

David Tepper Just Made Amazon His #1 Position — Buying the Dip Berkshire Was Selling

NASDAQ: AMZN Amazon.com, Inc. | Appaloosa Management | Signal data as of June 26, 2026

David Tepper isn't a household name the way Buffett is, but among professionals his record commands attention — and his Q1 2026 filing made a loud move: he roughly doubled Appaloosa's Amazon stake into the February selloff, lifting it to his largest disclosed holding. In the same quarter, Berkshire Hathaway exited Amazon entirely. **This is our own independent research, not investment advice, and not a recommendation to buy or sell.**

THE SIGNAL — WHAT THE FILING SHOWS

The Q1 2026 13F (filed by May 15, 2026): Appaloosa Management nearly doubled its Amazon position to roughly 4.3 million shares, moving AMZN from third to the **top spot** in the disclosed portfolio. Reporting indicates Tepper added into the February 2026 decline — buying weakness, not chasing strength.

Why this signal carries weight: Appaloosa's average 13F holding period is about 8.5 quarters. Tepper tends to hold, so a doubling is a conviction move, not a trade. (Contrast: some famous "13F names" turn over ~95% of their book each quarter, making their filings closer to entertainment than signal.)

The disagreement: The same quarter, Berkshire Hathaway — under new CEO Greg Abel — fully exited its Amazon stake. So this is not unanimous smart money; it's one respected billionaire buying what another sold. That tension is the story.

~\$228	~\$2.44T	\$37.6B	+28%	~28x	\$196–279
SHARE PRICE	MARKET CAP	Q1'26 AWS REV	AWS GROWTH	FWD P/E	52-WK RANGE

THE BULL CASE (WHY TEPPER MAY BE RIGHT)

- ▶ **AWS still compounding.** AWS grew ~28% to \$37.6B in Q1 2026; bulls argue the \$200B capex cycle is building capacity that monetizes later.

▶ **Valuation reset.** Forward P/E (~28–30x) sits well below Amazon's multi-year average, with sell-side consensus around Strong Buy and ~30%+ implied upside.
- ▶ **Multiple profit engines.** High-margin advertising growing ~22%, plus logistics automation that can expand retail margins over time.

▶ **AI distribution.** Partnerships across leading foundation-model developers position AWS as a neutral "arms dealer" in the AI buildout.

THE BEAR CASE (WHY BERKSHIRE MAY HAVE SOLD)

- ▼ **Record capex, no FCF floor.** ~\$200B planned 2026 capex is the largest single-year corporate spend ever; an 8% drop followed the guidance. Returns are unproven.

▼ **Cloud growth lags peers.** AWS's ~28% trails Microsoft and Google Cloud's faster reported rates — a worry for a company spending this heavily.
- ▼ **Regulatory pressure.** EU moves to designate AWS a Digital Markets Act "gatekeeper" could add compliance obligations and fines.

▼ **Near highs, macro-sensitive.** Stock trades closer to the top of its range than the bottom and moves hard on AI-spend and macro headlines.

WHAT TO WATCH

Q2 2026 earnings (est. July 30, 2026) • AWS growth rate and margin • whether 2026 capex guidance holds • advertising momentum • EU DMA outcome • any subsequent Appaloosa filing showing the position held, added, or trimmed.

IMPORTANT DISCLOSURES — READ BEFORE ACTING

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About 13F data: Form 13F filings are disclosed up to 45 days after quarter-end and show only long U.S.-listed equity/option positions — not shorts, hedges, or non-U.S. holdings. A manager may have changed a position since the March 31, 2026 reporting date; "Tepper bought" reflects what Appaloosa's filing disclosed as of that date, not a confirmed live position. Copying a 13F is not a strategy: even strong investors are wrong regularly, and you do not know their cost basis, time horizon, or reason for the trade.

Risk: All equity investing carries risk of loss, including total loss. Figures are from SEC filings and public market data as of June 26, 2026 and may be outdated when you read this. Do your own due diligence and consult a licensed professional. Verify every figure against the original SEC filing before acting.