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UPDATE

September 14, 2026 04:42 AM GMT

Semiconductors | North America

Weekly: Highlighting Cerebras OW; ON Analyst Day

We think that the recent selloff in Cerebras provides an attractive entry point, and we repeat our working hypothesis that both low latency inference and disaggregation are key growth drivers. We also provide context for ON's upcoming analyst day.

Why we think this is a good entry point into Cerebras. Cerebras stock has sold off by 17% in the last month, which we think sets up a good entry point given that the company's core competency is increasing in importance.

The market for fast inference continues to heat up, and while there is focus on competing products from NVIDIA/Groq as well as others, we see Cerebras with a significant early lead. The bear case continues to be that larger models will not fit into a single wafer scale structure, but the company continues to show strong results with large parameter count models - and the recent introduction of CS4 makes it very clear that they can scale beyond a single wafer.

We also see an increasing push to disaggregation of inference workloads, which will result in breaking out a separate step for prefill, which is not particularly memory bound, to optimize around DRAM constraints. This is central to the AMD and Amazon partnerships, but this is increasingly a focus of all hyperscalers looking to work around memory constrains.

The stock has traded off sharply despite these factors, despite two good quarters post IPO, and this looks to be a good entry point. Our price target of $279 is 13x '28 revenues, in line with other SMID cap AI names. We have postulated that given the top two AI processor companies with almost $7 trillion in combined market cap, that a point of market share should be worth more than $50 bn, and the current contract with a single customer takes the company into that ballpark by CY28 - with material potential for upside.

ON Investor Day (Wednesday, September 16th): ON will host its first Analyst Day since May 2023, when mgmt laid out its long-term model for 10-12% revenue CAGR through 2027, 53% GM, ~40% OPM and 25-30% FCF margins. Since then, the company has continued to reiterate its longer-term margin targets, though the original 2027 timing has become less explicit. We expect the focus to be on an updated growth model across AI data center, automotive/SiC and industrial, including how recent content/TAM expansion factors into the longer-term outlook.

On margins, key areas of focus include utilization, remaining Fab Right benefits and the contribution from higher-margin new products to the longer-term GM target. We also expect an update on capital intensity/FCF and how the pending Synaptics acquisition fits into ON's longer-term strategic and financial model.

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SEMICONDUCTORS
North America
Industry View **Attractive**

investors should be aware that the firm may have a conflict of

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.

