Not for redistribution without written consent of Morgan Stanley

Morgan Stanley | RESEARCH

IDEA

July 13, 2026 04:56 AM GMT

Semiconductors | North America

Weekly: NVDA road show feedback

We address feedback from last week's NDR; NVDA remains our Top Pick in semis, and we think some of the themes from this NDR could be key in unlocking the value that we see.

Feedback post the NVIDIA road show.

Last week, we hosted several meetings with NVDA CEO Jensen Huang, CFO Collette Kress, and head of IR Toshiya Hari. We wrote a note about it on Friday (link), and have had dozens of investor interactions with significant feedback.

We note that specialists continue to be fundamentally mostly optimistic about NVIDIA's near term earnings prospects, and the overall most asked question is "what does it take for the stock to outperform" given recent relative underperformance for no fundamental reason. Our answer is that we aren't frankly sure on the catalyst but the valuation disconnect is too wide to persist.

We have several points of feedback:

1) There is significant interest in the notion that NVIDIA is working closely with more value and income based accounts. This makes sense to us, as the biggest single challenge for the stock is the outsized market cap and index exposures; there simply have been a lack of incremental buyers, at a time when every mid/large cap peer has had a significant bid. NVIDIA working with value and income based fund groups & family offices - while continuing to focus on its core growth investor base - can be an answer to this issue. Value interest in the name should be clear, given current quarter growth of 95% in the quarter before a major product cycle, management's contention that this growth is accelerating, and a greater than 5% free cash flow yield for next year with over half of that cash likely to be returned.

2) Strong near term business is the expectation everywhere. While there is a vigorous debate about longer term growth, market share, and profitability, there was very little pushback on the notion of accelerating revenue from the current strong growth rates.

3) There continues to be mixed feedback on the re-segmentation, and the growth rate of the AI cloud/Sovereign/Enterprise portion of the business. We find, in particular, the geographic reshoring of AI data centers as a compelling theme, as global shortages of space and power are leading countries to carve out those resources for domestic companies rather than for US hyperscalers. This of course is not a new topic, but those pressures are intensifying and in some cases we are seeing new deployments as regulatory approvals happen.

In particular, the notion of a new neo-cloud business model proposed by NVIDIA in a blog post a week or so ago could frame the next big debate for the stock. NVIDIA will provide credit support for a broader range of neo-clouds in exchange for

MORGAN STANLEY & CO. LLC

Joseph Moore
Equity Analyst
Joseph.Moore@morganstanley.com +1 212 761-7516

Nicole Kozhukhov
Research Associate
Nicole.Kozhukhov@morganstanley.com +1 212 761-1636

Ella Tulchinsky
Research Associate
Ella.Tulchinsky@morganstanley.com +1 212 761-2222

Mason Wayne
Research Associate
Mason.Wayne@morganstanley.com +1 212 761-6012

Shane Brett
Equity Analyst
Shane.Brett@morganstanley.com +1 212 761-1022

SEMICONDUCTORS
North America
Industry View **Attractive**

Morgan Stanley does and seeks to do business with companies covered in Morgan Stanley Research. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of Morgan Stanley Research. Investors should consider Morgan Stanley Research as only a single factor in making their investment decision.

For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report.

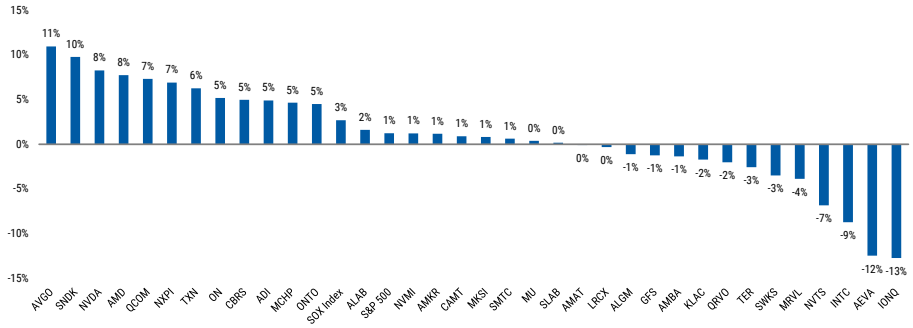
revenue sharing on cloud services, in addition to the hardware sales. It's a debate because credit support has some cost that isn't evident from the P&L, as well as some risk. But as the focus shifts from what could go wrong to what could go right, given the substantial compute shortage, the company could end up with a substantial recurring revenue stream at 100% gross margins. We plan to dig into this further.

4) NVIDIA commentary contributes to the memory debate. In particular, NVIDIA's comments that the memory shortage - which they expect to last for several years - will lead them to try to adapt and make do with less - have created some debates for the memory names.

We remain optimistic about the memory cycle. But that enthusiasm is less about peak earnings power, and more about the duration of the current high earnings environment, and we are seeing several factors that to some degree trade cycle amplitude for cycle duration. That's true of long term agreements - which could dampen near term price upside, but which add to longer term visibility - and is true of data center users getting by with less memory, as a matter of need, which should result in higher demand when there is higher supply. Of course, both amplitude and duration matter, but our focus is the total area under the curve of the upturn, which seems quite significant.

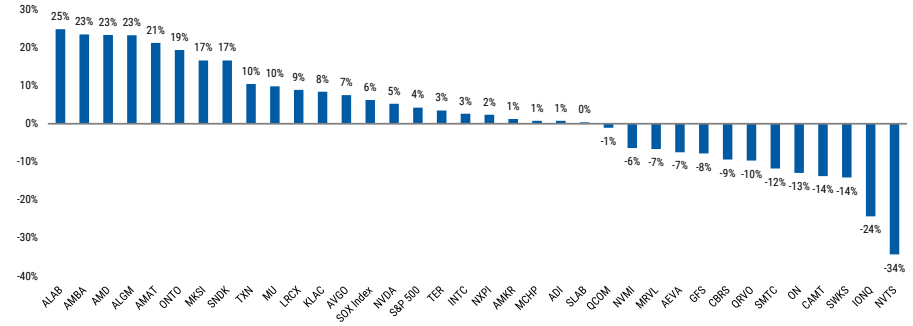
Semiconductor Coverage – Valuation / Stock Performance

Exhibit 1: Weekly stock performance



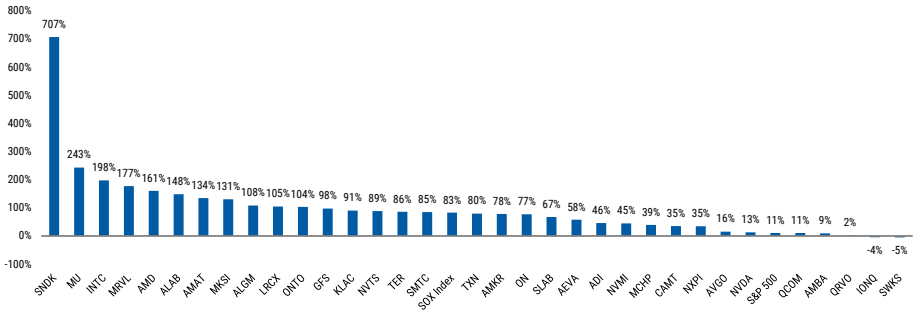
Source: FactSet, Morgan Stanley Research

