4 Top Semiconductor Stocks To Watch This Week

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Are These The Best Semiconductor Stocks To Buy This Week?

Semiconductor stocks have been on the radar of many investors in the stock market over the past year. It is no secret that semiconductor chips are in high demand right now and chip manufacturing companies are unable to keep up. Does this come as a surprise? Just look around you, the world we live in revolves around the semiconductor industry. The smart devices we use daily, home appliances, and even many modes of transportation require semiconductor chips. And this is why smart investors are always keeping tabs on the industry.

When there is a high demand, it is only natural that the supply would follow suit. We are starting to see this with Taiwan Semiconductor Manufacturing Co. Ltd (NYSE: TSM) plans to invest $100 billion over the next three years to meet soaring demand. Intel Corporation (NASDAQ: INTC) also announced a $20 billion plan to expand its advanced chip-making capacity. This aims at reasserting its position as the undisputed leader of the semiconductor industry. With all this momentum in the semiconductor industry now, here are four top semiconductor stocks to know now in the stock market today.

Semiconductor Stocks To Watch Right

Now

Advanced Micro Devices, Inc.

AMD is a multinational semiconductor company that is based in Santa Clara, California. It develops computer processors and technologies for the business and consumer markets. The company boasts hundreds of millions of consumers and leading Fortune 500 businesses that rely on its technology to improve efficiency and productivity. The company stock has risen over 50% over the past year.

On Thursday, AMD stock climbed by 5.55% in response to the news that Alphabet’s (NASDAQ: GOOGL) subsidiary Google has chosen AMD’s newest data center chip to launch its new service. AMD and Google Cloud announced T2D, the first instance in the new family of Tau Virtual Machines (VMs) powered by 3rd Gen AMD EPYC processors. According to Google Cloud, the T2D instance offers 56% higher absolute performance and more than 40% higher price performance for scale-out workloads.

Furthermore, it was also announced last week that AMD’s EPYC processors will be powering the new Hewlett Packard Enterprise Co (NYSE: HPE) Alletra 600. The Alletra 600 is a cloud-native data infrastructure storage solution that powers business-critical applications with the cloud experience. This goes to show that AMD’s technological advancements are gaining the

recognition it deserves. Given the high demand for the company’s product right now, would you consider investing in AMD stock?

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NVIDIA Corporation

Next up, we have the trending tech giant, Nvidia. For those unfamiliar, the company designs GPUs for the gaming and professional markets. Also, it manufactures system-on-a-chip units for the mobile computing and automotive markets. NVDA stock has been showing strong bullish momentum and is currently trading at its all-time high range. In fact, it increased by over 33% just within the past month. So, let us see what the catalyst to this strong movement is.

Nvidia’s chief executive on Thursday said the company will spend at least $100 million on a supercomputer in the United Kingdom. Not only that, it appears that this could just be the “*starting point*” according to CEO Jensen Huang. Nvidia is in the process of acquiring U.K.-based chip technology firm Arm Ltd for $40 billion from Japan’s SoftBank Group Corp. The company is optimistic over the regulatory approval despite facing pushback from Nvidia’s rivals and is under regulatory scrutiny. Once the deal goes through, Nvidia could potentially bring Arm’s technology to new markets.

Fundamentally, the company is very strong as well., Nvidia

posted record revenue of $5.66 billion, up by a whopping 84% year-over-year. A large part of this revenue came from its gaming revenue, at $2.76 billion. Also, data center revenue was $2.05 billion, up by 79% year-over-year. When you couple its strong financial figures with the exciting developments surrounding the company, wouldn’t you consider NVDA stock as a top semiconductor stock to buy?

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Xilinx, Inc

Xilinx is a company that engages in designing and developing programmable devices and associated technologies. Through its highly flexible programmable silicon which is enabled by a suite of advanced software and tools, it drives rapid innovation across a wide span of industries and technologies. XLNX stock has been trading sideways since the start of the year. However, you would have profited over 40% if you had invested a year ago.

Last week, the company acquired Silexica, a privately-held provider of C/C++ programming and analysis tools. Xilinx will integrate Silexica’s SLX FPGA tool suite with the Xilinx Vitis™ unified software platform to substantially reduce the learning curve for software developers building sophisticated applications on Xilinx technology. This goes in line with its long-term goal to accelerate the path from software to application-optimized hardware systems.

In May, Xilinx announced its fiscal fourth-quarter and fiscal 2021 financial results. It posted record revenue of $851 million in the quarter, an increase of 13% year-over-year. Also, its net income came in at $188 million which represents an increase of 16% from the previous year's quarter. The company is able to deliver record revenues and double-digit year-over-year growth in the midst of a challenging supply chain environment. With that in mind, would you consider adding XLNX stock to your watchlist?

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Another top semiconductor stock in the stock market today is Broadcom. The company designs, develops, and supplies a range of semiconductor and infrastructure software solutions. Its semiconductor solutions segment includes semiconductor solution product lines, as well as its Internet protocol (IP) licensing. Meanwhile, the infrastructure software segment includes its mainframe and enterprise software solutions and fiber channel storage area networking business.

On Tuesday, the company announced new, industry-first capabilities for Value Stream Management (VSM) in its ValueOps software portfolio. It combines the features of Clarity™ with the advanced Agile management capabilities of Rally® software. This new integration delivers a unified solution for business and IT leaders to create and manage consistent value streams. By doing so, it would eliminate friction between roles, reduce

cycle times, and ultimately improve the overall quality.

Broadcom also reported a strong second-quarter earnings report earlier in June. The company’s revenue came in at $6.61 billion for the second quarter, up 15% from the prior-year quarter. Also, GAAP net income was reported to be $1.49 billion. This strong financial figure reflects the high demand for semiconductors across its multiple end markets. The company expects its third-quarter to have sustained year-over-year growth. All things considered, would you buy into the future of AVGO stock?

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