Semiconductor Coverage – Valuation / Stock Performance

Exhibit 1: Weekly stock performance

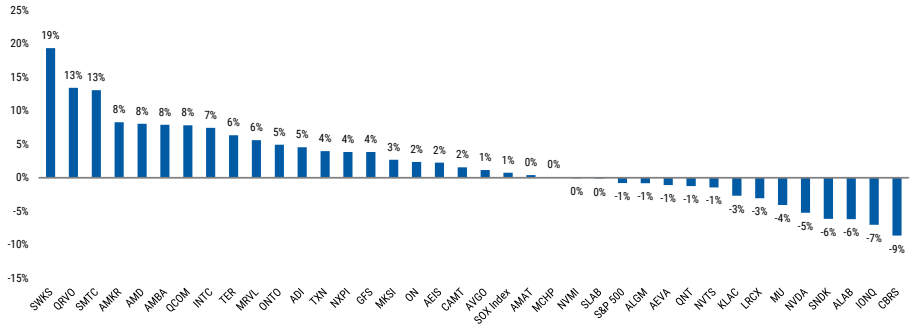


Exhibit 2: Monthly stock performance

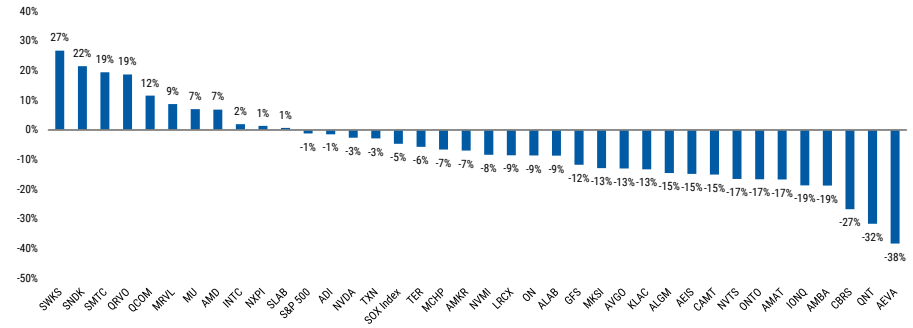
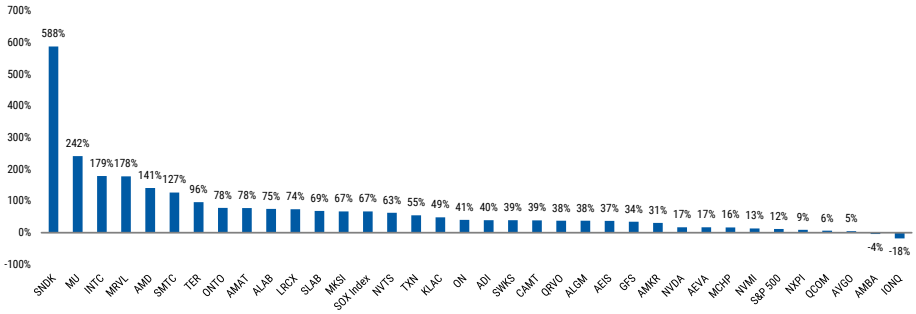


Exhibit 3: YTD stock performance





Semis Week Ahead

Exhibit 4: September 14th - September 18th, 2026



Monday, September 7th

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

Tuesday, September 8th
Citi TMT Conference - Day 1
AMAT - 8:50am ET
AMD - 9:30am ET
NVMI - 10:10am ET
SNDK - 12:35pm ET
NVTS - 1:15pm ET
Goldman Sachs Communacopia + Tech Conference - Day 1
QCOM - 11:45am ET
GFS - 5:25pm ET
Infineon - NTS
IONQ Investor Day
12:30pm ET

Wednesday, September 9th
Citi TMT Conference - Day 2
ALAB - 8:50am ET
KLAC - 9:30am ET
LRCX - 10:10am ET
AMBA - 1:55pm ET
ONTO - 3:55pm ET
Goldman Sachs Communacopia + Tech Conference - Day 2
ANET - 11:10am ET
SNDK - 2:30pm ET
TER - 4:45pm ET
AMAT - 5:25pm ET
NXP, ASML - NTS

Thursday, September 10th
Citi TMT Conference - Day 3
AEIS - 8:50am ET
Goldman Sachs Communacopia + Tech Conference - Day 3
NVDA - 11:50am ET
LRCX - 12:30pm ET
SWKS - 5:25pm ET

Friday, September 11th
Goldman Sachs Communacopia + Tech Conference - Day 4
AEVA - 11:50am ET
AMD - 11:50am ET
KLAC - 12:30pm ET

LOOKING AHEAD
September 13th-15th
All-In Summit
NVDA, SPCX, MSFT - https://theallinsummit.com/

September 15th-17th
AI Infra Summit 2026
https://www.ai-infra-summit.com/

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

September 21st-23rd
Data Center World Power
https://dcwpower.com/

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

Tuesday, September 22nd
JPM All Stars Conference
ADI - 8:00am ET

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

September 28th-October 1st
IMAPS Symposium 2026
https://imaps.org/page/IMAPS-Symposium

Wednesday, September 30th
SNPS Investor Day
1:00pm ET
MU Earnings
4:30pm ET

Tuesday, October 6th
MRVL Investor Day

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

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

Thursday, October 15th
SMTC Data Center Teach-In
Link TBD

Tuesday, October 20th
Synaptics Tech Day 2026
https://investor.synaptics.com/events-and-presentations/events

October 20th-22nd
NVDA GTC Berlin
https://www.nvidia.com/en-eu/gtc/

Wednesday, October 21st
NVDA CEO Jensen Huang Keynote
5:00am-7:00am ET
Livestream/link: TBD

Wednesday, October 21st
NVDA Financial Analyst Q&A with NVIDIA Management
10:00am-12:00pm ET
Livestream/link: TBD

Friday, November 6th
TSMC Japan OIP Ecosystem Forum
https://pr.tsmc.com/english/events

Monday, November 9th
ENTG Investor Day
https://www.semiconeuropa.org/

November 10th-13th
SEMICON Europa
https://www.semiconeuropa.org/
electronica 2026
https://electronica.de/en/trade-fair/plan-your-visit/opening-hours/

