (vs peer avg 0.21)
- Pb Ratio: Significant premium (vs peer avg 15.08)
- Ev Ebitda: Significant premium (vs peer avg 17.10)
- Earnings Growth: Below average (vs peer avg 1.11)

TECHNICAL ANALYSIS

Trend (50/200 MA): ■ Uptrend (SMA50 > SMA200)

Price vs SMA20: ■ Above SMA20 (short-term bullish)

MACD: ■ Bullish (above signal)

RSI: ■ NEUTRAL (54.9)

Bollinger Bands: ■ Mid-band (67% of band width)

ADX (Trend Strength): ■ WEAK/NO TREND (10.3)

Volume: ■ Normal volume (1.1x average)

Support: \$169.54 | **Resistance:** \$212.18

INSIDER TRADING & INSTITUTIONAL OWNERSHIP

■ NEUTRAL — No strong insider signal

Institutions own 69.7% of shares. Insiders own 4.3% of shares.

Institutional: 69.7% | Insider: 4.3%

SHORT INTEREST & OPTIONS SIGNALS

Short Interest: ■ LOW SHORT INTEREST — shorts not a significant factor | Float: 1.1% | Days to Cover: 1.61 | Squeeze

Score: 6/100

Options: P/C Ratio 0.58 (■ Bullish (calls dominating)) | IV Rank -19.1/100

SIMULATIONS & RISK METRICS

Monte Carlo (1-Year): Median 67.0% | Bull 223.5% | Bear -13.5% | Prob Profit 84%

DCF Valuation: Intrinsic \$88.28 — Significantly Overvalued | MOS 20%: \$70.62

Risk: Sharpe 1.69 | Sortino 2.72 | Max DD -66.3% | VaR(95%) -4.80%

MACRO REGIME

Regime: Expansion (Risk-On) | GDP growing, inflation moderate. Best time to own growth stocks.

Sector Fit: ■ TAILWIND — Technology is a favored sector in Expansion regime

CATALYSTS & RISK FACTORS**Upside Catalysts**

- + Earnings acceleration — strong growth could trigger upward estimate revisions
- + Hyper-growth revenue trajectory — potential for multiple expansion
- + AI infrastructure buildout — secular demand tailwind for multiple years

Risk Factors

- Elevated valuation (P/E 47x) — multiple compression risk if growth disappoints
- High beta (2.3x) — amplified downside in market corrections
- Very high volatility (52% annualized) — wide outcome range

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