Friday 14 August 2026 · U.S. night · after the cash close · same research as this morning, plus what actually printed · written for a smart friend who invests

A 30-second glossary

Word	What it means here
PPI	Producer Price Index. The bill factories pay. Thursday: headline unchanged vs +0.2% expected, +4.7% year vs +4.9%.
Retail sales	What shops rang up. July printed Friday: -0.6% vs +0.1% expected. First drop in nine months.
UMich sentiment	University of Michigan survey of how people feel about money. August prelim: 51.0 from 55.2.
Pause vs hike	Pause = Fed leaves rates alone. Recaps put September no-change near two-thirds after the weak shopper data.
NBM / NAND	NBM = a multi-year memory deal already signed. NAND = flash chips. Sandisk sold years of this book.
Lock-up / as-converted	Lock-up = IPO shares that cannot sell yet. As-converted = count options as if they were shares. SpaceX still lives here.

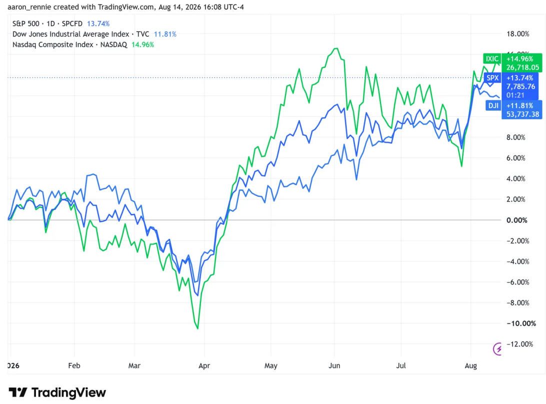
1. The close in plain English

The morning call was chop around 7,800, memory still leads, Applied stays offered, oil is a tax not a crash. The cash session printed that movie almost frame for frame.

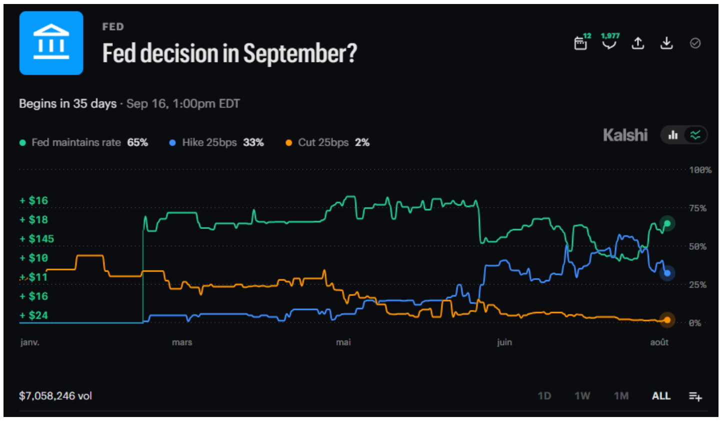
The S&P 500, the basket of the 500 biggest U.S. companies, closed at 7,785.76, down 0.17% or about 13 points from Thursday's record 7,798.99. It spent the day in a few yards of that high. The Nasdaq finished at 26,729.16, down 0.28%. The Dow closed at 53,732.41, down 0.20%. The Russell 2000, the small-company basket, was the adult in the room: +0.51% to 3,068.42. Think of it like a party that already happened Thursday. Friday they left the balloons up and swept the floor.

For the week the S&P still rose about 0.4%, a third straight weekly gain. The Nasdaq eked out about +0.1%. The Dow lost about 0.6% and snapped a two-week win. Year to date the three big indexes are still up roughly 12% to 15%. Volume was very light: about 9.6 billion shares versus a 20-session average near 17.4 billion. Advancers beat decliners by about 1.1 to 1. The headline was red. The inside of the market was a shrug.

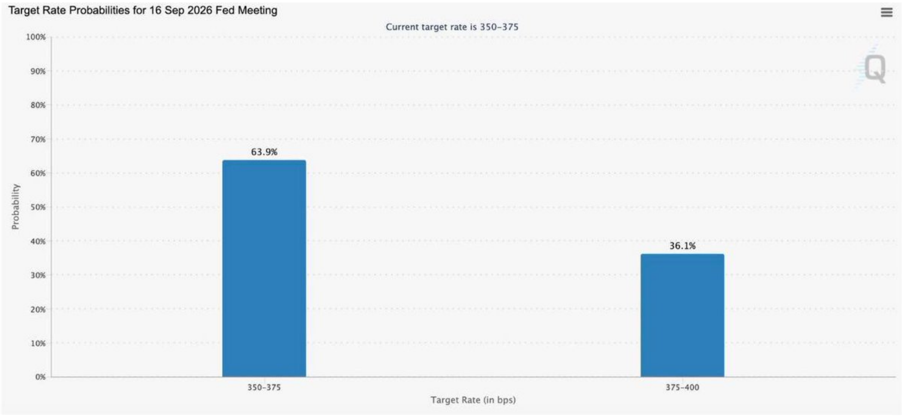
Two new objects printed after the morning pack. July retail sales fell 0.6% versus a guess of +0.1%. That is the first monthly drop in nine months and the largest in 14 months. The control group that feeds GDP math fell 0.4% versus a guess of +0.3%. Sales are still about 5% above a year ago, so this is a stall, not a collapse. The University of Michigan's first look at August mood dropped to 51.0 from 55.2 (guess near 54.5). One-year inflation expectations ticked up to 4.3%. Five-year held at 3.3%. So what: shoppers spent less and feel worse, while they still worry prices will stay high. That is a messy mix for the Fed, not a clean rate-cut parade.