Thursday, November 12th
TSMC Taiwan OIP Ecosystem Forum
https://pr.tsmc.com/english/events

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

Tuesday, November 17th
TSMC China OIP Ecosystem Forum
https://pr.tsmc.com/english/events

November 17th-19th
TomorrowX Summit - https://tomorrowxsummit.com/
NVDA, ALAB, MU, ARM

November 30th-December 3rd
NVDA GTC Washington
https://www.nvidia.com/gtc/dc/

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

Thursday, December 17th
ONTO Investor Day
TBD

January 6th-9th, 2027
CES 2027
https://www.ces.tech/

February 17th-19th, 2027
SEMICON Korea
https://www.semiconkorea.org/en

March 7th-11th, 2027
OFC 2027
https://www.ofcconference.org/en-us/home/about/future-dates/

March 14th-18th, 2027
NVIDIA GTC 2027
https://www.nvidia.com/gtc/faq/

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	$516.1	$290	$465	$700	-10%
CBRS	OW	$191.9	$90	$279	$400	45%
INTC	EW	$102.9	$50	$84	$137	-18%
NVDA	OW	$218.3	$160	$300	$350	37%
Memory						
MU	OW	$975.3	$675	$1,200	$1,650	23%
SNDK	OW	$1,633.4	$1,100	$1,750	$2,635	7%
Capital Equipment						
AEIS	OW	$287.3	$255	$439	$634	53%
AMAT	EW	$456.5	$413	$642	$893	41%
CAMT	EW	$148.0	$115	$165	$223	12%
KLAC	OW	$180.6	$165	$253	$325	40%
LRCX	OW	$298.2	$236	$367	$481	23%
MKSI	OW	$267.3	$278	$439	$595	64%
NVMI	EW	$371.8	$307	$461	$639	24%
ONTO	OW	$281.3	$244	$360	$486	28%
TER	EW	$379.7	$273	$397	$535	5%
Comm-IC / Multi-Market						
ALAB	OW	$291.2	$208	$382	$490	31%
AMBA	OW	$67.9	$34	$96	$136	41%
AVGO	OW	$362.0	$300	$505	$640	40%
MRVL	EW	$236.1	$143	$246	$376	4%
QCOM	EW	$182.0	$104	$220	$298	21%
QRVO	EW	$116.7	$40	$84	$110	-28%
SMTC	EW	$167.2	$108	$195	$294	17%
SWKS	EW	$88.4	$43	$72	$105	-19%
Analog / MCUs						
ADI	OW	$378.8	$370	$458	$548	21%
ALGM	OW	$36.3	$44	$52	$72	43%
MCHP	EW	$74.2	$75	$103	$129	39%
NVTS	UW	$11.6	$6.3	$12.6	$20.9	8%
NXPI	OW	$236.6	$270	$338	$404	43%
ON	NC	$76.1	++	++	++	-
SLAB	EW	$220.3	$83	$231	$265	5%
TXN	UW	$268.7	$213	$255	$302	-5%
Components						
AEVA	EW	$15.5	$5.0	$27.0	$73.0	74%
Foundry						
AMKR	EW	$51.7	$49	$70	$89	35%
GFS	EW	$47.0	$34	$60	$86	28%
Quantum Computing						
IONQ	EW	$36.8	$6	$49.0	$110	33%
QNT	EW	$49.0	$12	$78.0	$160	59%

