

INVESTMENT COMMENTARY & OUTLOOK

October 2026

The big news is that Nvidia announced a \$150 billion share buyback, which is an all-time record. The previous record was a \$110 billion share buyback by Apple in 2024. Interestingly, Nvidia has not completed its previously authorized share buyback, so it can now buyback \$235 billion of outstanding shares. For trillion dollar companies, it appears that the physics may sometimes impede a stock's potential appreciation, so these massive stock buyback announcements are a positive development. Nvidia currently trades at 24.6 times forecasted fiscal 2028 earnings, while Apple trades at 38.5 times 2027 forecasted earnings. We stand by our prediction that Nvidia will hit \$300 by the end of this year.

Thanks to Nvidia, as well as excitement that Micron Technology's forecasted quarterly revenue of \$51.32 billion may eventually expand to over \$100 billion like Nvidia due to the ongoing memory shortage, the third-quarter window dressing season benefited the fundamentally superior stocks we have under management. We should add that Micron Technology trades at only 14.6 times 2027 forecasted earnings.

FactSet is estimating the S&P 500's third-quarter earnings are forecasted to rise 29.5%, so the upcoming announcement season should be very exciting. Naturally, with earnings surprises, the S&P 500's earnings should be up over 33%. The fundamentally superior growth stocks we recommend are expected to post over 100% forecasted earnings growth as the following link demonstrates:

<https://navellier.com/sales-and-earnings-projections-vantage/>

When our stock selection models are “tight” and we know how deep to data dive, we can invest more confidently. Bespoke Research recently demonstrated how the advance/decline line for the S&P 500 has declined, as the breadth and power of the overall stock market has decayed. However, if anything, it looks to us like the stock market is just doubling down on stocks that will post phenomenal third quarter results, like the AI and data center related stocks, plus the many energy related stocks.

The fourth quarter is seasonally strong and the third year of a presidential election cycle is also the strongest year in the four-year presidential term. So technically, you might be asking, Aren’t higher interest rates and Fed key rate hikes going to derail the stock market? The answer is “yes,” for dividend stocks without underlying earnings growth, and for value stocks. However, the answer is “no” for growth stocks, which have beaten value stocks for 12 consecutive years.

In fact, the bond vigilantes have been increasing interest rates globally and countries that have shrinking populations and/or are not able to fully assimilate new immigrants, like Japan, Britain and France, are the real targets of the bond vigilantes, since their underlying government debt might only be fixed with more money printing (quantitative easing), as the Japanese yen has demonstrated. The British pound may be the next domino to fall, followed by the euro. The current political chaos in Germany after the Afd Party victories in regional elections is expected to undermine the European Union (EU), since the Afd Party wants to end open immigration and the green energy policies that have systematically caused energy prices to soar and hinder manufacturing competitiveness.

One thing that 5% forecasted third-quarter GDP growth (as predicted on Maria Bartiromo’s show back in December) and higher interest rates have done is make the U.S. dollar amazingly strong! There is no doubt the U.S. remains an oasis and is the engine behind global GDP growth. Typically, a strong U.S. dollar is great news for small capitalization stocks, which tend to have more domestic revenue compared to the S&P 500, with approximately 50% international revenue. There is also a second Russell index realignment this year in November that should insure an exciting “early January effect” in the weeks leading up to Thanksgiving!

As a result, we are expecting a strong finish to the year, due to wave after wave of positive earnings announcements plus upbeat guidance and rising order backlogs. The icing on the cake is strong seasonal pressure, plus another Russell index realignment. Bloom Energy surged in the past month after it was announced that it was being added to the S&P 500 on September 21st, so if Russell upgrades many of our stocks to larger market indices, like the Russell 1000, that institutional buying pressure should help propel more of our fundamentally superior stocks higher. So please “pinch yourself,” you are about to be in the midst of a very strong year-end rally!

Navellier & Associates owns Nvidia (NVDA), Micron Corp (MU), and Apple Inc. (AAPL), in managed accounts. Louis Navellier and his family own Nvidia (NVDA), Micron Corp (MU), and Apple Inc (AAPL), via a Navellier Managed account and Nvidia (NVDA), and Apple Inc. (AAPL), in a personal account.

Navellier & Associates, Inc.

Important Disclosures:

The views and opinions expressed are those of Navellier & Associates at the time of publication and are subject to change. There is no guarantee that these views will come to pass. Investment in equity securities involves substantial risk and has the potential for partial or complete loss of funds invested. Although the information in this communication is believed to be materially correct, no representation or warranty is given as to the accuracy of any of the information provided. Certain information included in this communication is based on information obtained from sources considered to be reliable. However, any projections or analysis provided to assist the recipient of this communication in evaluating the matters described herein may be based on subjective assessments and assumptions and may use one among alternative methodologies that produce different results. Accordingly, any projections or analysis should not be viewed as factual and should not be relied upon as an accurate prediction of future results. Furthermore, to the extent permitted by law, neither Navellier nor any of its affiliates, agents, or service providers assumes any liability or responsibility nor owes any duty of care for any consequences of any person acting or refraining to act in reliance on the information contained in this communication or for any decision based on it. Please obtain and review all financial material carefully before investing.

This communication has been provided to you for informational purposes only and may not be relied upon by you in evaluating the merits of investing in any Navellier investment strategy or composites. Past performance is not indicative of future results, and there can be no guarantee as to the accuracy of market forecasts. Opinions, estimates, and forecasts may be changed without notice. This material is not an offer, or a solicitation of an offer, to purchase any securities, including shares of any investment company. The views and opinions expressed are provided for general information only. The views and opinions expressed are those of Navellier at the time of publication and are subject to change. There is no guarantee that these views will come to pass.

The holdings identified do not represent all of the securities purchased, sold, or recommended for advisory clients and it should not be assumed that investments in securities identified and described were or would be profitable.

Dividend payments are not guaranteed. The amount of a dividend payment, if any, can vary over time and issuers may reduce dividends paid on securities in the event of a recession or adverse event affecting a specific industry or issuer.

FactSet Disclosure: Navellier does not independently calculate the statistical information included in the attached report. The calculation and the information are provided by FactSet, a company not related to Navellier & Associates, Inc. Although information contained in the report has been obtained from FactSet and is based on sources Navellier believes to be reliable, Navellier does not guarantee its accuracy, and it may be incomplete or condensed. The report and the related FactSet sourced information are provided on an "as is" basis. The user assumes the entire risk of any use made of this information. Investors should consider the report as only a single factor in making their investment decision. The report is for informational purposes only and is not intended as an offer or solicitation for the purchase or sale of a security. FactSet sourced information is the exclusive property of FactSet. Without prior written permission of FactSet, this information may not be reproduced, disseminated or used to create any financial products. All indices are unmanaged and performance of the indices include reinvestment of dividends and interest income, unless otherwise noted, are not illustrative of any particular investment and an investment cannot be made in any index. Past performance is no guarantee of future results.

No Financial Advice: The views and opinions expressed do not constitute specific tax, legal, or investment or financial advice to, or recommendations for, any person, and the material is not intended to provide financial or investment advice and does not take into account the particular financial circumstances of individual investors. Before investing in any investment product, investors should consult their financial or tax advisor, accountant, or attorney with regard to their specific situation.