TradingView / Investopedia · Friday 14 Aug close · S&P; slipped 0.17% from the record and still booked a third green week



Kalshi / wire snapshot after the two-print inflation week · treat as a live book, not an official Fed forecast



X recap card · September pause odds after cooler C P I, then cooler P P I · still the weekend setup

2. Macro: weak shops, oil talks back, the 10-year does not celebrate

Think of Friday as two movies again, just with receipts. Movie one: shoppers rang up less and told the Michigan survey they feel worse. That is why hike odds eased further, toward about two-thirds chance the Fed sits still in September. Movie two: oil and the long end of the bond market did not join the party. U.S. crude recaps finished about +1.3% to +1.4% near $82.25 to $82.40. Brent about +1.6% to +1.7% near $88.45 to $88.52. The 10-year yield, the government's borrowing rate that sets the tax on every future profit, rose about 4.7 to 5 basis points to roughly 4.69%. A basis point is one-hundredth of a percent. Five of them is not a crash. It is the market saying: weaker shops help the Fed, Hormuz still costs drivers.

Treasury Secretary Scott Bessent told Newsmax the U.S. will apply measures next week "like have never been seen in the history of the economic isolation of a country," meaning Iran. Wire recaps also had more Hormuz traffic trouble and a tanker drone strike still sitting as a First Squawk line from the morning. Treat the extra ship-attack color as a circulating recap until a named hull and photos settle. The price that did settle is oil holding the $82s after Thursday's inventory-build dip. Gold was a little bid (Investopedia close recap about +0.3% toward $4,435). Bitcoin near $62,900. The dollar index eased about 0.3% to 99.67.

Item	The number	In English
S&P / Nasdaq / Dow	7,785.76 -0.17% · 26,729.16 -0.28% · 53,732.41 -0.20%	Gave back a slice of Thursday's record. Still a third green week for the S&P.
Russell 2000	+0.51% to 3,068.42	Small companies beat the giants. Light volume, not a crash.
July retail sales	-0.6% vs +0.1% est. Control -0.4%. Still +5% year.	Shops stalled. Not a Depression print. Helps the no-hike case.
UMich Aug prelim	51.0 from 55.2. 1-year inflation 4.3%. 5-year 3.3%.	People feel worse and still expect pricey goods next year.
10-year	+4.7 to 5 bps, about 4.69%	Did not celebrate the weak shops. Oil and issuance kept the long end honest.
Oil	WTI ~$82.25 to $82.40 (+1.3-1.4%). Brent ~$88.45 to $88.52.	Hormuz premium came back. Energy stocks +~1.4%.
Week issuance	About $125B of new Treasury debt. Hyperscaler bonds ~$220B this year.	The long end has to absorb a lot of paper even when shops are soft.

"Unexpected weakness in consumer spending isn't good news for the wider economy, but markets may embrace the data in the near term because it strengthens the case for avoiding rate hikes."

Ellen Zentner, Morgan Stanley Wealth Management · 14 Aug (Investopedia)

Factory-gate energy was the cooler in Thursday's P P I · Friday oil bid that relief back a little

3. Memory kept the lead. Equipment and Broadcom paid the bar.

Sandisk (ticker SNDK) did the thing the morning pack asked: it kept the bid on a second cash session. Close recaps about +7.4% to +7.5% after Thursday's +14% to +16% Investor Day rip. That is not a one-meeting gap-and-fade. J.P. Morgan overweight language circulated (structural NAND inflection, inference demand). Wells Fargo's $1,550 target from overnight is still in the chat. Micron (ticker MU) followed about +2.3%. AMD (ticker AMD) jumped about +6.5% and was one of the day's cleanest large-cap winners. Memory and the second-source GPU name led. The pickaxe and the mega-cap networking chip did not.

Applied Materials (ticker AMAT) closed about -5.1% on a beat-and-raise. Q3 sales $9.12 billion versus about $9.0 billion, up 25% year over year. They guided the next quarter to about $10.25 billion versus Wall Street near $9.50 to $9.54 billion. Management said DRAM, leading-edge foundry logic, and advanced packaging are the growth, with 2026 packaging revenue expected to grow more than 70%. The stock still sold. So what: the factory is fine. The multiple already owned the factory. A great quarter is now table stakes.