Exhibit 2: Monthly stock performance



Source: FactSet, Morgan Stanley Research

Exhibit 3: YTD stock performance



Source: FactSet, Morgan Stanley Research

Semis Week Ahead

Exhibit 4: July 13th - July 17th, 2026

Monday, July 13th

Tuesday, July 14th
AEHR Earnings
5:00pm ET

Wednesday, July 15th
ASML Earnings
9:00am ET
SEMI Advanced Packaging Summit 2026
https://www.semi.org/en/connect/events/advanced-packaging-summit-2026

Thursday, July 16th
TSMC Earnings
2:00am ET

Friday, July 17th

LOOKING AHEAD
Wednesday, July 22nd
TXN Earnings
4:30pm ET
AMD Advancing AI - Day 1

Thursday, July 23rd
BESI Earnings
10:00am ET
STMicro Earnings
3:30am ET
AMD Advancing AI - Day 2
Livestream - https://www.youtube.com/@AMD/streams
INTC Earnings
5:00pm ET

July 26th-29th
DAC 2026: The Chips To Systems Conference
https://dac.com/2026

Monday, July 27th
NVTS Earnings
5:00pm ET
AMKR Earnings
5:00pm ET

Tuesday, July 28th
NXPI Earnings
4:30pm ET
KLAC Earnings
5:00pm ET

Wednesday, July 29th
Melexis Earnings
4:30am ET
ASMI Earnings
9:00am ET
QCOM Earnings
4:45pm ET
ARM Earnings
5:00pm ET
UBCX Earnings
5:00pm ET

Thursday, July 30th
ALGM Earnings
8:30am ET

Monday, August 3rd
UCTT Earnings
4:45pm ET

August 4th-6th
Flash Memory Summit (FMS): Future of Memory & Storage
https://flashmemorysummit.com/

Tuesday, August 4th
ALAB Earnings
4:30pm ET
AMD Earnings
5:00pm ET

Wednesday, August 5th
IFX Earnings
3:30am ET
GFS Earnings
8:30am ET
SNDK Earnings
4:30pm ET

August 23rd-25th
Hot Chips
https://hotchips.org/

Wednesday, August 26th
NVDA Earnings
5:00pm ET

September 2nd-4th
SEMICON Taiwan
https://www.semicontaiwan.org/en

Tuesday, September 8th
IONQ Investor Day
2:00pm ET

September 8th-11th
SPIE Photomask Technology + EUV Lithography
https://spie.org/conferences-and-exhibitions/photomask-technology-and-extreme-ultraviolet-lithography

September 15th-17th
AI Infra Summit
https://www.ai-infra-summit.com/

Wednesday, September 16th
ON Financial Analyst Day
2:00pm ET

September 22nd-24th
QCOM Snapdragon Summit
https://www.qualcomm.com/company/events/snapdragon-summit

Wednesday, September 23rd
TSMC North America OIP Ecosystem Forum
https://pr.tsmc.com/english/events

October 12th-15th
OCP Global Summit
https://www.opencompute.org/summit/global-summit

October 13th-15th
SEMICON West
https://www.semiconwest.org/

October 20th-22nd
GTC Berlin
https://www.nvidia.com/en-eu/gtc/
Wednesday, October 21st
NVDA CEO Jensen Huang Keynote
Livestream link TBD - 5:00am ET

November 10th-13th
SEMICON Europa
https://www.semiconeuropa.org/

November 15th-20th
SC26 (Supercomputing Conference)
https://sc26.supercomputing.org/

December 9th-11th
SEMICON Japan
https://www.semiconjapan.org/en

Source: Bloomberg, Refinitiv, Morgan Stanley Research

Semiconductor Coverage

Exhibit 5: Semiconductors - Risk Reward

Ticker	Rating	Price	Risk-Reward Bear	Risk-Reward Base	Risk-Reward Bull	% Upside / Downside Base
Computing						
AMD	EW	$557.9	$210	$410	$570	-27%
CBRS	OW	$215.1	$90	$273	$400	27%
INTC	EW	$109.8	$43	$73	$110	-34%
NVDA	OW	$211.0	$160	$288	$330	37%
Memory						
MU	OW	$979.3	$675	$1,200	$1,650	23%
SNDK	OW	$1,915.9	$1,100	$1,750	$2,635	-9%
Capital Equipment						
AMAT	EW	$602.5	$455	$647	$854	7%
CAMT	EW	$143.8	$119	$167	$222	16%
KLAC	OW	$231.5	$171	$274	$333	18%
LRCX	OW	$350.3	$289	$404	$519	15%
MKSI	OW	$368.6	$278	$442	$595	20%
NVMI	EW	$475.9	$384	$540	$723	13%
ONTO	OW	$321.4	$257	$371	$475	15%
TER	EW	$359.6	$267	$387	$512	8%
Comm-IC / Multi-Market						
ALAB	OW	$413.0	$121	$240	$332	-42%
AMBA	OW	$77.3	$34	$96	$136	24%
AVGO	OW	$400.0	$308	$502	$637	26%
MRVL	EW	$235.8	$130	$195	$286	-17%
QCOM	EW	$189.2	$108	$231	$305	22%
QRVO	EW	$85.8	$40	$84	$110	-2%
SMTC	EW	$136.1	$95	$175	$230	29%
SWKS	EW	$60.4	$43	$76	$105	26%
Analog / MCUs						
ADI	OW	$395.7	$342	$428	$517	8%
ALGM	OW	$54.9	$43	$51	$70	-7%
MCHP	EW	$88.6	$69	$94	$118	6%
NVTS	UW	$13.5	$4.9	$13.7	$22.7	2%
NXPI	OW	$292.3	$268	$335	$400	15%
ON	NC	$96.0	++	++	++	-
SLAB	EW	$218.6	$83	$231	$265	6%
TXN	UW	$311.5	$184	$221	$263	-29%
Components						
AEVA	EW	$21.0	$4.5	$18.5	$52.0	-12%
Foundry						
AMKR	EW	$70.5	$49	$69	$88	-2%
GFS	EW	$69.0	$34	$58	$96	-16%
Quantum Computing						
IONQ	EW	$42.9	$6	$48.5	$110	13%

