Micron

Micron Technology, Inc. · MU · NASDAQ

Q3 revenue rose 379% year over year at an 80.7% operating margin, yet the stock sits 41.6% below its June high as the market doubts earnings have peaked

Overall Verdict
BUY
Bull 5 · Bear 2 · Deferred 0

Price at Issue	External Average Target Price	52-Week Low · High	Next Earnings
$733.15	$1,561.91	$192.59 ~ $1,255.00	TBD
Nov 9, 2026 close · +6.2%	+113.0% · 45 analysts	vs. high −41.6%	Q4 2026 earnings

01 4 Key Data Points

Quarterly revenue $54.2B, up 379% year over year
Q3 · operating income $43.8B (80.7% margin), 11.8x the $3.7B a year earlier[S2]

One-day drop of 17.5% on Nov 5, 41.6% below the high
Close $656.39 on 2.5x average volume · AI chip selloff and reports of a delayed Taiwan fab[S3][S7]

Reports of TSMC entering advanced memory (Nov 10)
24/7 Wall St. reported intent to enter while TIKR said TSMC stays in logic ICs, so reports conflict[S7]

Q4 2026 revenue guidance of $60B–$63B
Midpoint is 13.4% above Q3's $54.2B · non-GAAP gross margin about 86%, which the company called the fiscal-year floor[S7]

02 Research Team Debate — 6 Issues

Cycle-peak worry ×2	Bull	The question is whether slower growth marks the peak. Even at a lower growth rate, guidance lifts revenue to $61.5B and puts the margin floor near 86%, so there is no evidence yet of falling profit; the verdict is Bull. The next check is the Dec 23 earnings.
TSMC memory-entry reports	Bear	The question is whether the TSMC threat is resolved. While a report says TSMC intends to enter memory and nothing is confirmed, the competition risk stays, so the verdict is Bear. It will be revisited if TSMC or Micron makes an official statement.
Valuation	Bull	The question is whether the low multiple reflects peak earnings. A PEG of 0.03 against 137% growth is very low even allowing for a peak discount, so the verdict is Bull. The Bear cycle argument bites when growth turns, but guided revenue is still rising.
Price targets raised	Bull	The question is the direction of target changes: none of the 5 latest is a cut and 2 are raises, so the verdict is Bull. All predate Nov 5, so it will be revisited once November changes appear.
Cash and capex	Bull	The question is whether cash covers expansion costs. Capex uses only 25% of operating cash flow and net cash is $38.3B, more than enough, so the verdict is Bull. Post-expansion pricing is checked in the gross margin at the Dec 23 earnings.
Price trend	Bear	The question is whether the downtrend is over. The stock has not climbed above either the 200-day or the 20-day average, so no trend reversal is confirmed and the verdict is Bear. It will be revisited on a close above the 200-day average at $758.39.

The overall verdict is BUY. Results, valuation and cash favor Bull, while the price trend and TSMC competition risk favor Bear; the verdict reopens at the Dec 23 earnings, depending on whether gross margin holds above 86%.

03 Conditions That Change the Verdict

▲ Upgrade Conditions

Dec 23 earnings (Yahoo estimate)
Revenue near the $63B top of guidance with gross margin above 86% would weaken the Bear case

TSMC official comments
An official confirmation that TSMC has no memory plans would flip the competition issue to Bull

Price trend

▼ Downgrade Conditions

Dec 23 earnings (Yahoo estimate)
Revenue below the $60B low end of guidance or gross margin under 86% would strengthen the Bear case

TSMC official comments
A TSMC decision to enter advanced memory would strengthen the Bear case on competition

Price targets

04 Quarterly Results Unit: $B

	Q3 2025	Q4	Q1 2026	Q2	Q3
Revenue	11.3	13.6	23.9	41.5	**54.2**
Operating Income	3.7	6.1	16.1	33.3	**43.8**
Net Income	3.2	5.2	13.8	28.2	**37.7**
Operating Margin	32.6%	45.0%	67.6%	80.4%	**80.7%**

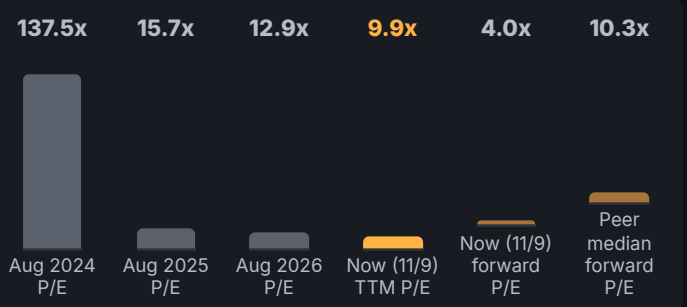
Gross margin
86.8%
Year ago 44.7%

Operating margin
80.7%
Year ago 32.6%

Net margin
69.5%
Year ago 28.3%

Operating cash flow margin
81.1%
Year ago 50.6%

05 P/E trend



06 Street Opinions

Buy 45 Hold 4 Sell 0

Avg $1,561.91 · High $3,000.00 · Low $361.00

Rosenblatt	**$1,900**	Maintained
Needham	**$1,650**	Maintained
Rosenblatt	**$1,900**	Maintained
DA Davidson	**$3,000**	Raised

07 Financial Strength

Cash and short-term investments (8/31)
$43.4B
$10.3B → +321.4%

Debt (8/31)
$5.2B
$14.6B → −64.5%

Net cash (cash & investments − debt)
$38.3B
−$4.3B → —

08 Recent News

11/9 Up 6.3% in a chip rebound after a week of AI chip selling
Volume was 1.03x the 20-day average · Nvidia fell about 4% the same day on the CEO probe report[S7]

11/5 Plunged 17.5% in a day amid an AI chip selloff and reports of a delayed Taiwan fab
Close $656.39 on 2.5x average volume · the Taoyuan fab delay is per press reports and the company said operations were normal[S7]

10/16 President Scott DeBoer sold 28,544 shares for $25.7M
$900–$902 per share · Yahoo Form 4 summary · the stock fell 5.6% that day[S8]

09 Upcoming Events

Nov 13 (Fri) · Weekly options expiry
Most-traded call strike $800 (28K contracts), put strike $650 (9K) [S5]

Nov 20 (Fri) · Monthly options expiry
The two nearest expiries on Yahoo's list (Nov 11 and Nov 13) account for 46.4% of options volume[S5]

Dec 23 (Wed, TBD) · Q4 2026 earnings
Not confirmed by the company; Yahoo estimates Dec 23, to be compared with guidance ($60B–$63B revenue) and Yahoo consensus (EPS $38.29, revenue $61.8B)[S2][S7]

10 Key Risks

Slowing growth (+30.8% to +13.4%)
Impact High · Likelihood Medium · Watch Dec 23 earnings

Possible TSMC entry into advanced memory
Impact High · Likelihood Medium · Watch TSMC comments

Turn in the price cycle
Impact High · Likelihood Medium · Watch Next year

11 Checkpoints

★★★ **Q4 2026 earnings around Dec 23**
Whether revenue lands within $60B–$63B and gross margin tops 86%

★★★ **TSMC and Micron official comments**
Whether TSMC's memory plans and Micron's position are stated

★★☆ **Taoyuan, Taiwan fab**
The company's explanation of the delay reports and whether work resumes