Broadcom (ticker AVGO), about a $1.9 trillion company and the world's sixth-most-valuable listed name on Friday recaps, fell about 5.9% to 6% and was the worst stock in the S&P 500 and the Nasdaq 100. No new Broadcom quarter printed today. It was the market taking chips that had already run and charging them for being expensive. Intel recaps about -2%. Nvidia, the quiet leader, was basically flat at about $225.22, -0.04%. Information technology was the worst S&P sector, about -0.6%. Energy was the best, about +1.4%.

You still need Thursday's Sandisk slides to understand why Friday paid. Mid-to-high teens sales growth through fiscal 2028 to 2030. Gross margin, leftover after making the chips, about 80%. Operating margin about 75%. Free-cash-flow margin about 50%. Long NAND contracts recapped as covering about 50% of planned fiscal 2027 volume and about 67% of fiscal 2028, with about $94 billion of contracted value and $16.5 billion of financial guarantees. High-bandwidth flash samples are a 2027 pitch. TrendForce still sees NAND loosening in the second half of 2027. The fat years have an expiry. Friday's second-day bid says the Street is not treating that book as a one-day slide.

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August 13, 2026
U.S. Equity Research

Click here to view full report
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TMT: Semiconductors & Semiconductor Capital Equipment

Sandisk Corporation (SNDK)

Outperform | $1,344.29 | PT $1,900.00

Company Commentary

Investor Day: Higher for Longer, 80% GM Floor, >4Y Visibility, Buybacks and HBF Upside

SNDK hosted its investor day in NYC. **Key points: 1)** HBF die taped out with C27E sampling and potentially C28E volume ramps, driving HBM-like bandwidth at 1/8 the cost with better scaling, **2)** new financial model with mid- to high-teens% rev growth in F28-30E, implying >2x F30E vs cons, 80% GMs, potentially higher with NBM at 80% GM floor, with HBF upside as it is not in the model, **3)** we see sustained elevated NAND pricing (flat to up) in 2027E vs some expecting 15-20% decline, with strong Agentic/Edge AI, HBF stacking, and memory-starved consumer, **4)** 100% of excess cash to be returned to shareholders, with $15.5B buybacks authorized N-T, and **5)** 2/3 F28E capacity allocated to NBMs, potentially similar levels in F29E with >4Y visibility. **We reiterate SNDK as Outperform, $1,900PT** as the key AI enabler with strong AI DC build out, inference tailwinds, and HBF upside

Key Points

HBF driving HBM-like bandwidth at 1/10 the cost, BiCS9 sampling with BiCS10 ahead. SNDK noted we believe 16-stack HBF could deliver HBM-like bandwidth at 1/8 of the cost, while delivering 8-16x the capacity at similar cost to HBM, expecting first dies/controllers in C26E/C27E and potential for revenue in C28E. We believe HBF may not replace HBM but unlock disaggregated layouts (Ex-2) for AI inference with HBF consortium including GOOGL, META, SKHY, and Tenstorrent. SNDK noted roadmap to BiCS9, using CMOS-bonded array (CBA) driving capacity now sampling and BiCS10 launched and extending to BiCS13.

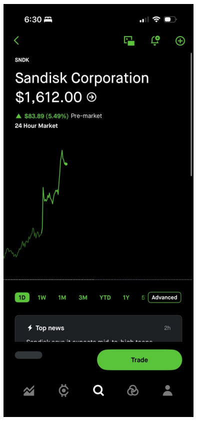
New financial model with 80% GM floor, implied revenue >$80B, with HBF driving potentially upside and 100% FCF shareholder return. SNDK noted ~17.5% revenue CAGR for F28-30E, which with consensus F28E at ~$59B, implies F30E revenue to ~$80B+ (>2x $35B consensus). SNDK targets >80% GM and >75% OM with strong operating leverage while NBM we believe gives 4+ years of visibility and durability of demand ($94B floor contract value) and a 80% GM floor. **SNDK noted HBF not accounted for in L-T model** which we believe drives significant upside. Management expects to return 100% of excess cash to shareholders with $15.5B N-T buyback authorization and potentially growing over time.

C27-30E multiple strong demand drivers, KV Cache, NBMs potentially at 2/3 of bits into F29E and buybacks (100% excess cash return). We believe consensus C27E ASPs estimates are down 15-20% y/y, but we see demand underestimated, and ASP flat to up, with strong Agentic/Edge AI, HBF, and starved consumer markets. SNDK noted NBMs at 2/3 of F28E bit capacity, with F29E potentially similar. We estimate SNDK FCF ~$30B for F27E, ~$50B for F28E, with SNDK noting 100% excess cash to buybacks (~$15.5B buyback authorized currently ~5-10% of outstanding shares), driving EPS.