Source: FactSet, Morgan Stanley Research estimates

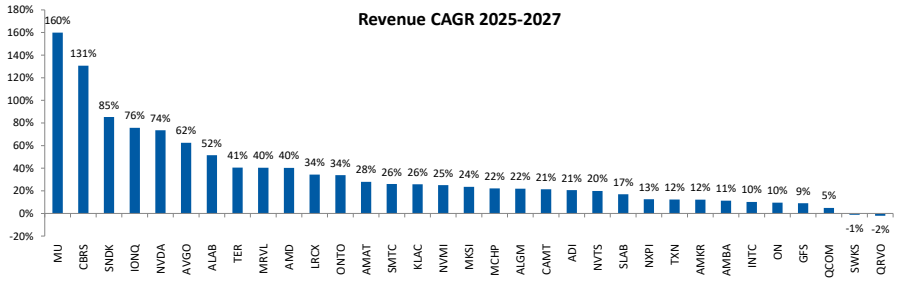
Exhibit 6: MS vs. Street

		CY2026e EPS				CY2026e Revenue			
		MS	Consensus	% Diff		MS	Consensus	% Diff
OW	ADI	$13.21	$12.74	(4%)	ADI	$15,499	$15,067	(3%)
	ALAB	$2.88	$3.02	(8%)	ALAB	$1,532	$1,550	(1%)
	ALGM	$0.93	$0.88	10%	ALGM	$1,048	$1,022	2%
	AMBA	$0.74	$0.78	3%	AMBA	$443	$437	0%
	AVGO	$13.68	$12.89	(3%)	AVGO	$123,943	$116,826	0%
	CBRS	-$0.78	-$0.94	(3%)	CBRS	$863	$866	0%
	KLAC	$4.42	$4.45	(1%)	KLAC	$15,453	$15,451	(0%)
	LRCX	$7.21	$6.91	(0%)	LRCX	$27,917	$27,110	(0%)
	MKSI	$11.95	$11.74	4%	MKSI	$4,870	$4,808	1%
	MU	$104.09	$99.70	45%	MU	$172,900	$168,899	18%
	NVDA	$4.77	$8.62	6%	NVDA	$215,938	$377,965	5%
	NXPI	$14.96	$14.73	4%	NXPI	$14,138	$14,067	1%
	ONTO	$7.31	$7.20	4%	ONTO	$1,347	$1,342	1%
	SNDK	$161.07	$135.50	43%	SNDK	$38,078	$34,035	7%
EW	AEVA	-$1.80	-$1.69	2%	AEVA	$33	$32	(19%)
	AMAT	$13.96	$13.03	2%	AMAT	$36,976	$35,004	3%
	AMD	$7.22	$7.47	1%	AMD	$48,807	$49,970	(5%)
	AMKR	$2.07	$2.08	(8%)	AMKR	$7,570	$7,610	(4%)
	CAMT	$3.56	$3.50	10%	CAMT	$577	$571	5%
	GFS	$1.94	$1.89	(4%)	GFS	$7,250	$7,240	(1%)
	INTC	$1.12	$1.08	21%	INTC	$58,131	$58,545	0%
	IONQ	-$0.54	-$0.37	(109%)	IONQ	$266	$266	3%
	MCHP	$2.71	$2.78	(1%)	MCHP	$5,769	$5,818	2%
	MRVL	$3.98	$3.95	3%	MRVL	$11,498	$11,223	2%
	NVMI	$10.18	$10.48	1%	NVMI	$1,064	$1,065	4%
	QCOM	$9.23	$10.81	(100%)	QCOM	$39,926	$42,952	(100%)
	QRVO	$6.31	$6.89	(3%)	QRVO	$3,346	$3,507	(7%)
	SLAB	$3.00	$2.77	9%	SLAB	$934	$922	1%
	SMTC	$2.72	$2.58	(2%)	SMTC	$1,375	$1,331	0%
	SWKS	$4.68	$5.04	(4%)	SWKS	$3,750	$3,948	(3%)
	TER	$8.03	$7.46	0%	TER	$4,748	$4,538	2%
UW	NVTS	-$0.17	-$0.17	13%	NVTS	$43	$42	15%
	TXN	$7.82	$7.70	(1%)	TXN	$21,035	$21,020	(1%)
++	ON	$3.12	$3.08	8%	ON	$6,472	$6,472	(0%)

