

NVIDIA Corporation (NVDA)

Fundamental Analysis Report

Sector: Technology | Industry: Semiconductors | Country: United States

AI Strong Buy Score: 88%

STRONG BUY CANDIDATE

NVDA exhibits exceptional growth with strong and consistent revenue and earnings momentum, elite margins (gross ~70%, operating ~63%, net ~53%), and outstanding returns (ROE ~107%, ROA ~54%) supported by a cash-rich, low-debt balance sheet. Its forward valuation (~24x PE) appears attractive relative to its quality and growth trajectory and likely structural advantages. Watch items include the very high payout ratio, unknown FCF profile, and partial dilution, but the long-term fundamentals remain compelling.

88%

Key Financial Metrics

Metric	Value	Metric	Value
Total Cash	\$60.61B	Total Debt	\$10.82B
Gross Margin	70.0%	Net Margin	53.0%
ROE	107.4%	P/E (TTM)	46.1x
P/E (Forward)	24.5x	Current Ratio	4.47

Ratings Summary

Category	Rating
1. Business Moat	LIKELY STRONG
2. Revenue Growth Consistency	STRONG & CONSISTENT
3. Margin Quality	STRONG QUALITY
5. Balance Sheet Safety	STRONG

6. Returns on Capital (ROE / ROA)	STRONG
8. Valuation vs Growth	ATTRACTIVE VS GROWTH
9. Structural vs Cyclical Growth	LIKELY STRUCTURAL

Detailed Analysis

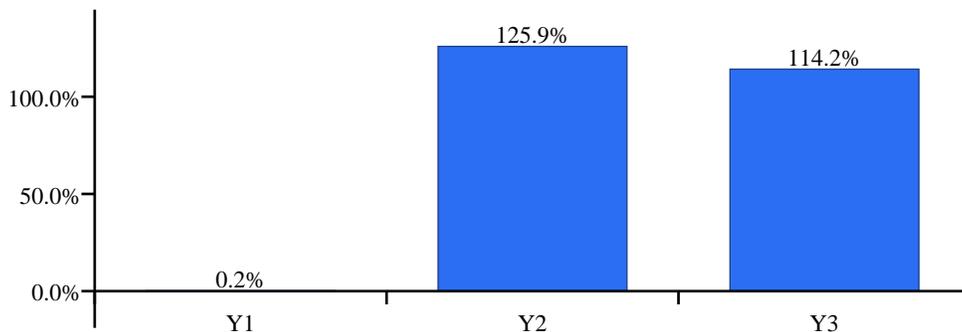
1. Business Moat **LIKELY STRONG**

- Gross margin around 70.0% and ROE around 107.4% indicate strong pricing power and capital efficiency.
- These metrics usually reflect a durable competitive advantage (technology, brand, ecosystem).
- Moat assessment is always partly qualitative and should be validated with business research.

2. Revenue Growth Consistency **STRONG & CONSISTENT**

- Historical YoY revenue growth (annual): [0.2, 125.9, 114.2]%.
- All years positive, with average growth around 80.1% per year.

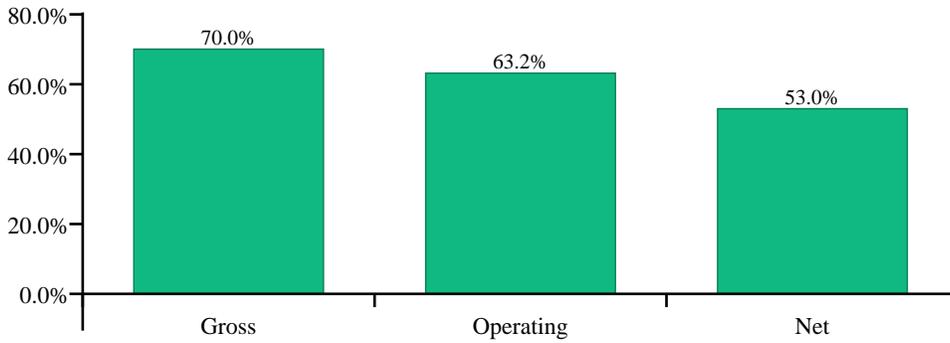
Annual Revenue Growth (YoY)



3. Margin Quality **STRONG QUALITY**

- Current margins (TTM approx):
 - - Gross margin: 70.00%
 - - Operating margin: 63.20%
 - - Net margin: 53.00%
- Strong margins support high-quality earnings, but trend over time should also be reviewed.

