NASDAQ: INTC · SEMICONDUCTORS · STUDENT EQUITY RESEARCH

Intel Corporation

By Brad Wolff, finance student

$65.76

Oct 30, 2026 VWAP · close Oct 29 $92.07

RATING
STEER CLEAR
Buy (half) at or below $38.74
Buy (full) at or below $25.18

BLEND LOW / BASE / HIGH	STARTER VS PRICE	BUY-BELOW VS PRICE	MARGIN OF SAFETY	MID-CYCLE OWNER EARNINGS
$27.91 / $38.74 / $44.06	**41.1% below**	**61.7% below**	**35%**	**$1.73**
per share, mid-cycle owner earnings	Buy (half) level vs $65.76	Buy (full) level vs $65.76	uncertainty High	a share, TTM $0.87

*Prepared Oct 30, 2026. Price: **$65.76**, the INTC regular-session VWAP through the 10:05 AM ET bar on Oct 30, 2026 (Yahoo 5-minute bars, up to 15 minutes delayed). Prior close $92.07 (Oct 29). Fully diluted shares 5,440M (CFO's Q4 2026 guide, Oct 29 call). Discount rate 11.00%. All values per fully diluted share in US$.*

Figure 1.1 INTC close since Apr 1, 2026 with 200-day average, April gap, entry zone and out-below level, through the 10:05 AM ET bar Oct 30, 2026



INTC daily close, Apr 1 to Oct 30, 2026 (10:05 AM ET bar), with the 200-day average, the April gap, the 64.47 to 68.28 entry zone and the 60.50 out-below level. Source: Yahoo Finance, my chart.

SNAPSHOT	dated
Price	$65.76 session VWAP (10:05 AM ET bar). Open $68.35, prior close $92.07 · Oct 30, 2026, Yahoo
Market value / enterprise value	$357.7B / $353.9B · 5,440M shares x $65.76, less $3.9B net cash, my calculation
Fully diluted shares and change	5,440M guided for Q4. Outstanding 5,310M at Sep 26, up 11.4% y/y · Oct 29 call, 10-Q Oct 29, 2026
Net cash	+$3.9B ($54.0B cash and short-term investments less $50.1B debt) · 10-Q, Sep 26, 2026
TTM revenue	$59.9B · 10-K and 10-Qs, TTM to Sep 26, 2026
TTM FCF less stock comp	+$1.3B ($0.25 a share) · same, my calculation
TTM owner earnings	$4.7B ($0.87 a share). Mid-cycle $1.73 a share · my calculation, section 3
Short interest	148.5M shares, 2.79% of shares outstanding, 1.54 days to cover. Borrow 0.28% · Nasdaq Oct 15, 2026 settlement, iBorrowDesk Oct 30, 2026
Support / resistance	Support 64.47, 62.09 to 60.75, 56.31. Resistance 68.28 to 68.76, 74.70, 79.62 · section 4, Oct 30, 2026
Red flags	Caution (6 Caution, 5 Clear, 0 Fail) · section 5, Oct 30, 2026

CALL: STEER CLEAR. I would not own INTC at $65.76 (session VWAP, Oct 30, 2026). My value blend is $27.91 / $38.74 / $44.06 (low / base / high), and the price sits above the high of all three of my valuation cases.

Actionable price: none at today's level. Buy (half) only at or below **$38.74**. Buy (full) only at or below **$25.18** (35% margin of safety, uncertainty High). Red flags: **Caution**, so not a Short.

Exit: no position to exit. Next catalyst: Q4 2026 results, about Jan 28, 2027 (not yet announced).

1. The business and why it matters now

Intel sells PC chips (CCPG), server and AI-system chips (DCAI) and contract manufacturing through Intel Foundry, which mostly bills Intel's own product groups. It owns about 76% of Mobileye.

On Oct 29, 2026 Intel beat on Q3 and guided Q4 well below the Street. Q3 revenue was $16.51B (+21% y/y) against $16.5B expected, and non-GAAP EPS was $0.52 against $0.40. The Q4 guide of $15.0B to $16.0B and $0.25 compares with Street figures of $17.07B and $0.43 (LSEG via Reuters and CNBC, Oct 29). The stock fell from $92.07 to a $65.76 session VWAP by 10:05 AM ET the next morning.