Exhibit 6: MS vs. Street

		CY2027e EPS				CY2027e Revenue			
		MS	Consensus	% Diff		MS	Consensus	% Diff
OW	ADI	$16.94	$17.15	(1%)	ADI	$18,513	$18,793	(1%)
	AEIS	$16.91	$15.19	11%	AEIS	$3,261	$3,009	8%
	ALAB	$5.83	$6.49	(10%)	ALAB	$2,953	$3,079	(4%)
	ALGM	$1.48	$1.38	8%	ALGM	$1,264	$1,238	2%
	AMBA	$0.82	$1.03	(21%)	AMBA	$485	$490	(1%)
	AVGO	$19.63	$21.07	(7%)	AVGO	$182,575	$191,819	(5%)
	CBRS	$1.03	$1.30	(21%)	CBRS	$2,883	$2,954	(2%)
	KLAC	$6.23	$6.09	2%	KLAC	$20,430	$19,899	3%
	LRCX	$11.26	$10.66	6%	LRCX	$39,626	$38,209	4%
	MKSI	$19.03	$17.50	9%	MKSI	$6,443	$6,113	5%
	MU	$180.48	$160.61	12%	MU	$285,950	$260,374	10%
	NVDA	$9.21	$15.15	(39%)	NVDA	$405,968	$663,431	(39%)
	NXPI	$18.76	$18.18	3%	NXPI	$15,767	$15,932	(1%)
	ONTO	$12.89	$11.76	10%	ONTO	$2,028	$1,881	8%
	SNDK	$211.96	$236.04	(10%)	SNDK	$48,964	$53,453	(8%)
EW	AEVA	-$1.85	-$1.59	17%	AEVA	$74	$70	5%
	AMAT	$20.45	$19.63	4%	AMAT	$50,160	$48,417	4%
	AMD	$15.54	$15.84	(2%)	AMD	$88,987	$88,953	0%
	AMKR	$2.32	$2.75	(15%)	AMKR	$8,421	$8,623	(2%)
	CAMT	$5.01	$4.89	2%	CAMT	$788	$755	4%
	GFS	$2.44	$2.53	(4%)	GFS	$8,038	$8,206	(2%)
	INTC	$2.00	$2.08	(4%)	INTC	$71,264	$72,287	(1%)
	IONQ	-$0.64	-$1.50	(57%)	IONQ	$911	$774	18%
	MCHP	$4.10	$4.33	(5%)	MCHP	$7,095	$7,174	(1%)
	MRVL	$6.68	$6.55	2%	MRVL	$18,033	$17,678	2%
	NVMI	$14.13	$13.66	3%	NVMI	$1,414	$1,360	4%
	QCOM	$10.89	$10.90	(0%)	QCOM	$47,259	$46,835	1%
	QNT	-$1.55	-$1.64	(6%)	QNT	$63	$61	4%
	QRVO	$8.04	$7.92	2%	QRVO	$3,586	$3,631	(1%)
	SLAB	$4.14	$4.51	(8%)	SLAB	$1,073	$1,081	(1%)
	SMTC	$5.65	$5.64	0%	SMTC	$1,895	$1,906	(1%)
	SWKS	$5.31	$5.17	3%	SWKS	$4,101	$4,104	(0%)
	TER	$11.91	$11.75	1%	TER	$6,476	$6,241	4%
UW	NVTS	-$0.10	-$0.12	(16%)	NVTS	$68	$73	(6%)
	TXN	$9.80	$10.27	(5%)	TXN	$23,832	$24,977	(5%)
++	ON	$4.42	$4.50	(2%)	ON	$7,551	$7,395	2%

Revenue and EPS Growth

Exhibit 7: 2025-27e Revenue CAGR

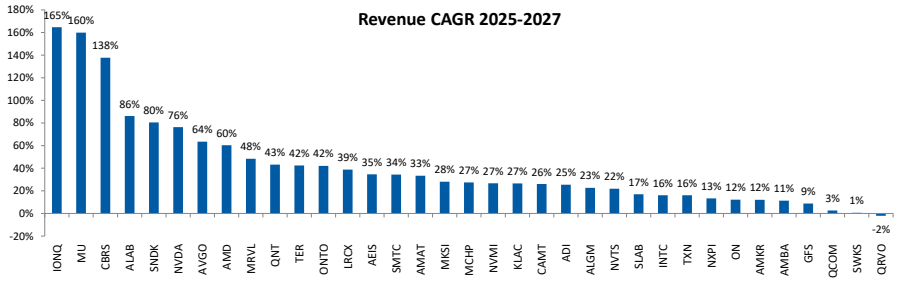
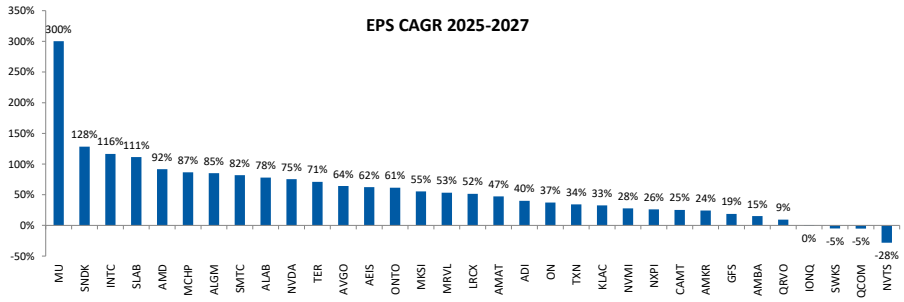


Exhibit 8: 2025-27e EPS CAGR



Inventory

Exhibit 9: Semiconductor Company inventory is at 118 days, up 5 days q/q, which is 1 day behind of the seasonal increase of 4 days. DOI is 24 days above the historical median and trailing 4-quarters slightly increased...