Source: FactSet, Morgan Stanley Research estimates

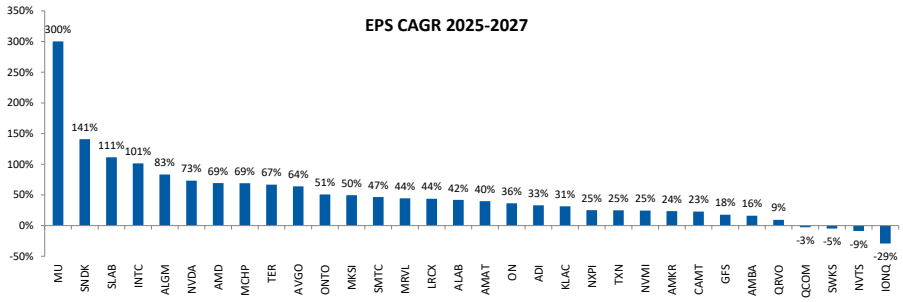
Revenue and EPS Growth

Exhibit 7: 2025-27e Revenue CAGR



Source: FactSet, Morgan Stanley estimates

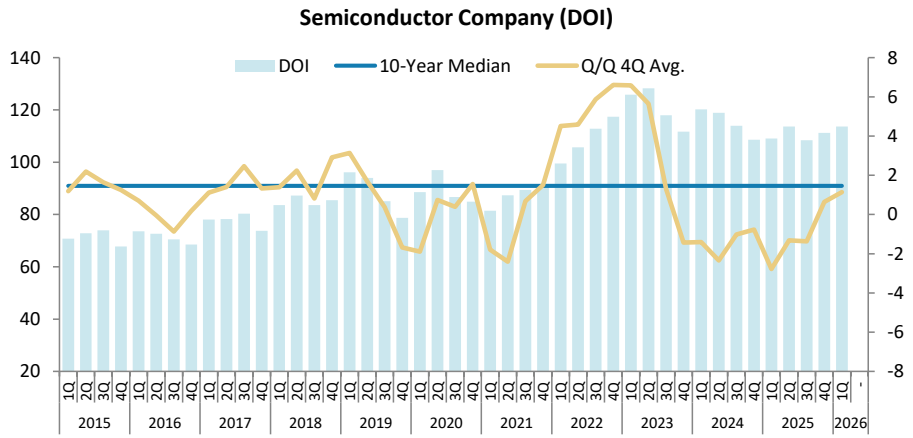
Exhibit 8: 2025-27e EPS CAGR



Source: FactSet, Morgan Stanley estimates

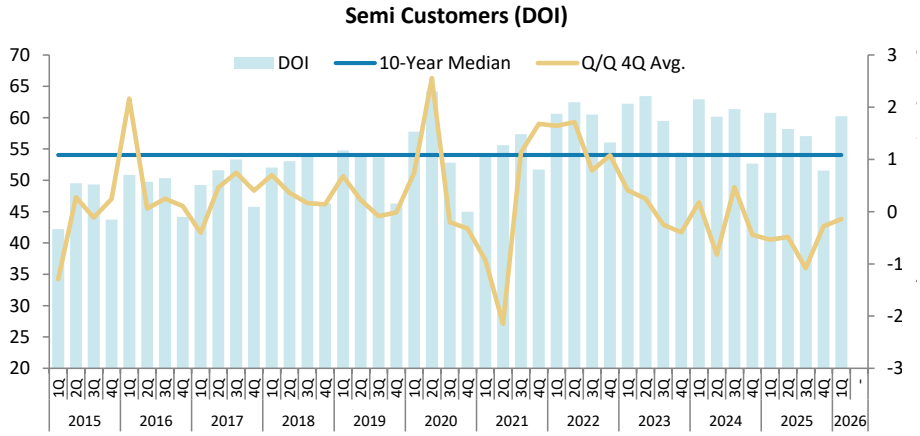
Inventory

Exhibit 9: Semiconductor Company inventory is at 114 days, up 2 days q/q which is 2 days ahead of the seasonal increase of 5 days. DOI is 23 days above the historical median and trailing 4-quarters slightly increased..



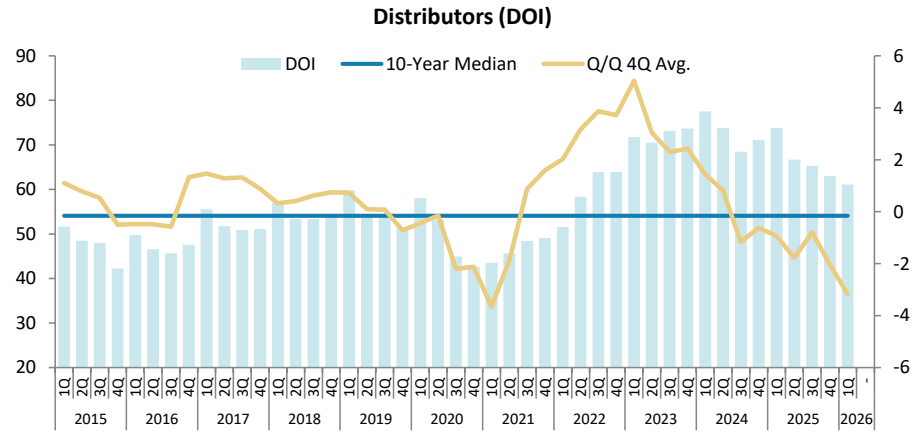
Source: FactSet, Morgan Stanley Research

Exhibit 10: Semi Customer DOI increased 9 days sequentially to 60 days vs a seasonal increase of 8 days. DOI is above the historical median and trailing 4 quarters increased from last quarter.



Source: FactSet, Morgan Stanley Research

Exhibit 11: Distributor inventory is at 61 days, down 2 days q/q, below seasonal increase of 4 days. DOI is 7 days above the historical median while trailing 4-quarters decreased sequentially.



Source: FactSet, Morgan Stanley Research

Short Interest

Exhibit 12: Short Interest as % of Float

	10/Jul/25	10/Apr/26	10/May/26	10/Jun/26	10/Jul/26
ADI	1.7%	2.0%	2.2%	1.9%	2.5%
AEVA	8.2%	12.4%	11.9%	10.7%	6.9%
ALAB	6.4%	9.0%	7.7%	6.9%	7.4%
ALGM	7.0%	6.4%	5.9%	6.4%	8.3%
AMAT	1.9%	1.6%	2.0%	2.5%	2.5%
AMBA	4.9%	4.8%	6.0%	5.1%	7.5%
AMD	3.0%	2.2%	2.2%	2.7%	2.6%
AMKR	2.6%	3.5%	3.0%	3.4%	3.6%
AVGO	1.2%	1.1%	1.1%	1.2%	1.5%
CAMT	7.8%	7.4%	6.5%	6.5%	5.8%
CBRS				2.1%	4.8%
GFS	1.8%	3.1%	1.8%	1.4%	1.3%
INTC	2.6%	2.4%	2.8%	2.7%	2.5%
IONQ	9.8%	21.7%	22.4%	15.5%	11.8%
KLAC	2.8%	2.4%	2.4%	26.9%	2.6%
LRCX	2.5%	2.2%	2.3%	2.6%	2.3%
MCHP	6.5%	5.1%	5.5%	6.0%	7.2%
MKSI	6.1%	5.5%	5.3%	6.6%	7.3%
MRVL	2.9%	3.2%	3.2%	4.0%	3.9%
MU	2.5%	2.8%	3.3%	3.3%	2.8%
NVDA	1.0%	1.2%	1.2%	1.2%	1.3%
NVMI	5.2%	5.2%	4.8%	5.6%	4.6%
NVTS	19.7%	18.3%	17.7%	15.2%	14.6%
NXPI	2.4%	3.2%	2.6%	3.3%	3.5%
ON	9.0%	7.9%	7.5%	8.0%	7.7%
ONTO	4.3%	2.7%	2.0%	3.9%	5.3%
QCOM	2.0%	4.1%	4.7%	4.3%	3.8%
QRVO	7.0%	7.1%	6.7%	7.9%	7.7%
SLAB	5.0%	4.6%	5.7%	7.2%	7.0%
SMTC	10.0%	5.8%	6.7%	6.8%	6.0%
SNDK	5.0%	5.4%	7.3%	6.2%	4.9%
SWKS	9.0%	13.3%	15.1%	18.7%	19.2%
TER	4.4%	3.1%	3.5%	4.4%	5.8%
TXN	2.0%	2.0%	1.7%	2.1%	1.9%
AVERAGE	5.2%	5.7%	5.7%	6.4%	5.6%
MEDIAN	4.9%	4.6%	4.8%	5.3%	4.8%

Source: FactSet, Morgan Stanley Research

Disclosure Section

The information and opinions in Morgan Stanley Research were prepared by Morgan Stanley & Co. LLC, and/or Morgan Stanley C.T.V.M. S.A., and/or Morgan Stanley Mexico, Casa de Bolsa, S.A. de C.V., and/or Morgan Stanley Canada Limited. As used in this disclosure section, "Morgan Stanley" includes Morgan Stanley & Co. LLC, Morgan Stanley C.T.V.M. S.A., Morgan Stanley Mexico, Casa de Bolsa, S.A. de C.V., Morgan Stanley Canada Limited and their affiliates as necessary.

For important disclosures, stock price charts and equity rating histories regarding companies that are the subject of this report, please see the Morgan Stanley Research Disclosure Website at www.morganstanley.com/eqr/disclosures/webapp/generalresearch, or contact your investment representative or Morgan Stanley Research at 1585 Broadway, (Attention: Research Management), New York, NY, 10036 USA.