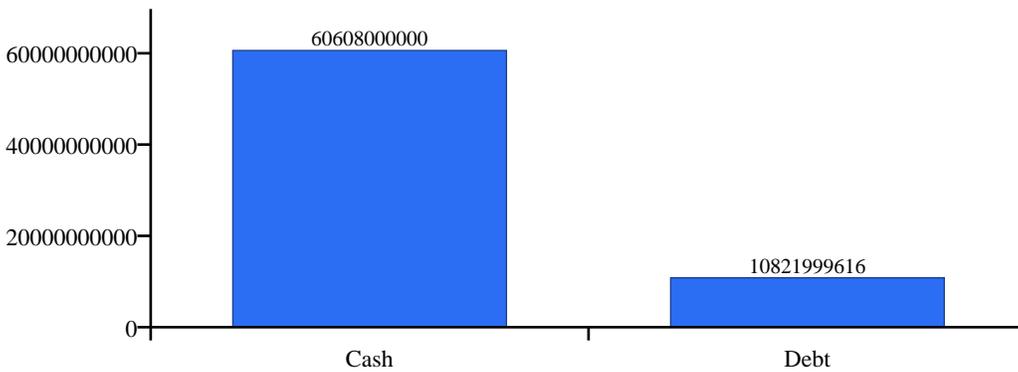
Profit Margins Comparison



5. Balance Sheet Safety *STRONG*

- Total cash: \$60.61B
- Total debt: \$10.82B
- Current ratio: 4.47
- Quick ratio: 3.60
- Liquidity and cash position look solid relative to debt.

Cash vs Debt Position

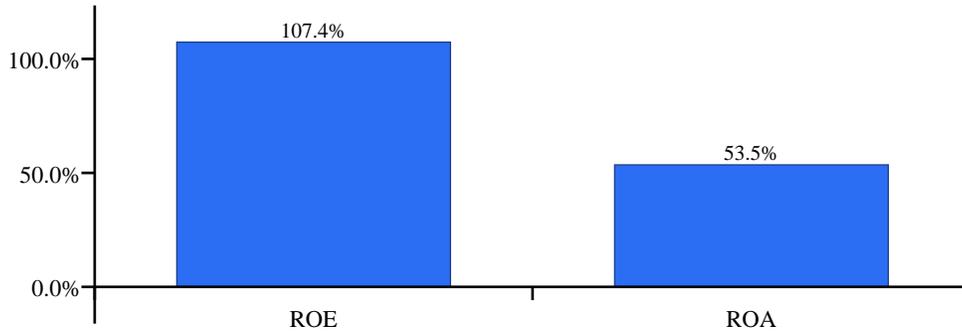


Total Cash: \$60.61B | Total Debt: \$10.82B

6. Returns on Capital (ROE / ROA) *STRONG*

- Return on Equity (ROE, TTM): \$107.40%
- Return on Assets (ROA, TTM): \$53.50%
- Returns on capital are well above typical quality thresholds.

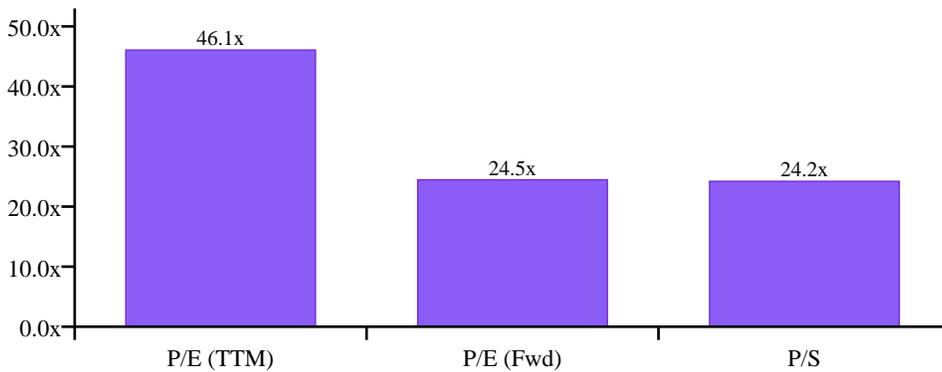
Return Metrics



8. Valuation vs Growth **ATTRACTIVE VS GROWTH**

- Trailing P/E: 46.1
- Forward P/E: 24.5
- Price-to-Sales (TTM): 24.2
- Revenue growth (TTM): 62.5%
- Earnings growth (TTM): 66.7%
- Rough PE/growth (PEG-style): 0.39
- Valuation looks attractive relative to current growth rate (on a simple PEG basis).

Valuation Multiples



9. Structural vs Cyclical Growth **LIKELY STRUCTURAL**

- Sector (Technology) is typically driven by long-term secular themes (innovation, digitalization, AI, etc.).