

Daily Commentary

Same CEO, Different Environment

24th November 2026

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There is an old story told to those who collect porcelain.
A very valuable Chinese vase falls and breaks.
The pieces are put back together and carefully glued, and from a distance it looks like the one it was before.
But the cracks show against the light, and all it takes is a stronger blow than usual for the vase to shatter again, right along the old fracture lines.
Yesterday, the market glued its vase.
Nvidia's board of directors, which just six days earlier had ruled out any return, called Jensen Huang back to lead the company (unanimously and with immediate effect) after what the company itself described as an intervention at the highest levels of the US government.

The vase is back on the table.
The problem is that it is a glued vase.

Let's start with the numbers, because they are the ones telling the story of the problem.
Nvidia closed at USD **165.05** (+**31.5**%), its best session since May 2003, adding about USD **950** billion of market capitalization in a single day.
Nasdaq 100 futures hit the 7.0% limit even before the open, the index closed at +**6.9**%, the S&P 500 index at +**4.7**% and the semiconductor index at +**14**%.
About a third of the S&P 500 index's rise came from Nvidia alone.
It looks like a casino, not the largest equity market in the world.
It is not normal for the Nasdaq to move **7.0**% in one session over a governance

Source: Bloomberg, Reuters, Yahoo Finance, Financial Times, ECB, CNBC, The White House
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issue at a single company, and neither is the outbound journey, where in the eleven days without Huang the S&P 500 index had burned about USD **5,000** billion of market capitalization.
A risk that by definition is specific, meaning tied to a single issuer and therefore diversifiable, has become systemic.
This is the first crack in the vase, and no gluing can repair it.

How did it happen?
The market was light.
Long/short funds had net leverage at the first historical percentile, systematic funds were close to their maximum short positions, and liquidity on the S&P 500 index futures book had fallen to around USD **2** million, against a five-year average of **11**.
In these conditions, leveraged ETFs had to buy back between USD **37** and **41 billion** at the end of the day.
In simple terms, Nvidia rose by **31**% mostly because those who had been selling it for two weeks stopped doing so.
Not a single earnings estimate has changed.
Positioning has changed.

Let's be clear, **Huang's return is good news** and the market was right to celebrate it.
The man who keeps the Artificial Intelligence ecosystem in balance is back, putting hyperscalers (large cloud operators), labs, neoclouds and Washington at the same table.
Above all, the so-called "Nvidia bank" is back, meaning the financial support that

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the group guarantees to some of its customers, with the risk of a disorderly freeze of these financings, which in recent days was the central scenario, becoming once again an extreme scenario.
Moreover, the stock came from a paradoxical valuation, because on Friday it was trading at about **8** times expected earnings, against 35 times last summer and less than half of the average multiple of the S&P 500 index.

The CEO is the same.
The environment, however, is not, and you can see it precisely from how the investment houses have moved.
Of **18** notes published yesterday, **14** have a positive rating and none is negative, but the rebuilding of the vase is partial.
Some have brought the rating back to outperform, where it was before the resignation, but leaving the price target at USD **200**, that is, half of what it was before the crisis.
Others confirm the target at USD **220** and write in black and white that the multiple will re-rate, but it will remain held back until the investigations are closed.
The leadership discount is gone, the legal one is not.

That is the picture on Nvidia.
What changes for the market?
Less than the Nasdaq's +**6.9**% suggests.
Yesterday's observations all still stand.
Futures continue to price rate hikes in December and January.
A rate hike is a problem for everyone, but especially for the Artificial Intelligence supply chain, which lives on debt and

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therefore on its cost.
Yesterday, while equities were soaring, a portion of the neocloud unsecured bonds kept yielding between **15% and 16%**, with protection against default (CDS, insurance contracts against insolvency risk) above **1,100** basis points.
Here we come to the most uncomfortable point.
Perhaps it would have been better if for a moment everything had slowed down, even visibly.
A real slowdown would have cooled spending, brought yields back down, forced the Fed into a less aggressive stance and given back to the system some of the liquidity that is lacking today.
Painful, but the vase would have been cleaned before being glued.
Instead, today we find ourselves with the worst of both worlds: the Fed stays restrictive and the investment cycle restarts with the government's blessing.
One of the investment houses summed it up well: **public support reduces the risk that the construction of Artificial Intelligence stops too early, but increases the risk that it ends up going too far.**

One last crack remains, the thinnest.
Before, Huang had full freedom of action; today he returns to that chair because the US government put him back there, with the president claiming credit for his intervention on television and the vice president who, according to Bloomberg, phoned the directors.
Help of that kind is not free.
People are already asking whether the price was some concession on China, and

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the calendar leaves little room: December 1, the closed-door hearing before three House committees, December 3, the public testimony in the Senate on export controls, and in January a Congress with a Democratic majority and its investigative powers.
It will therefore be a less swaggering CEO, perhaps even one with a lower profile.
Who knows, he may decide to take off the Fonzie-style leather jacket and put on a gray suit or a blue crewneck like our Marchionne.
It would be the most honest signal that the vase has been glued and that it must now be handled with care.

After a session like that, we expect a period of settling, with the market digesting a rally born more of positioning than of fundamentals.
This evening, after the close, **Dell** reports, the first test of whether the scare of the last two weeks has done real damage to orders.
The vase is back on the table, but it is better not to put anything too heavy on it until December 9, when the Fed will tell us whether the glue holds.

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