Credo Technology Group Holding Ltd (CRDO)

Strong Earnings Visibility Led by the AI Boom



Tradingview

Technical Outlook

Price is well supported EMAs 20 and 60 and is expected to retest its 52-week high resistance at USD176.7 as it is presenting a flag formation breakout. Next resistance is located around USD208.4 (Fibonacci extension 0.618), while a violation below the USD130.6 support level will invalidate the setup.

Trading Catalysts

- **Strong AI-led growth.** Credo posted an exceptional 274% YoY revenue jump in 1QFY26 to USD223.1m, driven by robust AI infrastructure demand. Management guides for FY26 revenue growth of ~120% YoY, underpinned by continued hyperscaler investment in AI clusters. There are four hyperscalers now contributing to the revenue, with the fifth one expected to commence production by end-FY26.

- **Broadened addressable market.** The company is expanding its Active Electrical Cables (AECs) applications from inter-rack to rack-to-rack connections, replacing optical links and unlocking new market opportunities over the next 5–10 years. AECs provide 50% lower power consumption compared to optical solutions, gaining strong adoption across major data centre deployments.

- **Turned profitable starting FY25.** The group has USD479.6m cash and ST investments, with a TTM GP margin of 66.0% and NP margin 20.9%, Credo is well-positioned to fund R&D and M&A while maintaining profitability. TTM ROE and ROI also stood at 18.8% and 10.4% respectively.

Peer Comparison

	Ticker	Price (USD)	Market Cap (USD'bn)	P/E (x)	Forward P/E (x)	ROE (%)	NP Margin (%)	RSI	ST Trend
Credo Technology	**CRDO**	**151.0**	**26.1**	**223.7**	**71.7**	**18.8**	**11.9**	**Positive bias**	**Up**
Astera Labs Inc	ALAB	163.6	27.2	292.2	95.5	10.1	-21.1	Negative bias	Down
MaxLinear Inc	MXL	17.5	1.5	22.0	21.4	-35.2	-68.0	Oversold	Down
Semtech Corp	SMTC	68.7	6.0	33.4	28.9	-	-17.8	Oversold	Down
Avg ex-Credo Technology			**11.6**	**115.9**	**48.6**	**-12.5**	**-35.6**		

Source: Bloomberg, M+ Research

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Credo Technology Group Holding Ltd

Company profile

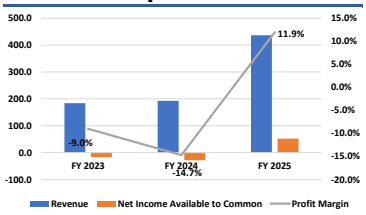
Credo Technology Group Holding Ltd is a leading provider of high-speed connectivity solutions that enhance power efficiency for the data infrastructure market, operating primarily in the United States, Taiwan, China, and Hong Kong. The company has experienced extraordinary growth fueled by the surging demand for AI infrastructure.

Technical Data

Price	150.97
R1	176.70
R2	208.44
S1	136.75
S2	130.59

M+ Research, Bloomberg

Financial Snapshot



M+ Research, Bloomberg

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(a) nil.