

## INVESTOR'S BUSINESS DAILY\*

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### Software Stocks Top IBD 50 Amid Bullish Profit Outlook

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#### Weekly Winners & Losers

Biggest price changes  
among IBD 50 stocks

Company	Symbol	Weekly % price change
<b>Top 10</b>		
Hawaiian Holdings	HA	17.7%
SolarWinds	SWI	16.3
Cirrus Logic	CRUS	12.5
Manhattan Assoc.	MANH	10.3
Bank of the Ozarks	OZRK	8.7
Lennox Int'l	LII	8.6
Macom Technology	MTSI	8.3
Citrix Systems	CTXS	7.5
Avago Technologies	AVGO	7.0
Ebix	EBIX	6.3
<b>Bottom 10</b>		
Nike	NKE	0.1%
Ulta Beauty	ULTA	-0.1
Cal-Maine Foods	CALM	-0.2
Noah Holdings	NOAH	-1.0
Tesoro	TSO	-1.2
Blackhawk Network	HAWK	-2.1
Cambrex	CBM	-2.9
Microsemi	MSCC	-2.9
Dave & Buster's	PLAY	-3.5
Paycom Software	PAYC	-10.0

Software issues account for seven of the stocks in the IBD 50 screen and many names in the sector have rising annual profit estimates. NetEase (NASDAQ: NTES) and Manhattan Associates (NASDAQ: MANH) boast Composite Ratings of 99, indicating they're outperforming 99% of all stocks based on five IBD metrics such as earnings and sales growth. Paycom (NYSE: PAYC), Ellie Mae (NYSE: ELLI) and SSNC Technologies (NASDAQ: SSNC) have Comp Ratings of 98.

Enterprise software stock Paycom, financial software firm SSNC and Mentor Graphics (NASDAQ: MENT), a provider of design automation software, are trying to clear buy points. The others are either extended or are forming bases.

SSNC is due to release Q3 earnings Monday after the market closes. Profit is seen edging up 2% to 62 cents a share on a 60% jump in sales to \$307.9 million. Its profit estimates for this year and next have been revised higher, a bullish sign.

The software sector has risen three places this month, to No. 9 out of 33. Within the sector, the financial, gaming and enterprise software groups are strongest, ranking in the top 30 of the 197 industries tracked by IBD.

NetEase leads the seventh-ranked gaming software industry as it climbs the right side of a new base. The Chinese online gaming portal is due to report Q3 results Nov. 11.

Profit for the period is expected to rise 24% to \$1.78 a share, which would match the biggest increase in seven quarters. Revenue is seen soaring 77% to \$5.5 billion, picking up for the sixth straight quarter.

Ellie Mae, whose software is used to process mortgage applications, broke out past a 75.29 buy point of a double-bottom base Thursday after a strong earnings report.

But it fell sharply in heavy trade Friday, sliding back below the entry.

Manhattan Associates is extended from a 65.63 entry. Profit at the enterprise software firm has been revised higher for this year and next, with analysts now seeing gains of 28% and 12%, respectively.

Paycom, another enterprise software firm, has retaken its 10-week line after triggering a sell rule by falling 8% below a 41.68 entry.

Research firm Gartner forecast in August that global spending on enterprise software will rise more than 7% this year

to \$149.9 billion and top \$201 billion in 2019.

Other software stocks in the IBD 50 screen include Citrix Systems (NASDAQ: CTXS), Cadence Design Systems (NASDAQ: CDNS), Ebix (NASDAQ: EBIX) and Jack Henry & Associates (NASDAQ: JKHY).

For the week, the IBD 50 rose 1.9% vs. the S&P 500's 0.7% gain.

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