Valuation

We rate SNDK Outperform with a $1,900PT, ~9x our F27E EPS, conservative vs. the SOX at ~16x and benefiting from NAND ASPs driving continued leadership in consumer NAND, AI Server demand for eSSD driving share gains, and synergies from its JV with Kioxia as BiCS8 ramps, supporting a strong product roadmap.

Sandisk Investor Day take · Friday was session two of the same book, not a new slide



Sandisk still bid into Friday · the cash session then added about +7.4%

Third Quarter Results

Applied generated record revenue of $9.12 billion. On a GAAP basis, the company reported gross margin of 50.3 percent, record operating income of $3.08 billion or 33.7 percent of revenue, and earnings per share (EPS) of $3.17.

On a non-GAAP basis, the company reported gross margin of 50.4 percent, record operating income of $3.10 billion or 34.0 percent of revenue, and record EPS of $3.50.

The company generated record cash from operations of $3.04 billion and distributed $860 million to shareholders through $440 million in share repurchases and $420 million in dividends.

“Applied Materials delivered another record-breaking quarter, including the highest sequential revenue growth in the company’s history,” said Gary Dickerson, President and CEO. “As the rapid global adoption of AI drives unprecedented demand for our materials engineering solutions, we are further raising our Semiconductor Systems revenue expectations for calendar 2026 and are confident we will grow faster than the market this year. Based on the increased demand visibility we are receiving from our customers, we expect another strong growth year for Applied Materials in 2027.”

“Applied Materials achieved its 13th consecutive quarter of year-over-year gross margin expansion, demonstrating the increasing value we create by enabling better chips, systems and fab returns,” said Brice Hill, Senior Vice President and CFO. “We expect continued strong revenue growth in the second half of the calendar year, particularly in DRAM as well as leading-edge foundry-logic and advanced packaging. Looking further ahead, we are making additional manufacturing capacity investments to support projected demand through the end of the decade.”

Applied Materials · beat, $10.25B guide, still about -5% on the cash close

Micron followed memory again · about +2.3% on the cash session

4. Permanent watchlist (after the close)

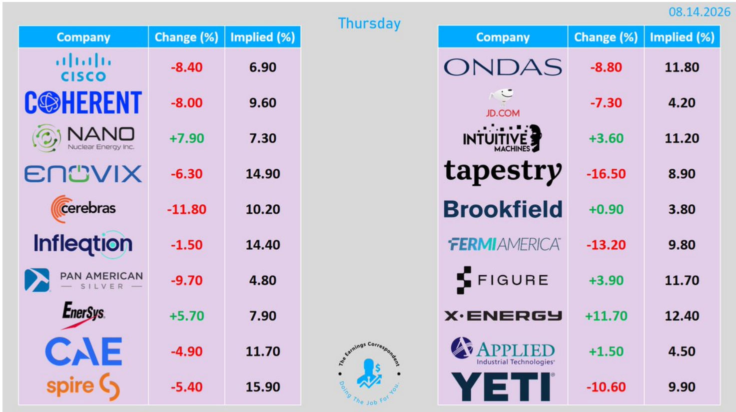
Company	Heat	What printed Friday, in English
Nvidia (NVDA)	Quiet leader	About $225.22, basically flat (-0.04%). Highest-close neighborhood from mid-May still intact. No new quarter. Iren's Microsoft hall is still the industrial receipt under the stock.
Apple (AAPL)	Inside 1%	Investopedia: none of the Mag 7 closed even 1% up or down. Houston Mac Mini plant from Thursday is still the last product crumb. No Friday print.
Microsoft (MSFT)	Tenant, not a print	Inside 1%. The news is still Iren: Microsoft accepted Horizon 1, 50 MW of liquid-cooled AI computers, three more halls due this year. No Microsoft filing Friday.
Google (GOOGL)	Quiet	Inside 1%. No company print. Communication services helped the tape a little versus pure chips.
Amazon (AMZN)	Quiet / soft sibling	Inside 1%. No AWS number. Still the long-run bill-payer for the halls other people are turning on.
Meta (META)	Inside 1%	Gave back some of Thursday's +2.8% bounce. No ads print. Pause-bid, not a product day.
Tesla (TSLA)	Held the $340s	Closed $342.27, +0.68% (Yahoo). Range $335.33 to $351.26. Tagged the $350s and faded. Volume about 45 million. Thursday was $339.96. Floor held. Robotaxi fleet still ~90-100 unsupervised.