$M	Q3 2025	Q2 2026	Q3 2026	Q3 y/y
CCPG revenue	8,535	8,877	8,097	-5%
DCAI revenue	4,117	6,262	7,318	+78%
Intel Foundry revenue	4,235	5,765	6,697	+58%
Total revenue	**13,653**	**16,128**	**16,513**	**+21%**
DCAI operating income	964	2,474	3,039	+215%
Intel Foundry operating income	(2,321)	(2,089)	(1,853)	

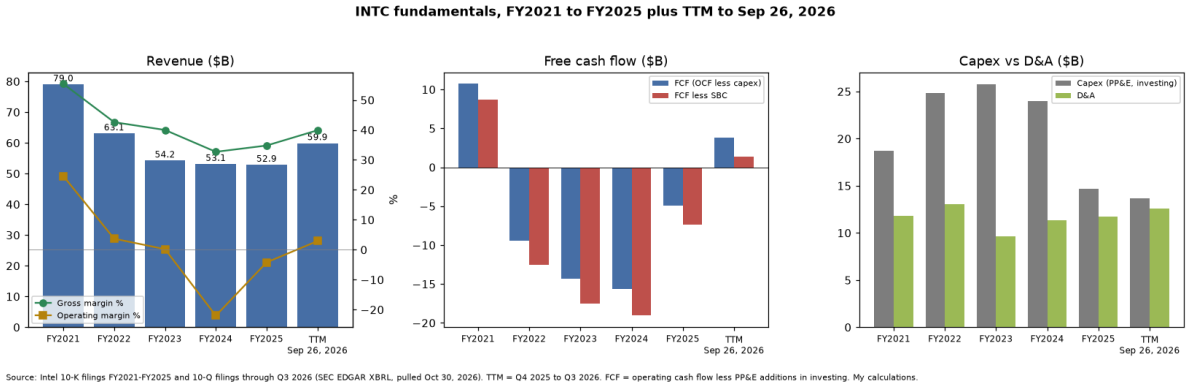
Source: 10-Q segment notes (Nov 6, 2025, Jul 24 and Oct 29, 2026) and earnings releases.

DCAI now earns most of the profit, with supply tight "throughout 2027 and into 2028" (Oct 29 call). PC revenue is guided down in the mid-20% range for Q4 (Reuters, Oct 30). Foundry lost $1.85B in Q3 on $411M of external revenue, mostly one contract (10-

Q). The CFO said 2026 cash flow will not be positive and 2027 spending will rise sharply, and the Kiryat Gat accident cut about $300M from Q4 revenue (Reuters, Oct 30, 2026).

2. The numbers

Figure 2.1 INTC fundamentals, FY2021 to FY2025 plus TTM to Sep 26, 2026



Source: Intel 10-K filings FY2021-FY2025 and 10-Q filings through Q3 2026 (SEC EDGAR XBRL, pulled Oct 30, 2026). TTM = Q4 2025 to Q3 2026. FCF = operating cash flow less PP&E additions in investing. My calculations.

Revenue fell from $79.0B in FY2021 to $52.9B in FY2025 and is $59.9B on a trailing basis. FCF less stock comp was negative every year from FY2022 to FY2025, a cumulative $(56.5)B, while diluted shares rose from 4,090M to 5,307M (10-Ks and 10-Qs, SEC XBRL data pulled Oct 30, 2026). About $20B of 2026 gross capex against $12.6B of D&A widens the gap again (Oct 29 call).

3. Valuation and what the price implies

How I value it. Owner earnings are operating income after stock comp and D&A, taxed at a normalized 15%, less the minority partners' share. Intel is a cyclical in a turnaround, so I value it on mid-cycle owner earnings, not on a trough year. Its GAAP operating margin averaged 14.7% over FY2016 to FY2025 against (4.2%) in FY2025. I cap the normalization at twice trailing owner earnings, so $0.87 a share becomes **$1.73 mid-cycle** (SEC XBRL data, my calculation). As a check, applying the 14.7% average margin straight to TTM revenue gives $1.24 a share and a Buy (half) level of $27.41.

