

[Previous Page](#)

Ebix Shares Plunged: What You Need to Know

<http://www.fool.com/investing/general/2011/03/24/ebix-shares-plunged-what-you-need-to-know.aspx>

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Although we don't believe in timing the market or panicking over market movements, we do like to keep an eye on big changes -- just in case they're material to our investing thesis.

What: Shares of insurance software vendor **Ebix** (Nasdaq: [EBIX](#) .) were minding their own business on a humdrum day, until all hell broke loose and the stock fell more than 26% on truly massive trading volume in the early afternoon.

So what: This stock [suffered an entirely inexplicable fall](#) a couple of weeks ago, but this time there's a real driver behind the action. A [scathing three-part article](#) that eviscerates Ebix for being overpriced and possibly fraudulent hit the news feed just as the panic-selling started, showing that investors were taking that message to heart.

Now what: I'd think twice before acting on that damning report. For one, the articles point to [CEO Robin Raina](#) as a liability while our own *Motley Fool Pro* analyst team sees him as an asset, and the *Rule Breakers* team calls him a successful game-changer. But give the report a read and make the call yourself. Keep in mind it was written by an anonymous writer who disclosed a short position on Ebix *and* has every intention to profit from whatever market moves the article might trigger.

Interested in more info on Ebix? [Add it to your watchlist.](#)

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[Previous Page](#)