Company	Heat	What printed Friday, in English
SpaceX (SPCX)	Held $140	Closed $140.00, -0.91% from Thursday's $141.29. Range $135.50 to $144.02. Volume about 94 million. After-hours about $140.64. Digestion, not a lock-up smash.
Palantir (PLTR)	Quiet	No new product metric Friday. Still a valuation fight, not the factory thermometer.
Micron (MU)	Second-day bid	About +2.3%. No Micron print. Followed Sandisk again. The cleaner second-order ticket still worked.
Sandisk (SNDK)	Hottest name	About +7.4% to +7.5% on session two of Investor Day. J.P. Morgan overweight language circulated. Memory still leads.
AppLovin (APP)	Quiet / damaged	No fresh print. Still last week's bank-cut name. Soft shops do not help an ads-and-growth multiple.
Broadcom (AVGO)	Sold the multiple	About -5.9% to -6%. Worst S&P / Nasdaq-100 name. No new quarter. High-expectation chip tax.
Reddit (RDDT)	Index event	About +13% after S&P said it joins Tuesday, replacing AvalonBay. J.P. Morgan recap: funds may need ~16.7 million shares. Forced buying, not a new ads number.

Tesla Thursday +4% into the $340s · Friday added +0.68% to $342.27 and tagged $351

通用名称	产品名称	纯电动续驶里程(km)	整车整备质量(kg)	动力蓄电池组总质量(kg)	动力蓄电池组总能量(kWh)
	乘用车				
特斯拉 MODEL Y	纯电动多用途乘用车	659	2027	448	78.4
ID.AURA T6	纯电动多用途乘用车	540	2026	441.5	59.9
ID.AURA T6	纯电动多用途乘用车	660	2126	543	77.5
M6	纯电动轿车	555	1628	378	51.9
M6	纯电动轿车	465	1557	323	42.9
M6	纯电动轿车	555	1628	378	51.9
M6	纯电动轿车	465	1557	323	42.9
黄金仓	纯电动多用途乘用车	360（CLTC）	1685	330	49.92
理想 i9	纯电动多用途乘用车	705/680	2745/2780	569	101

@Tslachan · China MIIT card on a Giga Shanghai Model Y Performance-style trim · still product color, not deliveries



08.14.2026

Thursday

Company	Change (%)	Implied (%)
Cisco	-8.40	6.90
Coherent	-8.00	9.60
NANO Nuclear Energy Inc.	+7.90	7.30
Enovix	-6.30	14.90
Cerebras	-11.80	10.20
Infleqtion	-1.50	14.40
Pan American Silver	-9.70	4.80
EnerSys	+5.70	7.90
CAE	-4.90	11.70
Spire	-5.40	15.90

Company	Change (%)	Implied (%)
Ondas	-8.80	11.80
JD.COM	-7.30	4.20
Intuitive Machines	+3.60	11.20
Tapestry	-16.50	8.90
Brookfield	+0.90	3.80
Fermi America	-13.20	9.80
Figure	+3.90	11.70
X-Energy	+11.70	12.40
Applied Industrial Technologies	+1.50	4.50
YETI	-10.60	9.90

Cisco was Thursday's sold-the-beat name · Friday the same bar hit Applied and Broadcom

5. SpaceX, Tesla, and the hall that is still on

SpaceX's Friday tape is the lock-up movie, not a new launch. It opened $142.90, tagged $144.02, washed out to $135.50, and closed $140.00 on about 94 million shares. Market-cap recaps near $1.84 trillion. Thursday was $141.29 after a five-day sprint that recaps put near +40% into the mid-$140s. The stock is still above the $135 IPO price. That is digestion with size, not a crash.

The ownership math did not change because a day passed. Elon Musk beneficially owns 6,418,547,515 shares, or 48.4% as-converted. Circulating split: about 849.5 million Class A, 5.22 billion Class B (the super-voting stock), options on another 350 million. One desk card had put the stake near $908 billion when the stock was a few dollars higher. He votes the control block today. Xander Sky's FTSE Russell letter still applies: Fast Entry was requested by index users, and free float uses the standard 12-month lock-up. Joe Tegtmeyer, with Tesla's approval, already showed dirt moving at Terafab in Grimes County. Land clearing is the fact. "Largest chip plant / more than 1 terawatt" is still amplifier language.

Tesla added a second green day without earning a new multiple. Close $342.27, +0.68%, after Thursday's about +4% from $327.50 Wednesday into $339.96. Intraday it saw $351.26 and $335.33. That is a $340s stock that tagged the $350s and could not stay. The standing homework is unchanged: Nevada asked for a 5,000-car robotaxi permit; Gary Black still has the unsupervised fleet in the 90 to 100 neighborhood; Model 3 waits still run into first-quarter 2027; China filed a hotter Model Y Performance-style card (659 km CLTC, LG Energy Solution battery, 250 km/h, 21-inch wheels). Vanguard's circulating 13F add of about 1.17 million shares in quarter two is a filing card, not a new order. The stock does not need another cheerleader. It needs unsupervised miles to leave the one-hundred-car neighborhood.

