

U.S. Exceptionalism Doesn't Just Hinge on AI, Tom Lee Says

The stock market posted sharp losses on Monday, with a large chunk of that driven by Nvidia. But underneath the surface, financials, bitcoin, and small caps, rallied.

The news from Chinese AI startup DeepSeek had many investors worried about major tech companies, and whether the moats were as deep as they had believed.

Fundstrat Head of Research Lee looked at the question from a different perspective, questioning whether investors were placing too high a priority on the question. If tech companies' moats are so important to the overall economic picture, he asked rhetorically, then why did the other sectors and areas of the market not decline in sympathy?

"As important as AI is, we're probably overly fixated on AI being the only thing driving equities," Lee said on CNBC's Power Lunch with Kelly Evans and Brian Sullivan.

For Tech investors, Lee acknowledged the significance of DeepSeek's emergence onto the scene, but in his view, Nvidia remains central to the artificial intelligence investing theme.

"Nvidia is the leading company in the story of AI," Lee said. "It is a very important franchise. It's a company where the actual lead in terms of developing the best chips continues to be far ahead of anyone else."

As he reminded us, AI remains a multidecade story.

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