THREE CASES (PER SHARE, $65.76 ON OCT 30, 2026, 11.00%, 3% TERMINAL GROWTH)				
CASE	LOW	BASE	HIGH	PRICE VS BASE
(1) Conservative: floor reference only	$13	$16	$19	price 318% above
(2) Market-implied	$38.13	$41.53	$44.89	price 58% above
(3) Growth-adjusted	$17.69	$35.95	$43.24	price 83% above
Blend of (2) and (3), 50/50	**$27.91**	**$38.74**	**$44.06**	**price 70% above**

- **Market-implied.** Next-twelve-months owner earnings of $1.87 / $2.04 / $2.21 a share times a multiple, plus $0.71 a share of net cash. NTM growth is +16.3%, from Street revenue growth of +19.47% for FY2026 and +15.25% for FY2027 weighted 3/12 and 9/12 (stockanalysis.com, S&P Global data, Oct 30, 2026), with a 1.05 operating-leverage factor. Per-share growth is cut 3.7% a year for dilution. Growth above 15% would earn 25x to 35x, but a cyclical drops one tier to 20x / 24x / 28x, and every case is capped at the peer median forward P/E of 20.0x (AVGO, NVDA, QCOM, TSM, TXN).
- **Growth-adjusted.** A multi-year owner-earnings DCF from the $1.73 mid-cycle base. Base per-share growth is 17.7% in year one, 16.7% in year two and 11.1% in years three to five, then fades to 3%. Low assumes a 15% drop in year two. Growth capex above D&A ($6B, $8B, $5B, $2B in years one to four) is subtracted.
- **Net cash and the government stake.** I count the 132M unreleased escrow shares in the 5,440M share count rather than treat the $13.7B escrow liability as debt, because it settles in shares (10-Q Notes 4 and 13).

Margin of safety. Uncertainty is High (cyclical, negative FCF in four of the last five years, an unproven foundry), for a 30% margin. Heavy dilution and the government share overhang add 5 points, for 35%. **Buy (half) at or below $38.74**, the blend base. **Buy (full) at or below $25.18** ($38.74 × 0.65). The price is 49% above the blend high and 46% above the Market-implied high of $44.89, the highest number I can build.

Reverse DCF. On trailing owner earnings of $4.7B, $65.76 needs about 27% a year of owner-earnings growth for ten years at 11%, then 3% (24% at 10%, 29% at 12%). From the $1.73 mid-cycle base it still needs about 18% a year for ten years. That asks a company whose best recent GAAP operating margin was 24.6% (FY2021) to compound like TSM (58.0%) or NVDA (65.2%) (stockanalysis.com, Oct 30, 2026, my calculation).

SENSITIVITY: BUY (HALF) LEVEL BY DISCOUNT RATE AND TERMINAL GROWTH			
	2.5% TERMINAL	3.0% TERMINAL	3.5% TERMINAL
10%	$40.60	$41.68	$42.94
11%	**$37.95**	**$38.74**	**$39.64**
12%	$35.87	$36.47	$37.14

Bull / base / bear. Bear $27.91 (PC slump past 1H27, foundry customers slip, per-share owner earnings down 18% in year two). Base $38.74 (weak PCs through 1H27, Xeon supply improves, a couple of foundry customers announced). Bull $44.06 (supply catches up and external foundry volume arrives), still 33% below the price.

Peers. At $65.76 INTC trades at 30.0x the Street's FY2027 EPS of $2.19 with a 10.3% operating margin, against NVDA at 17.7x and 65.2%, TSM at 20.3x and 58.0% and AVGO at 19.8x and 48.8% (stockanalysis.com, S&P Global data, Oct 30, 2026, my calculation for INTC). It is the most expensive name in the group with the lowest margins.