Iren's Microsoft handover is still the cleanest industrial sentence of the week and it did not get a second print today. Nine months after a contract, Microsoft accepted Horizon 1: 50 megawatts of direct-to-chip liquid-cooled AI computers. Three more halls due this year. About 3,000 people on site. A used-chip argument is about what the computers are worth after the lease. A handover is a tenant taking keys. Friday did not add a second acceptance. It also did not take the first one back.

@cb_doge · Elon ~48.4% of SpaceX · still the ownership fact, not Friday's new object

1		Names of Reporting Persons	Elon R. Musk
2		Check the appropriate box if a member of a Group (see instructions)	(a) (b)
3		Sec Use Only	
4		Citizenship or Place of Organization	UNITED STATES
Number of Shares Beneficially Owned by Each Reporting Person With:	5	Sole Voting Power	6,418,547,515.00
	6	Shared Voting Power	0.00
	7	Sole Dispositive Power	6,418,547,515.00
	8	Shared Dispositive Power	0.00
9		Aggregate Amount Beneficially Owned by Each Reporting Person	6,418,547,515.00
10		Check box if the aggregate amount in row (9) excludes certain shares (See Instructions)	
11		Percent of class represented by amount in row (9)	48.4 %
12		Type of Reporting Person (See Instructions)	

Ownership recap card · as-converted control, not a clean free float

SpaceX five-day sprint into Thursday · Friday closed $140.00, -0.91%

Terafab / Grimes County land-clearing · still the dirt fact, not a spend filing

> *"Today Microsoft has accepted delivery of Horizon 1: 50MW of direct-to-chip liquid cooled AI infrastructure, built, commissioned and handed over."*
>
> @danroberts0101 · Iren · 13 Aug, 175k views · still the week's cleanest hall receipt

6. Community mood after the bell

Sandisk □. Session two paid. The late-inning WeChat "is it time to sell" post from the morning looks early, not late, until the gap actually fails. Applied / Broadcom □ to □. "Beat plus guide, still red" became a cash-session joke, then Broadcom joined without even printing a quarter. High-bar chip tape. SpaceX □. $140 holders are calling it a breather. $135 testers are calling it the lock-up. Both can point at the same 94 million shares. Tesla □. Bulls wanted the $350s to stick. They got a $342 close and a $351 tag. Oil / Iran □. Bessent's "never been seen" line is the weekend chat. Treat extra ship-attack recaps as wires until hulls have names.

> *"AI beats are getting harder to impress. Sandisk reset expectations. Applied Materials beat and guided higher, still went red after hours."*
>
> @MEXC · 14 Aug · the after-hours line that the cash session then confirmed

7. What to watch into Monday

- Empire State manufacturing at 8:30 a.m. Eastern Monday, then the NAHB housing index at 10:00. First post-close data after a soft shopper Friday.
- Oil and Bessent. "Unprecedented isolation" of Iran is a weekend headline. WTI above $80 plus the 10-year near 4.70% is still the tax pair.
- Sandisk versus Friday's second-day close. If session three keeps the bid, the book is a regime. If it gaps and dies, Thursday-Friday was a meeting.
- Applied and Broadcom. Does the high-bar tax stay in equipment and one mega-cap, or does it crawl into Nvidia?
- SpaceX versus $135 / $140 on Monday volume. Friday held. Korea is closed Monday (Liberation Day substitute), so Tuesday's Seoul session eats two U.S. days.
- Tesla $340s. Floor after two green days, or a PPI bounce that already spent itself at $351.
- Reddit into Tuesday's S&P add. Forced buying can leak the other way once the funds are done.

Primary sources: live X plus Friday close recaps (Investopedia, Yahoo Finance, SpaceX IR tape, First Squawk tanker line, Sandisk / Applied print cards, Iren @danroberts0101, S E C ownership recaps) through Friday 14 Aug 2026 after the U.S. cash close. Charts from public X media and Investopedia/TradingView. Morning pack kept as the standing research spine. Not financial advice. Research and education only.

PART B · HOUSE VIEW (after the cash close)

Same facts as Part A. Different job: score this morning's call against the print, then take a stand into the weekend and Monday. Written for a smart friend. Not a telegram. Not financial advice.

0. My call after the close

Morning base case printed. Digestion around 7,800. Memory led. Applied stayed offered. Oil taxed the bid and did not crash the index.

I had digestion at about 55%, a Hormuz tax at 25%, and a memory-extension melt at 20%. What we got is A with a slice of B: S&P 7,785.76 (-0.17%), Nasdaq -0.28%, Sandisk +7.4% on day two, Applied -5.1%, Broadcom -6%, WTI in the $82s, 10-year about 4.69%. That is not a new regime. That is the high digesting under an oil headline while the factory names that still have a story (memory) kept paying. I keep digestion as the base case into Monday, now about 55%. I lift the Hormuz / Bessent weekend tax to about 30%. I cut a clean memory melt-up to about 15%.