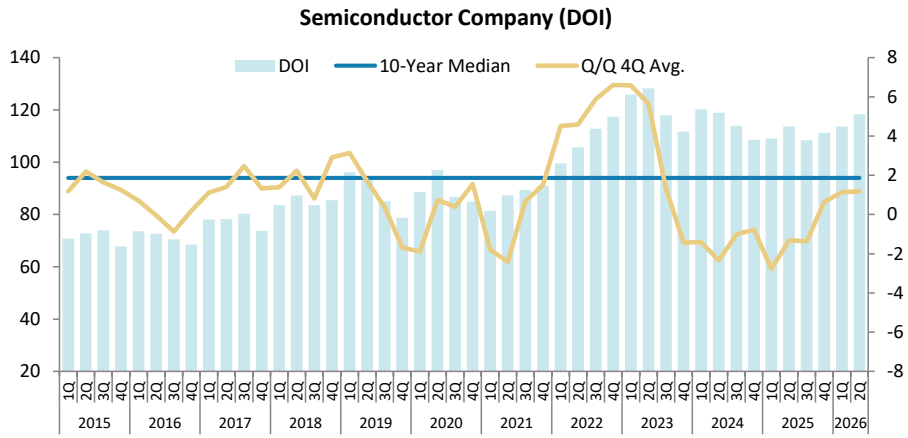


Exhibit 10: Semi Customer DOI remained flat sequentially to 60 days vs a seasonal decrease of 0 days. DOI is above the historical median and trailing 4 quarters increased from last quarter.

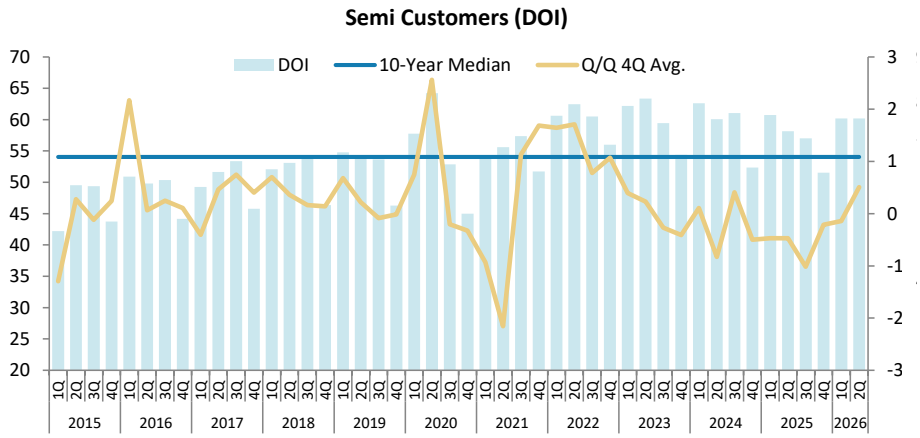
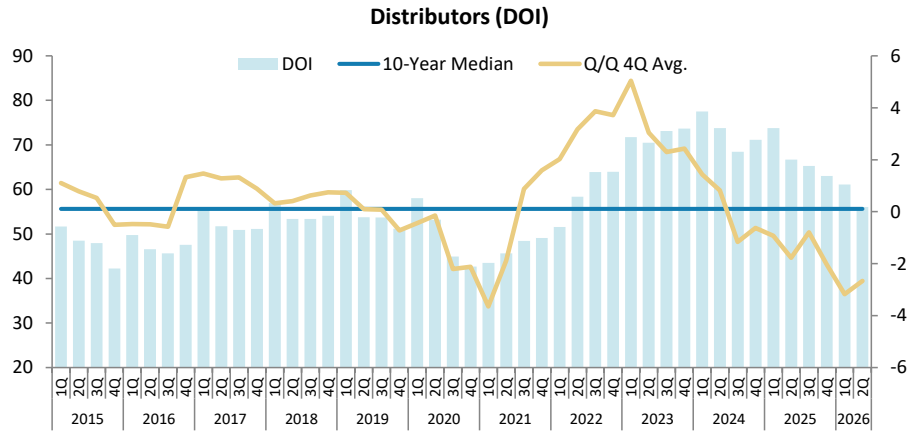


Exhibit 11: Distributor inventory is at 56 days, down 5 days q/q, above seasonal decrease of 1 day. DOI is in-line with the historical median while trailing 4-quarters increased sequentially.