For valuation methodology and risks associated with any recommendation, rating or price target referenced in this research report, please contact the Client Support Team as follows: US/Canada +1 800 303-2495; Hong Kong +852 2848-5999; Latin America +1 718 754-5444 (U.S.); London +44 (0)20-7425-8169; Singapore +65 6834-6860; Sydney +61 (0)2-9770-1505; Tokyo +81 (0)3-6836-9000. Alternatively you may contact your investment representative or Morgan Stanley Research at 1585 Broadway, (Attention: Research Management), New York, NY 10036 USA.

Analyst Certification

The following analysts hereby certify that their views about the companies and their securities discussed in this report are accurately expressed and that they have not received and will not receive direct or indirect compensation in exchange for expressing specific recommendations or views in this report: Shane Brett; Nicole Kozhukhov; Joseph Moore; Ella Tulchinsky; Mason Wayne.

.

Global Research Conflict Management Policy

Morgan Stanley Research has been published in accordance with our conflict management policy, which is available at www.morganstanley.com/institutional/research/conflictpolicies. A Portuguese version of the policy can be found at www.morganstanley.com.br

Important Regulatory Disclosures on Subject Companies

As of June 30, 2026, Morgan Stanley beneficially owned 1% or more of a class of common equity securities of the following companies covered in Morgan Stanley Research: Advanced Micro Devices, Aeva Technologies Inc, Allegro Microsystems Inc, Ambarella Inc, Analog Devices Inc., Arm Holdings plc, Astera Labs Inc, Broadcom Inc., Cadence Design Systems Inc, Cerebras Systems, Intel Corporation, IonQ Inc, KLA Corp, Lam Research Corp, Marvell Technology Group Ltd, Microchip Technology Inc., Micron Technology Inc., MKS Inc., NVIDIA Corp., NXP Semiconductor NV, ON Semiconductor Corp., Qorvo Inc, Qualcomm Inc., SanDisk Corporation., Semtech Corp., Silicon Laboratories Inc., Skyworks Solutions Inc, Synopsys Inc., Texas Instruments, Wolfspeed, INC.

Within the last 12 months, Morgan Stanley managed or co-managed a public offering (or 144A offering) of securities of Aeva Technologies Inc, Broadcom Inc., Cerebras Systems, GlobalFoundries Inc, Intel Corporation, MKS Inc., NVIDIA Corp., NXP Semiconductor NV, ON Semiconductor Corp., Quantinuum, Semtech Corp..

Within the last 12 months, Morgan Stanley has received compensation for investment banking services from Advanced Micro Devices, Aeva Technologies Inc, Allegro Microsystems Inc, Amkor Technology Inc, Analog Devices Inc., Broadcom Inc., Cerebras Systems, Intel Corporation, IonQ Inc, Micron Technology Inc., MKS Inc., NVIDIA Corp., NXP Semiconductor NV, ON Semiconductor Corp., Quantinuum, Semtech Corp., Texas Instruments.

In the next 3 months, Morgan Stanley expects to receive or intends to seek compensation for investment banking services from Advanced Micro Devices, Aeva Technologies Inc, Allegro Microsystems Inc, Ambarella Inc, Amkor Technology Inc, Analog Devices Inc., Arm Holdings plc, Astera Labs Inc, Broadcom Inc., Cadence Design Systems Inc, Cerebras Systems, GlobalFoundries Inc, Intel Corporation, IonQ Inc, KLA Corp, Lam Research Corp, Marvell Technology Group Ltd, Microchip Technology Inc., Micron Technology Inc., MKS Inc., Navitas Semiconductor Corp, NVIDIA Corp., NXP Semiconductor NV, ON Semiconductor Corp., Qualcomm Inc., Quantinuum, SanDisk Corporation., Semtech Corp., Silicon Laboratories Inc., Skyworks Solutions Inc, Synopsys Inc., Texas Instruments, Wolfspeed, INC.

Within the last 12 months, Morgan Stanley has received compensation for products and services other than investment banking services from Advanced Micro Devices, Allegro Microsystems Inc, Ambarella Inc, Amkor Technology Inc, Analog Devices Inc., Broadcom Inc., Cadence Design Systems Inc, Cerebras Systems, GlobalFoundries Inc, Intel Corporation, Marvell Technology Group Ltd, Microchip Technology Inc., Micron Technology Inc., MKS Inc., NVIDIA Corp., NXP Semiconductor NV, ON Semiconductor Corp., Qorvo Inc, Qualcomm Inc., Semtech Corp., Silicon Laboratories Inc., Synopsys Inc., Texas Instruments.

Within the last 12 months, Morgan Stanley has provided or is providing investment banking services to, or has an investment banking client relationship with, the following company: Advanced Micro Devices, Aeva Technologies Inc, Allegro Microsystems Inc, Ambarella Inc, Amkor Technology Inc, Analog Devices Inc., Arm Holdings plc, Astera Labs Inc, Broadcom Inc., Cadence Design Systems Inc, Cerebras Systems, GlobalFoundries Inc, Intel Corporation, IonQ Inc, KLA Corp, Lam Research Corp, Marvell Technology Group Ltd, Microchip Technology Inc., Micron Technology Inc., MKS Inc., Navitas Semiconductor Corp, NVIDIA Corp., NXP Semiconductor NV, ON Semiconductor Corp., Qualcomm Inc., Quantinuum, SanDisk Corporation., Semtech Corp., Silicon Laboratories Inc., Skyworks Solutions Inc, Synopsys Inc., Texas Instruments, Wolfspeed, INC.

Within the last 12 months, Morgan Stanley has either provided or is providing non-investment banking, securities-related services to and/or in the past has entered into an agreement to provide services or has a client relationship with the following company: Advanced Micro Devices, Allegro Microsystems Inc, Ambarella Inc, Amkor Technology Inc, Analog Devices Inc., Broadcom Inc., Cadence Design Systems Inc, Cerebras Systems, GlobalFoundries Inc, Intel Corporation, IonQ Inc, Marvell Technology Group Ltd, Microchip Technology Inc., Micron Technology Inc., MKS Inc., NVIDIA Corp., NXP Semiconductor NV, ON Semiconductor Corp., Qorvo Inc, Qualcomm Inc., Semtech Corp., Silicon Laboratories Inc., Synopsys Inc., Texas Instruments, Wolfspeed, INC.

Morgan Stanley & Co. LLC makes a market in the securities of Aeva Technologies Inc, Ambarella Inc, Cerebras Systems, MKS Inc., Quantinuum, Silicon Laboratories Inc..

The equity research analysts or strategists principally responsible for the preparation of Morgan Stanley Research have received compensation based upon various factors, including quality of research, investor client feedback, stock picking, competitive factors, firm revenues and overall investment banking revenues. Equity Research analysts' or strategists' compensation is not linked to investment banking or capital markets transactions performed by Morgan Stanley or the profitability or revenues of particular trading desks.