Why, in one coffee. Thursday spent the cooler factory-gate print on a record. Friday gave the index a reason to pause (shops -0.6%, mood 51) and a reason not to panic (memory still bid, halls still on, hike odds still sitting). Oil and the 10-year rose together, which is the pairing I said would cap the high. They capped it. They did not break it. Light volume is the tell that nobody new showed up to either party.

Why not a melt-up now? Applied sold a $10.25 billion guide in cash hours. Broadcom sold 6% with no quarter. Tesla tagged $351 and closed $342. SpaceX could not recapture Thursday. Those are not melt-up tells. They are a market that already owns 2027.

Why not a crash? Sandisk +7.4% on day two, Micron +2.3%, AMD +6.5%, Russell +0.5%, a third green week for the S&P, and a Microsoft hall that is still on. Crashes do not start with the storage book still being bid and small caps green. A tanker wire plus Bessent talk is a weekend premium. It is not a missed Nvidia quarter.

Three paths from here into Monday

Scenario	Odds	What I expect
A · Digestion (BASE)	~55%	Index chops 7,760 to 7,820. Memory still relatively bid. Applied / Broadcom stay heavy. Oil holds $80s without a 4.80% 10-year.
B · Hormuz / Bessent tax	~30%	Weekend Iran headlines extend crude. 10-year through ~4.75%. High-beta AI sold Monday. Memory keeps a relative bid if the book is still believed.
C · Memory extension	~15%	Sandisk gaps again, Micron follows, Applied finds a buyer on the guide. Friday's chip tax looks like one-stock noise. I need Broadcom to stop going down for this to be real.

Name by name after the print

Company	Call now	In English, plus what would flip me
Sandisk	Leader; the book survived day two	Flip: session three gives back both Friday and Thursday on no new language.

Company	Call now	In English, plus what would flip me
Applied Materials	Offered until cash conversion is believed	Guide printed. Cash session still sold it. Flip: Monday buyers show up on $10.25B, or they walk the guide.
Broadcom	High-bar tax, not a new fact	No quarter. Flip: it takes Nvidia with it, then the tax is the whole stack.
Micron / AMD	Prefer as follow-through	Worked. Flip: leftover-chip headlines, or Sandisk fails and they were just beta.
SpaceX	Business strong, tape digesting at $140	94 million shares and it held the IPO zone. Flip: volume through $130, or a real Terafab spend filing.
Tesla	$340s are a floor so far, not a re-rate	Tagged $351, closed $342. Flip: $335 fails, or unsupervised miles leave the 100-car neighborhood.
Nvidia	Quiet compounder	Flat is a win on a chip-tax day. Flip: toxic used-chip guarantees, or it starts following Broadcom.
Microsoft / Iren	Receipt still stands	No second hall today. Flip: the next three Horizons slip.

1. One-line thesis

The factory is still printing (Sandisk day-two bid, Applied guide, a Microsoft hall that is on); the index already used cooler inflation to make a high; Friday proved the high can digest under oil and soft shops without the memory story dying.

2. What the crowd is getting wrong

Wrong #1: "Indexes went red, so the AI bid broke." My take: Sandisk +7.4%, Micron +2.3%, AMD +6.5%, Russell +0.5%, volume half of average. That is a selective chip tax (Applied, Broadcom) sitting under a 13-point S&P dip. The bid rotated. It did not leave the building.

Wrong #2: "Applied and Broadcom red means the cycle peaked." My take: Applied guided $10.25 billion versus about $9.50 billion and said packaging grows more than 70% in 2026. Broadcom did not even print a quarter. The Street is arguing about how much of 2027 was already in the price. That is a high-bar problem. It is not a missed factory.

Wrong #3: "Soft retail sales kill the high." My take: -0.6% is a stall, and it is still +5% versus a year ago. Markets used it the way Zentner said they might: it helps the no-hike case. The thing that actually taxed the high was oil plus the 10-year, which is the pairing I wanted you to watch this morning.

Wrong #4: "SpaceX at $140 after a 40% sprint is the IPO failing." My take: it held the $135 IPO zone on 94 million shares two days after a five-session melt. That is what digestion looks like when the owner still votes 48.4% and the lock-up is still twelve months.

3. What actually limits the AI factory

Industrial only. Options and single-stock ETFs are how people trade the theme, not what limits output.

#	Bottleneck	After Friday
1	Power and the grid	Iren still handed Microsoft 50 MW. No second acceptance today. Nebius still has a Vineland permit mess. You cannot rent a computer you cannot plug in.

#	Bottleneck	After Friday
2	Memory (HBM + NAND)	Sandisk's book survived a second cash session. Micron tagged along. High-bandwidth flash is still a 2027 sample.
3	The machines that make the chips	Applied's guide still says the tool cycle is accelerating. The cash session said prove the cash. Both printed.
4	Packaging and leading-edge wafers	Dickerson: logic + DRAM + advanced packaging. Packaging revenue +70% in 2026 is the new number. No CoWoS relief headline.
5	Permits, not just megawatts	Hunterbrook stop-work on Nebius's New Jersey site is still the unglamorous limit. Friday did not fix a town hall.