MACRO				
SIGNAL	READING	DATE	THRESHOLD	ON?
10-year less 3-month yield	+0.87	Oct 28, 2026	below zero for 3+ months	off
Real-time Sahm rule	0.00	Sep 1, 2026	0.50 or above	off
High-yield spread	3.14	Oct 28, 2026	above 5.0	off
S&P 500 vs 200-day	7,708.54 vs 7,306.43	Oct 29, 2026	close below the 200-day	off

Regime Green, no signals on (FRED and S&P 500 data, read Oct 29, 2026). The driver is PC demand under the memory-price spike (Q4 PC revenue guided down mid-20%, Reuters Oct 30, 2026), which works against owning the stock.

At 10% the cases are $38 / $42 / $45 (Market-implied, which does not move with the rate), $21 / $42 / $50 (Growth-adjusted) and a $29 / $42 / $48 blend. At 12% they are $38 / $42 / $45, $16 / $31 / $38 and $27 / $36 / $41. No change to the call, since the price is above the blend high at every rate.

4. Technical levels (expire after the next report, about Jan 28, 2027, or a move larger than 2 ATR, about $10.16)

Figure 4.1 INTC daily candles, Oct 30, 2025 to Oct 30, 2026, with 50-day and 200-day averages, the April gap, entry zone, volume and 1-year volume profile



Fig 4.1: INTC daily, Oct 30, 2025 to Oct 30, 2026 (10:05 AM ET bar). Source: Yahoo Finance daily and 5-minute bars, my chart.

INTC gapped 25.8% into the April base and trades under session VWAP ($65.76), about $1 above the $64.47 floor, with the 50-day, 200-day and every anchored VWAP since Nov 2025 overhead. I'd only buy a daily close back above $68.28 on heavy volume. A close below $64.47 opens the short.

LEVELS AND SETUP	Oct 30, 2026, 10:05 AM ET bar, up to 15 minutes delayed
ITEM	LEVEL
Session	Prior close $92.07, open $68.35 (gap 4.7 ATR, extended), high $68.76, low $64.12, VWAP $65.76, 130.4M shares in 40 minutes (1.30x the 50-day)
Trend	50-day $101.63, 200-day $86.78. Today's gap took price below the 200-day for the first time since the Aug 15, 2025 golden cross
Volume profile, 1 year	POC $45.89. Heavy node $62.3-68.0, near-empty pocket $70.5-79.6 (the April gap). 60-session POC zone $90.9-92.4 overhead
Anchored VWAPs	$82.83 from the Nov 21, 2025 low, $90.36 from the Oct 22 low, $102.30 from the Jun 30 high
Resistance	$68.28-68.76, $74.70 (Fib 61.8%), $79.62 (top of April gap), $82.83-84.65
Support	$64.47 (April base floor), $62.09-60.75, $56.31 (Fib 78.6%), $53.27-54.80 (Apr 8 gap)
Long entry	$64.47-68.28. Trigger on a daily close above $68.28 on at least 120.1M shares, with no close below $64.47 first
Out below	Daily close below $60.50

ITEM	LEVEL
Long targets	$74.70, $79.62, $82.83-84.65
Failed breakout	Close back below $64.47 within 3 sessions of a close above $68.28
Breakdown short	Daily close below $64.47 on at least 120.1M. Cover on a daily close above $68.28
Failed-rally short	Rejection in $74.70-79.62 with a close back below $74.70. Cover on a daily close above $79.62
Short targets	$62.09-60.75, $56.31, $53.27-54.80
Squeeze risk	Low. 148.5M short (Oct 15 settlement), 2.79% of shares outstanding, 1.54 days to cover, borrow 0.28% with 10M+ available (Oct 30, 9:26 AM)
Earnings gaps	5 of 8 earnings gap-downs of 8% or more since 2022 closed lower five sessions later. Closest match Aug 2, 2024: -24.5% gap, -32.2% after 5 sessions

Today's volume already cleared 120.1M, so a close below $64.47 today triggers the breakdown on the close alone.

Sources: Yahoo Finance daily and 5-minute bars, Nasdaq extended-trading data (Oct 30, 2026), exchange short-interest data (Oct 15, 2026 settlement), iBorrowDesk (Oct 30, 2026).

The long trigger is a trading reference only, because $68.28 is well above my $38.74 Buy (half) level.