Morgan Stanley and its affiliates do business that relates to companies/instruments covered in Morgan Stanley Research, including market making, providing liquidity, fund management, commercial banking, extension of credit, investment services and investment banking. Morgan Stanley sells to and buys from customers the securities/instruments of companies covered in Morgan Stanley Research on a principal basis. Morgan Stanley may have a position in the debt of the Company or instruments discussed in this report. Morgan Stanley trades or may trade as principal in the debt securities (or in related derivatives) that are the subject of the debt research report.

Certain disclosures listed above are also for compliance with applicable regulations in non-US jurisdictions.

STOCK RATINGS

Morgan Stanley uses a relative rating system using terms such as Overweight, Equal-weight, Not-Rated or Underweight (see definitions below). Morgan Stanley does not assign ratings of Buy, Hold or Sell to the stocks we cover. Overweight, Equal-weight, Not-Rated and Underweight are not the equivalent of buy, hold and sell. Investors should carefully read the definitions of all ratings used in Morgan Stanley Research. In addition, since Morgan Stanley Research contains more complete information concerning the analyst's views, investors should carefully read Morgan

Stanley Research, in its entirety, and not infer the contents from the rating alone. In any case, ratings (or research) should not be used or relied upon as investment advice. An investor's decision to buy or sell a stock should depend on individual circumstances (such as the investor's existing holdings) and other considerations.

Global Stock Ratings Distribution

(as of June 30, 2026)

The Stock Ratings described below apply to Morgan Stanley's Fundamental Equity Research and do not apply to Debt Research produced by the Firm.

For disclosure purposes only (in accordance with FINRA requirements), we include the category headings of Buy, Hold, and Sell alongside our ratings of Overweight, Equal-weight, Not-Rated and Underweight. Morgan Stanley does not assign ratings of Buy, Hold or Sell to the stocks we cover. Overweight, Equal-weight, Not-Rated and Underweight are not the equivalent of buy, hold, and sell but represent recommended relative weightings (see definitions below). To satisfy regulatory requirements, we correspond Overweight, our most positive stock rating, with a buy recommendation; we correspond Equal-weight and Not-Rated to hold and Underweight to sell recommendations, respectively.

	Coverage Universe		Investment Banking Clients (IBC)			Other Material Investment Services Clients (MISC)	
Stock Rating Category	Count	% of Total	Count	% of Total IBC	% of Rating Category	Count	% of Total Other MISC
Overweight/Buy	1544	42%	453	49%	29%	757	44%
Equal-weight/Hold	1577	43%	390	42%	25%	769	44%
Not-Rated/Hold	3	0%	1	0%	33%	1	0%
Underweight/Sell	544	15%	89	10%	16%	204	12%
Total	3,668		933			1731	

Data include common stock and ADRs currently assigned ratings. Investment Banking Clients are companies from whom Morgan Stanley received investment banking compensation in the last 12 months. Due to rounding off of decimals, the percentages provided in the "% of total" column may not add up to exactly 100 percent.

Analyst Stock Ratings

Overweight (O). The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Equal-weight (E). The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Not-Rated (NR). Currently the analyst does not have adequate conviction about the stock's total return relative to the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Underweight (U). The stock's total return is expected to be below the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Unless otherwise specified, the time frame for price targets included in Morgan Stanley Research is 12 to 18 months.

Analyst Industry Views

Attractive (A): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be attractive vs. the relevant broad market benchmark, as indicated below.

In-Line (I): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be in line with the relevant broad market benchmark, as indicated below.

Cautious (C): The analyst views the performance of his or her industry coverage universe over the next 12-18 months with caution vs. the relevant broad market benchmark, as indicated below.

Benchmarks for each region are as follows: North America - S&P 500; Latin America - relevant MSCI country index or MSCI Latin America Index; Europe - MSCI Europe; Japan - TOPIX; Asia - relevant MSCI country index or MSCI sub-regional index or MSCI AC Asia Pacific ex Japan Index.

Important Disclosures for Morgan Stanley Smith Barney LLC Customers

Important disclosures regarding any material conflict of interest that can reasonably be expected to have influenced Morgan Stanley Smith Barney LLC's choice of a third-party research provider or the subject company of a third-party research report, are available on the Morgan Stanley Wealth Management disclosure website at www.morganstanley.com/online/researchdisclosures.

For Morgan Stanley specific disclosures, you may refer to https://www.morganstanley.com/eqr/disclosures/webapp/generalresearch.

Each Morgan Stanley research report is reviewed and approved on behalf of Morgan Stanley Smith Barney LLC. This review and approval is conducted by the same person who reviews the research report on behalf of Morgan Stanley. This could create a conflict of interest.

Other Important Disclosures

A member of Research who had or could have had access to the research prior to completion owns securities (or related derivatives) in the Micron Technology Inc., NVIDIA Corp.. This person is not a research analyst or a member of research analyst's household.

Morgan Stanley Research policy is to update research reports as and when the Research Analyst and Research Management deem appropriate, based on developments with the issuer, the sector, or the market that may have a material impact on the research views or opinions stated therein. In addition, certain Research publications are intended to be updated on a regular periodic basis (weekly/monthly/quarterly/annual) and will ordinarily be updated with that frequency, unless the Research Analyst and Research Management determine that a different publication schedule is appropriate based on current conditions.

Morgan Stanley is not acting as a municipal advisor and the opinions or views contained herein are not intended to be, and do not constitute, advice within the meaning of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Morgan Stanley produces an equity research product called a "Tactical Idea." Views contained in a "Tactical Idea" on a particular stock may be contrary to the recommendations or views expressed in research on the same stock. This may be the result of differing time horizons, methodologies, market events, or other factors. For all research available on a particular stock, please contact

your sales representative or go to Matrix at http://www.morganstanley.com/matrix.

Morgan Stanley Research is provided to our clients through our proprietary research portal on Matrix and also distributed electronically by Morgan Stanley to clients. Certain, but not all, Morgan Stanley Research products are also made available to clients through third-party vendors or redistributed to clients through alternate electronic means as a convenience. For access to all available Morgan Stanley Research, please contact your sales representative or go to Matrix at http://www.morganstanley.com/matrix.

Any access and/or use of Morgan Stanley Research is subject to Morgan Stanley's Terms of Use (http://www.morganstanley.com/terms.html). By accessing and/or using Morgan Stanley Research, you are indicating that you have read and agree to be bound by our Terms of Use (http://www.morganstanley.com/terms.html). In addition you consent to Morgan Stanley processing your personal data and using cookies in accordance with our Privacy Policy and our Global Cookies Policy (http://www.morganstanley.com/privacy_pledge.html), including for the purposes of setting your preferences and to collect readership data so that we can deliver better and more personalized service and products to you. To find out more information about how Morgan Stanley processes personal data, how we use cookies and how to reject cookies see our Privacy Policy and our Global Cookies Policy (http://www.morganstanley.com/privacy_pledge.html). Please use the provided link to review the Terms and Conditions and Most Important Terms and Conditions for Morgan Stanley India Company Private Limited (https://www.morganstanley.com/assets/pdfs/about-us-global-offices/india/Terms_and_conditions.pdf) and the following link to review the audit report (https://ny.matrix.ms.com/eqr/research/webapp/researchdocs/MSICPL_Morgan_Stanley_Research_Audit_Report.pdf).