4. Capital and financing

Think of the AI build as a giant equipment-lease market sitting on a still-expensive 10-year. Thursday's cooler PPI eased that rate a few basis points. Friday took them back: 4.69%, plus a week that sold about $125 billion of new Treasury paper, plus hyperscalers that have raised about $220 billion of bonds this year. Soft shops help the front end (the Fed can sit). They do not make the long end a free lunch. SpaceX lock-up shares are still not freely tradable float. What would make me more comfortable: a second Microsoft-style acceptance, Sandisk still bid on Monday, Applied converting the $10.25 billion guide into free cash. What would make me more cautious: Broadcom's tax spreading into Nvidia, or a weekend Iran headline that puts the 10-year through 4.80% on Monday.

5. Who wins one step down the chain

If Sandisk's contract book is real, Friday just paid the next names on the list: Micron, and AMD as the second-source compute ticket. Applied is still the pickaxe, just an expensive one. Iren / CoreWeave / Nebius are the landlords. Microsoft is the tenant who already took keys. Broadcom is the reminder that a $1.9 trillion chip stock can have a 6% day with no news when the multiple is the story. Tesla and SpaceX are a different movie: one is a car-and-robot multiple that held $340, the other is a control-and-float stock that held $140. Do not use Palantir as the demand thermometer. Do not use Reddit's S&P add as an AI receipt. That is forced index buying.

6. Scorecard

Company	Stance	Why / flip
Sandisk	Constructive on the book / still hot	Day two paid. Flip: they walk NBM coverage, or Monday gives both days back.
Applied Materials	Constructive cycle, offered tape	Guide is the tell. Flip: buyers on $10.25B, or FCF really stalls.
Broadcom	Tactical respect the tax	No new fact. Flip: it infects Nvidia.
Micron	Prefer as second order	Worked again. Flip: leftover-chip headlines.
Nvidia	Long-cycle, quiet Friday	Flat on a tax day is fine. Flip: it starts following Broadcom.
Microsoft	Tenant with keys	Horizon 1 still on. Flip: next three halls slip.
SpaceX	Business strong, float messy	Held $140 on size. Flip: unlock smash through $130, or spend with no revenue bridge.

Company	Stance	Why / flip
Tesla	Better tape, still a homework multiple	Held $340s. Flip: $335 fails, or unsupervised miles look real.

7. Trading read (not advice)

Regime: post-record digestion under an oil-and-soft-shopper Friday, into a weekend of Iran talk. Already priced: 7,800, cooler factory prices, Sandisk Investor Day, Elon's 48.4%, a 5% Applied dump. Under-discussed: how light the volume was; whether Broadcom's tax is one stock or the stack; Bessent's "never been seen" line as a Monday oil event. Decision rule: if Sandisk is still bid Monday and Nvidia does not follow Broadcom, the factory won the week. If oil and the 10-year rise together and memory dumps with Nasdaq, it was a rates-and-Hormuz Monday; wait for session two of next week.

8. How I would know I am wrong

Already tested today: the crash case. It failed. Memory led, Russell was green, volume was tiny. Monday: crude extends, the 10-year through about 4.75% to 4.80%, and Sandisk gives back Friday and Thursday with Micron. That kills the digestion-with-memory-lead base case. This week: Applied's guide gets walked down, or Sandisk's NBM coverage is restated. Over weeks: halls that were "accepted" slip, or residual-value losses show up in private credit.

9. What I am watching next

- Empire State at 8:30 a.m. Monday, then NAHB at 10:00. First data after the shopper stall.
- WTI and the 10-year together. Oil alone is energy. Oil plus yields is a tax on 7,786.
- Sandisk versus Friday's close, then Micron. Session three is the tell.
- Whether Broadcom's tax stays in one mega-cap or tags Nvidia.
- SpaceX on volume around $135 to $140. The filing is known.
- Tesla $340s: floor after two green days, or a $351 fade that continues.
- Bessent / Iran headlines over the weekend before anyone treats Hormuz as a new world.

Bottom line, in one coffee

This morning I said chop around 7,800, memory leads, Applied stays offered, oil is a tax not a crash. That is what printed. Sandisk paid you a second day. Applied and Broadcom charged you for owning 2027. Tesla held $342. SpaceX held $140. Shops stalled and the Fed hike case got weaker, and the 10-year still did not celebrate because oil came back. Do not confuse a 13-point dip on half-volume with a broken factory. Do not confuse a sold beat with a missed cycle. Weekend is Iran talk. Monday is whether memory still leads after that talk.

Not financial advice. Research and education only.