Short Interest

Exhibit 12: Short Interest as % of Float

	11/Sep/25	12/Jun/26	12/Jul/26	12/Aug/26	11/Sep/26
ADI	1.5%	2.0%	2.5%	2.0%	1.8%
AEIS	6.6%	5.7%	3.7%	4.7%	4.3%
AEVA	11.8%	10.4%	6.7%	7.9%	8.7%
ALAB	5.3%	6.9%	7.3%	5.3%	5.2%
ALGM	4.7%	6.4%	8.3%	5.9%	6.9%
AMAT	2.8%	2.5%	2.5%	1.8%	2.0%
AMBA	4.7%	5.0%	7.5%	11.7%	9.9%
AMD	2.4%	2.7%	2.5%	2.3%	2.6%
AMKR	2.3%	3.4%	3.6%	3.6%	3.8%
AVGO	0.8%	1.2%	1.5%	1.3%	1.1%
CAMT	8.0%	6.5%	5.8%	5.7%	7.7%
CBRS		2.5%	5.7%	5.4%	5.6%
GFS	2.2%	1.4%	1.3%	1.2%	1.2%
INTC	2.0%	2.6%	2.4%	2.4%	2.9%
IONQ	10.9%	14.3%	10.9%	12.4%	10.1%
KLAC	2.6%	26.9%	2.6%	0.2%	2.3%
LRCX	2.5%	2.6%	2.3%	2.2%	2.2%
MCHP	3.9%	6.0%	7.2%	6.7%	6.0%
MKSI	6.1%	6.5%	7.3%	8.5%	9.2%
MRVL	3.5%	4.0%	3.9%	4.1%	4.4%
MU	2.9%	3.3%	2.8%	2.6%	2.6%
NVDA	0.8%	1.2%	1.3%	1.2%	1.2%
NVMI	6.0%	5.6%	4.6%	4.6%	6.6%
NVTS	16.3%	13.8%	13.2%	15.1%	15.3%
NXPI	2.8%	3.3%	3.5%	3.5%	3.4%
ON	9.5%	8.0%	7.6%	7.9%	7.8%
ONTO	4.2%	4.0%	5.4%	5.4%	5.0%
QCOM	1.7%	4.3%	3.8%	3.3%	3.2%
QNT			12.7%	7.4%	7.8%
QRVO	3.3%	7.9%	7.7%	7.4%	5.6%
SLAB	4.3%	7.1%	6.9%	8.6%	8.3%
SMTC	8.8%	6.8%	6.0%	7.8%	8.1%
SNDK	5.9%	6.3%	4.9%	4.7%	4.1%
SWKS	8.7%	18.7%	19.2%	20.8%	23.0%
TER	4.5%	4.4%	5.8%	5.1%	4.5%
TXN	1.8%	2.1%	1.8%	1.8%	2.3%
AVERAGE	5.0%	6.3%	5.5%	5.6%	5.8%
MEDIAN	4.1%	5.6%	4.9%	4.7%	4.5%

agreement to acquire Synaptics Incorporated ("Synaptics"), as announced on June 25, 2026. The proposed transaction is subject to approval by Synaptics' shareholders, receipt of required regulatory approval and other customary closing conditions. This report and the information provided herein is not intended to (i) provide voting advice, (ii) serve as an endorsement of the proposed transaction, or (iii) result in the procurement, withholding or revocation of a proxy or any other action by a security holder. Onsemi has agreed to pay

report.

Valuation Methodology and Risks

Cerebras Systems (CBRS.O)

13x multiple on our 2028 adjusted revenue of $6.3bn. We comp Cerebras to AI semis cohort and 13x is in-line with with smid cap AI names with near 100% AI exposure that are outgrowing the overall market.

Risks to Upside

- Contract Extension
- Additional customer
- Capacity deployment

Risks to Downside

- Capacity deployment/infrastructure risk
- Customer concentration risk
- Competitive risk