# Nvidia's dominance continues as fund managers increase ownership



Bank of America has released an industry analysis emphasising the sustained dominance of Nvidia (NASDAQ: NVDA) among semiconductor stocks favoured by U.S. fund managers as of December 2024. Ownership of Nvidia has increased to 72%, rising from 70% reported at the end of September. This substantial interest highlights Nvidia's central role in the rapidly evolving landscape of artificial intelligence (AI) and high-performance computing, which is expected to reshape various sectors of the economy.

The analysis, guided by analyst Vivek Arya, also noted that, while confidence in Nvidia's long-term prospects remains high, the stock's portfolio weighting has shifted slightly to 1.01 times, up from 0.99 times in September, although this still falls short of the 1.03 times recorded in December 2023. The findings reflect a nuanced but optimistic outlook among fund managers regarding Nvidia's future as a key player in automation technologies.

Other semiconductor companies such as Broadcom (AVGO) also reported significant ownership levels at 54.6%. Meanwhile, other key players like Applied Materials (AMAT) and Advanced Micro Devices (AMD) follow closely in the rankings, though they lag behind Nvidia. Other notable companies mentioned included Qualcomm (QCOM) and Texas Instruments (TXN), which, while still popular, have not captured fund manager interest in the same way.

Despite an overall increase in fund ownership of Nvidia, several companies have experienced declines in quarter-wide ownership. Applied Materials saw a decrease of 4.4%, while Lam Research (LRCX) and Qualcomm also faced declines of 4% and 3%, respectively. AMD and Intel followed with drops of 2.8% and 2.6%. These fluctuations may indicate varying investor confidence across the semiconductor landscape as the industry adapts to emerging technologies and trends.

The ongoing prominence of Nvidia signals a strong belief in the transformative potential of AI and high-performance computing within the semiconductor industry, positioning it as a vital component of future technological advancements. As businesses continue to integrate AI-driven solutions, the implications for production practices, operational efficiency, and competitive advantage are profound. The Bank of America analysis underscores the critical role that these technologies will play in shaping the future of business operations across various sectors.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

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