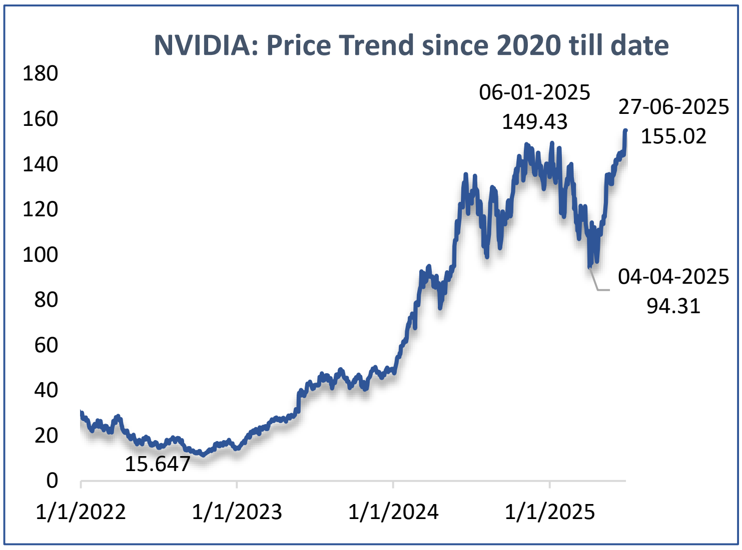
Key Highlights

June 30, 2025

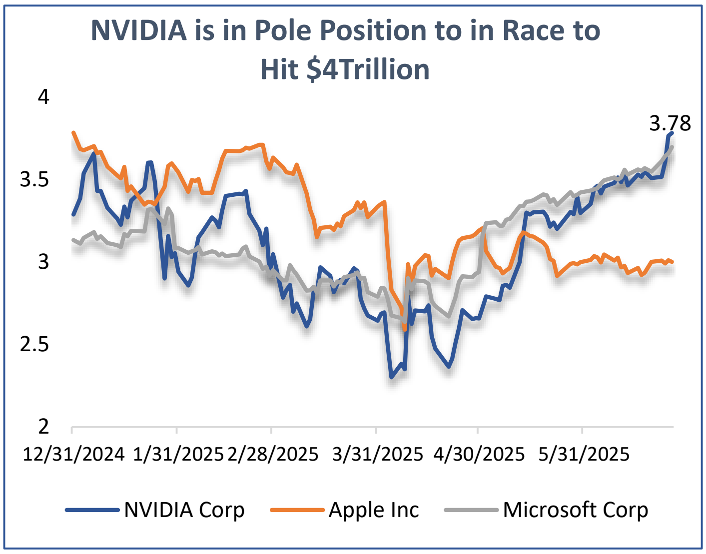
- Nvidia reaches $3.78 trillion market cap, reclaims top spot
- Stock hits record High, up 64% from April Lows on AI momentum
- AI infrastructure demand drives massive growth
- Semiconductor index up; Nvidia outperforms sector peers
- Big Tech to spend $350B on AI capex
- DeepSeek offers low-cost challenge to Nvidia's dominance
- Heavily reliant on TSMC for chip manufacturing
- Tariff risk as July 9 approaches

Nvidia Corp. Performance	
CMP	155.80
YTD Returns (%)	*15.5%*
1W Returns (%)	*7.85*
52 week high	*156.715*
52 week low	*86.62*
Mkt cap ($)	*3.78T*

Source: Bloomberg (CMP as on June 27th , 2025)



Price in $



Source: Bloomberg

Overview

NVIDIA Corporation (NVDA) is an American semi conductor company and a leading global manufacturer of high-end graphics processing units (GPUs). A global leader in semiconductor design, Nvidia shares hit a record high on Wednesday, closing at $154.31 and lifting the chipmaker's market value to $3.77 trillion. The move allowed the AI titan to reclaim the title of the world's most valuable company.

Nvidia Nears $4 Trillion Milestone

Just two years after crossing the $1 trillion mark, Nvidia is now on the verge of becoming the world's first $4 trillion company. A stunning 64% rally from April lows has lifted its market cap to $3.78 trillion, overtaking Microsoft as the most valuable public company globally. This surge reflects resurgent confidence in AI infrastructure demand and Nvidia's dominant position in that ecosystem.

What is driving Nvidia's current Rally?

AI Infrastructure Partnerships

NVIDIA recently co-hosted an AI summit with hyperscaler CoreWeave, showcasing its Blackwell AI platform and collaborations with IBM, OpenAI, and Mistral AI. These alliances underscore NVIDIA's role in building next-generation AI factories across global markets.

Sector Leadership & Strong Momentum

Semiconductor stocks have led market gains in June, with the S&P 500 semiconductor index up 14.8%. NVIDIA outperformed peers, surging over 63% from its April lows.

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Enterprise AI Solutions Rollout
Hewlett Packard Enterprise unveiled new “AI factory” solutions powered by NVIDIA RTX PRO 6000 Blackwell GPUs, accelerating enterprise adoption of large-scale AI deployments.

Competitive Landscape & Export Dynamics
While Chinese startups like Biren Technology raised $207 million and eye an IPO, U.S. export restrictions and NVIDIA’s decision to omit China forecasts signal both risk and resilience in key markets.

Is DeepSeek a Legitimate Threat to Nvidia?

DeepSeek’s competitive AI model has quickly garnered attention due to its open-source approach and ability to deliver comparable performance at a fraction of the cost of Nvidia’s chips. The Chinese company’s breakthrough has the potential to disrupt the entire AI business model which traditionally relies on expensive, high-performance GPUs and extensive computing power.

AI Demand Fuels Growth

Despite concerns earlier this year triggered by China's DeepSeek and fears of reduced AI spending, Nvidia's biggest customers—including Microsoft, Meta, Amazon, and Alphabet—are accelerating capex. Collectively, these firms are projected to spend $350 billion in the coming fiscal year, up from $310 billion, and they account for over 40% of Nvidia’s revenue. Demand for Nvidia’s AI accelerators remains strong, and its competitive moat remains wide.

The Bigger Picture: US-China Tech Tensions and AI Disruption

NVIDIA’s performance reflects the broader surge in generative AI and accelerated computing. It designs its own chips (like GPUs and AI accelerators), but does not manufacture them. It is heavily reliant on TSMC (Taiwan Semiconductor Manufacturing Company) for the chip production, leaving it exposed to U.S.-China trade tensions—especially with Trump’s tariff pause set to expire on July 9. Additionally, top clients are developing their own chips to reduce dependency, which could pressure Nvidia’s pricing power over time.

Key Takeways

Nvidia heads into H2 2025 as the clear leader in AI hardware, powered by surging demand from hyperscalers and cloud giants investing heavily in AI infrastructure.

Its dominant position in GPUs and accelerated computing, along with a broadening customer base, reinforces its role at the center of the AI revolution.

While risks remain, from reliance on TSMC and U.S.–China trade tensions to rising internal chip development by key clients, Nvidia’s deep ecosystem, execution strength, and first-mover advantage position it strongly for continued growth.

The update and data points are compiled from Bloomberg, along with other media reports