If you do not agree to our Terms of Use and/or if you do not wish to provide your consent to Morgan Stanley processing your personal data or using cookies please do not access our research.

Morgan Stanley Research does not provide individually tailored investment advice. Morgan Stanley Research has been prepared without regard to the circumstances and objectives of those who receive it. Morgan Stanley recommends that investors independently evaluate particular investments and strategies, and encourages investors to seek the advice of a financial adviser. The appropriateness of an investment or strategy will depend on an investor's circumstances and objectives. The securities, instruments, or strategies discussed in Morgan Stanley Research may not be suitable for all investors, and certain investors may not be eligible to purchase or participate in some or all of them. Morgan Stanley Research is not an offer to buy or sell or the solicitation of an offer to buy or sell any security/instrument or to participate in any particular trading strategy. The value of and income from your investments may vary because of changes in interest rates, foreign exchange rates, default rates, prepayment rates, securities/instruments prices, market indexes, operational or financial conditions of companies or other factors. There may be time limitations on the exercise of options or other rights in securities/instruments transactions. Past performance is not necessarily a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. If provided, and unless otherwise stated, the closing price on the cover page is that of the primary exchange for the subject company's securities/instruments.

The fixed income research analysts, strategists or economists principally responsible for the preparation of Morgan Stanley Research have received compensation based upon various factors, including quality, accuracy and value of research, firm profitability or revenues (which include fixed income trading and capital markets profitability or revenues), client feedback and competitive factors. Fixed Income Research analysts', strategists' or economists' compensation is not linked to investment banking or capital markets transactions performed by Morgan Stanley or the profitability or revenues of particular trading desks.

The "Important Regulatory Disclosures on Subject Companies" section in Morgan Stanley Research lists all companies mentioned where Morgan Stanley owns 1% or more of a class of common equity securities of the companies. For all other companies mentioned in Morgan Stanley Research, Morgan Stanley may have an investment of less than 1% in securities/instruments or derivatives of securities/instruments of companies and may trade them in ways different from those discussed in Morgan Stanley Research. Employees of Morgan Stanley not involved in the preparation of Morgan Stanley Research may have investments in securities/instruments or derivatives of securities/instruments of companies mentioned and may trade them in ways different from those discussed in Morgan Stanley Research. Derivatives may be issued by Morgan Stanley or associated persons.

With the exception of information regarding Morgan Stanley, Morgan Stanley Research is based on public information. Morgan Stanley makes every effort to use reliable, comprehensive information, but we make no representation that it is accurate or complete. We have no obligation to tell you when opinions or information in Morgan Stanley Research change apart from when we intend to discontinue equity research coverage of a subject company. Facts and views presented in Morgan Stanley Research have not been reviewed by, and may not reflect information known to, professionals in other Morgan Stanley business areas, including investment banking personnel.

Morgan Stanley Research personnel may participate in company events such as site visits and are generally prohibited from accepting payment by the company of associated expenses unless pre-approved by authorized members of Research management.

Morgan Stanley may make investment decisions that are inconsistent with the recommendations or views in this report.

To our readers based in Taiwan or trading in Taiwan securities/instruments: Information on securities/instruments that trade in Taiwan is distributed by Morgan Stanley Taiwan Limited ("MSTL"). Such information is for your reference only. The reader should independently evaluate the investment risks and is solely responsible for their investment decisions. Morgan Stanley Research may not be distributed to the public media or quoted or used by the public media without the express written consent of Morgan Stanley. Any non-customer reader within the scope of Article 7-1 of the Taiwan Stock Exchange Recommendation Regulations accessing and/or receiving Morgan Stanley Research is not permitted to provide Morgan Stanley Research to any third party (including but not limited to related parties, affiliated companies and any other third parties) or engage in any activities regarding Morgan Stanley Research which may create or give the appearance of creating a conflict of interest. Information on securities/instruments that do not trade in Taiwan is for informational purposes only and is not to be construed as a recommendation or a solicitation to trade in such securities/instruments. MSTL may not execute transactions for clients in these securities/instruments.

Morgan Stanley is not incorporated under PRC law and the research in relation to this report is conducted outside the PRC. Morgan Stanley Research does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC. PRC investors shall have the relevant qualifications to invest in such securities and shall be responsible for obtaining all relevant approvals, licenses, verifications and/or registrations from the relevant governmental authorities themselves. Neither this report nor any part of it is intended as, or shall constitute, provision of any consultancy or advisory service of securities investment as defined under PRC law. Such information is provided for your reference only.

Morgan Stanley Research is disseminated in Brazil by Morgan Stanley C.T.V.M. S.A. located at Av. Brigadeiro Faria Lima, 3600, 6th floor, São Paulo - SP, Brazil; and is regulated by the Comissão de Valores Mobiliários; in Mexico by Morgan Stanley México, Casa de Bolsa, S.A. de C.V which is regulated by Comision Nacional Bancaria y de Valores. Paseo de los Tamarindos 90, Torre 1, Col. Bosques de las Lomas Floor 29, 05120 Mexico City; in Japan by Morgan Stanley MUFG Securities Co., Ltd. and, for Commodities related research reports only, Morgan Stanley Capital Group Japan Co., Ltd; in Hong Kong by Morgan Stanley Asia Limited (which accepts responsibility for its contents) and by Morgan Stanley Bank Asia Limited; in Sing (Singapore) Pte. (Registration number 199206298Z) and/or Morgan Stanley Asia (Singapore) Securities Pte Ltd (Registration number 200008434H), regulate Singapore (which accepts legal responsibility for its contents and should be contacted with respect to any matters arising from, or in connection with, Morgan St Stanley Bank Asia Limited, Singapore Branch (Registration number T14FC0118J); in Australia to "wholesale clients" within the meaning of the Australian Corpo Australia Limited A.B.N. 67 003 734 576, holder of Australian financial services license No. 233742, which accepts responsibility for its contents; in Australia t clients" within the meaning of the Australian Corporations Act by Morgan Stanley Wealth Management Australia Pty Ltd (A.B.N. 19 009 145 555, holder of Aus No. 240813, which accepts responsibility for its contents; in Korea by Morgan Stanley & Co International plc, Seoul Branch; in India by Morgan Stanley India C Corporate Identification No (CIN) U22990MH1998PTC115305, regulated by the Securities and Exchange Board of India ("SEBI") and holder of licenses as a Rese No. INH000001105); Stock Broker (SEBI Stock Broker Registration No. INZ000244438), Merchant Banker (SEBI Registration No. INM000011203), and depo