5. Red flags and risks

RED-FLAG SCORECARD verdict Caution · Oct 30, 2026

#	FINDING	GRADE
1. Dilution	Shares up 11.4% YoY to 5,310M after the August sale of about 242M at $95.00. Shelf has no cap, lock-up ended Oct 29. At $65.76 those shares raise $15.9B, and $23.0B needs about 350M shares (6.6%). (10-Q, Oct 30, 2026. 424B5, Aug 12, 2026)	Caution
2. Escrow and warrants	Escrow liability = 132M x (P - $19.20), $6.15B at $65.76, about $132M per $1. Implied Q4 gain $7.6B, $1.39 per share on 5,440M fully diluted, excluded from the $0.10 GAAP Q4 guide. 240.5M warrants at $20, worth $11.0B, live if Foundry ownership drops below 51%. (10-Q, Oct 30, 2026. 8-K, Oct 29, 2026. 424B7, Jan 23, 2026)	Caution
3. Related party	Brookfield owns 49% of Arizona SCIP. Minimum production or damages, $20.6B of PP&E ring-fenced. (10-Q, Oct 30, 2026)	Caution
4. Cash flow	Nine-month FCF about +$3.0B. CFO guides 2026 cash flow below zero. (10-Q, Oct 30, 2026. Reuters, Oct 30, 2026)	Caution
5. Legal and Israel	Kiryat Gat cost "unable to reasonably estimate", war risk self-insured. VLSI about $1.0B accrued. (10-Q, Oct 30, 2026)	Caution
6. Commitments and goodwill	Capex commitments $19.6B (from $12.8B). Mobileye goodwill $4.3B, cushion under 10%, tested in the 10-K (last filed Jan 23, 2026, after the Jan 22 Q4 release). (10-Q, Oct 30, 2026)	Caution

Source: my forensic screen (Oct 30, 2026) of the filings above, EDGAR Forms 4 and 144 and Nasdaq short interest (Oct 15, 2026). Prices at $65.76, Oct 30 session VWAP at the 10:05 AM ET bar. Five lines Clear, none Fail.

Caution clears the gate for a Buy (half) but blocks a Short, which needs a Fail.

Catalysts. The 18A-P launch (late 2026), foundry customers promised "in next two quarter[s]" (Oct 29 call), the Dec 26 quarter end (escrow mark, Mobileye goodwill test), Q4 results about Jan 28, 2027 (not announced) with the 2027 capex and cash guide, and any follow-on offering or government block sale.

Sizing: not taken. The call is Steer clear. On a $100K reference account, a Buy (half) at or below $38.74 would risk 0.5% ($500) from a fresh technical entry and stop. The technical long (close above 68.28, out below 60.50) would be 128 shares at 1% risk, cut to about 59 shares for a repeat of the 24.5% Aug 2, 2024 earnings gap (my calculation).

6. What would change my mind

Toward a buy: the price reaching $38.74, a named external foundry customer with disclosed volume, or gross margin back above 40% with 2027 capex funded without new equity. Toward a short: a Fail on red flags (a large offering at depressed prices or a large Israel charge) with the price still far above $44, plus a fade trigger and cover stop.

Sources

- Intel Q3 2026 10-Q, accepted Oct 29, 2026, and earnings releases (8-K Exhibit 99.1) of Oct 23, 2025 to Oct 29, 2026. 10-Ks for FY2016 to FY2025 and SEC XBRL company facts, pulled Oct 30, 2026.
- Final 424B5 (Aug 11, 2026), S-3ASR (Aug 10, 2026), 424B7 resale prospectus (Jan 23, 2026), Form 4 (Aug 14, 2026).
- Q3 2026 earnings call, Oct 29, 2026. Reuters, Oct 29 and Oct 30, 2026. CNBC, Oct 29, 2026.
- stockanalysis.com forecast and statistics pages (S&P Global Market Intelligence data), Oct 30, 2026.
- Yahoo Finance price data, Oct 30, 2026. Nasdaq short interest, Oct 15, 2026 settlement. iBorrowDesk, Oct 30, 2026. FRED and S&P 500 data, Oct 29, 2026.

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