Securities Depository Limited (SEBI Registration No. IN-DP-NSDL-567-2021) having registered office at Altimus, Level 39 & 40, Pandurang Budhkar Marg, Worli, Mumbai 400018, India; Telephone no. +91-22-61181000; Compliance Officer Details: Mr. Tejarshi Hardas, Tel. No.: +91-22-61181000 or Email: tejarshi.hardas@morganstanley.com; Grievance officer details: Mr. Tejarshi Hardas, Tel. No.: +91-22-61181000 or Email: msic-compliance@morganstanley.com. Morgan Stanley India Company Private Limited (MSICPL) may use AI tools in providing research services. All recommendations contained herein are made by the duly qualified research analysts; in Canada by Morgan Stanley Canada Limited; in Germany and the European Economic Area where required by Morgan Stanley Europe S.E., authorised and regulated by Bundesanstalt fuer Finanzdienstleistungsaufsicht (BaFin) under the reference number 149169; in the US by Morgan Stanley & Co. LLC, which accepts responsibility for its contents. Morgan Stanley & Co. International plc, authorized by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, disseminates in the UK research that it has prepared, and research which has been prepared by any of its affiliates, only to persons who (i) are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Order"); (ii) are persons who are high net worth entities falling within Article 49(2)(a) to (d) of the Order; or (iii) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, as amended) may otherwise lawfully be communicated or caused to be communicated. RMB Morgan Stanley Proprietary Limited is a member of the JSE Limited and A2X (Pty) Ltd. RMB Morgan Stanley Proprietary Limited is a joint venture owned equally by Morgan Stanley International Holdings Inc. and RMB Investment Advisory (Proprietary) Limited, which is wholly owned by FirstRand Limited. The information in Morgan Stanley Research is being disseminated by Morgan Stanley Saudi Arabia, regulated by the Capital Market Authority in the Kingdom of Saudi Arabia, and is directed at Sophisticated investors only.

The information in Morgan Stanley Research is being communicated by Morgan Stanley & Co. International plc (DIFC Branch), regulated by the Dubai Financial Services Authority (the DFSA) or by Morgan Stanley & Co. International plc (ADGM Branch), regulated by the Financial Services Regulatory Authority Abu Dhabi (the FSRA), and is directed at Professional Clients only, as defined by the DFSA or the FSRA, respectively. The financial products or financial services to which this research relates will only be made available to a customer who we are satisfied meets the regulatory criteria of a Professional Client. A distribution of the different MS Research ratings or recommendations, in percentage terms for Investments in each sector covered, is available upon request from your sales representative.

The information in Morgan Stanley Research is being communicated by Morgan Stanley & Co. International plc (QFC Branch), regulated by the Qatar Financial Centre Regulatory Authority (the QFCRA), and is directed at business customers and market counterparties only and is not intended for Retail Customers as defined by the QFCRA.

As required by the Capital Markets Board of Turkey, investment information, comments and recommendations stated here, are not within the scope of investment advisory activity. Investment advisory service is provided exclusively to persons based on their risk and income preferences by the authorized firms. Comments and recommendations stated here are general in nature. These opinions may not fit to your financial status, risk and return preferences. For this reason, to make an investment decision by relying solely to this information stated here may not bring about outcomes that fit your expectations.

The trademarks and service marks contained in Morgan Stanley Research are the property of their respective owners. Third-party data providers make no warranties or representations relating to the accuracy, completeness, or timeliness of the data they provide and shall not have liability for any damages relating to such data. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and S&P.

Morgan Stanley Research, or any portion thereof may not be reprinted, sold or redistributed without the written consent of Morgan Stanley.

Indicators and trackers referenced in Morgan Stanley Research may not be used as, or treated as, a benchmark under Regulation EU 2016/1011, or any other similar framework.

The issuers and/or fixed income products recommended or discussed in certain fixed income research reports may not be continuously followed. Accordingly, investors should regard those fixed income research reports as providing stand-alone analysis and should not expect continuing analysis or additional reports relating to such issuers and/or individual fixed income products.

Morgan Stanley may hold, from time to time, material financial and commercial interests regarding the company subject to the Research report.

Registration granted by SEBI and certification from the National Institute of Securities Markets (NISM) in no way guarantee performance of the intermediary or provide any assurance of returns to investors. Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

INDUSTRY COVERAGE: Semiconductors

COMPANY (TICKER)	RATING (AS OF)	PRICE* (07/10/2026)
Joseph Moore		
Advanced Micro Devices (AMD.O)	E (06/09/2024)	$557.89
Aeva Technologies Inc (AEVA.O)	E (07/19/2021)	$20.99
Allegro Microsystems Inc (ALGM.O)	O (02/13/2026)	$54.87
Ambarella Inc (AMBA.O)	O (03/29/2016)	$77.30
Amkor Technology Inc (AMKR.O)	E (11/08/2023)	$70.47
Analog Devices Inc. (ADI.O)	O (11/16/2023)	$395.65
Astera Labs Inc (ALAB.O)	O (05/11/2025)	$412.97
Broadcom Inc. (AVGO.O)	O (06/09/2024)	$399.97
Cerebras Systems (CBRS.O)	O (06/08/2026)	$215.08
GlobalFoundries Inc (GFS.O)	E (10/28/2024)	$68.97
Intel Corporation (INTC.O)	E (02/22/2023)	$109.84
IonQ Inc (IONQ.N)	E (04/25/2023)	$42.86
Marvell Technology Group Ltd (MRVL.O)	E (09/14/2015)	$235.81
Microchip Technology Inc. (MCHP.O)	E (07/10/2024)	$88.59
Micron Technology Inc. (MU.O)	O (10/06/2025)	$979.30
Navitas Semiconductor Corp (NVTS.O)	U (04/06/2025)	$13.47
NVIDIA Corp. (NVDA.O)	O (03/16/2023)	$210.96

NXP Semiconductor NV (NXPI.O)	O (02/11/2025)	$292.26
ON Semiconductor Corp. (ON.O)	++	$95.96
Qorvo Inc (QRVO.O)	E (10/28/2025)	$85.81
Qualcomm Inc. (QCOM.O)	E (06/24/2026)	$189.16
Quantinuum (QNT.O)	E (06/29/2026)	$70.45
SanDisk Corporation. (SNDK.O)	O (03/03/2025)	$1,915.92
Semtech Corp. (SMTC.O)	E (04/06/2025)	$136.13
Silicon Laboratories Inc. (SLAB.O)	E (01/19/2021)	$218.63
Skyworks Solutions Inc (SWKS.O)	E (11/28/2018)	$60.38
Texas Instruments (TXN.O)	U (04/13/2020)	$311.46
Wolfspeed, INC (WOLF.N)	NR (04/06/2025)	$35.29
Lee Simpson		
Arm Holdings plc (ARM.O)	E (04/07/2026)	$323.39
Cadence Design Systems Inc (CDNS.O)	O (02/14/2024)	$384.17
Synopsys Inc. (SNPS.O)	E (02/27/2026)	$445.50

Stock Ratings are subject to change. Please see latest research for each company.
* Historical prices are not split adjusted.

© 2026 Morgan Stanley