



7 Reasons Not to Worry This Week

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Stocks are rolling these days.

Barron's called it perfectly over the weekend, describing the major market indexes as hitting post-Lehman highs, since one has to go back 26 months -- before the financial meltdown of 2008 -- to find the last time that Mr. Market hung out at these levels.

It would normally seem to be a good time to be long on the market, but I was still able to [bring up several companies](#) that are projected to post lower quarterly earnings this week than they did a year ago.

Thankfully, they're the exceptions and not the rule. Let's go over seven publicly traded companies that are expected to stand tall this week by posting year-over-year improvement on the bottom line.

Company	Latest Quarter's EPS (Estimated)	Year-Ago Quarter's EPS
Cisco Systems (Nasdaq: CSCO)	\$0.40	\$0.36
priceline.com (Nasdaq: PCLN)	\$4.97	\$3.45
Rackspace (NYSE: RAX)	\$0.09	\$0.06
Ebix (Nasdaq: EBIX)	\$0.32	\$0.25
JA Solar (Nasdaq: JASO)	\$0.34	\$0.10
LDK Solar (NYSE: LDK)	\$0.43	\$0.27
MBIA (NYSE: MBI)	(\$0.58)	(\$0.94)

Source: Thomson Reuters.

Clearing the table

Let's start at the top with Cisco.

The global leader in networking equipment is more than just a router router these days. Cisco has its hands in everything from [videoconferencing](#) to [consumer digital cameras](#). The refreshingly diversified Cisco is apparently working, with the pros targeting an 11% improvement in earnings.

The "name your own price" travel portal is flying high these days, but priceline.com didn't miss a beat during the recession, either. Everyone loves a vacation deal, but priceline.com also offers a more conventional booking portal without the mystery bids on flights, hotels, and car rentals.

The dot-com's unique approach has helped it stand out in its niche. Just last month, Goldman Sachs [boosted priceline.com's price target](#), while downgrading the shares of its largest rival. Bulls should also take comfort that priceline.com has blown past Wall Street's quarterly guesstimates for more than four years. It's a welcome streak heading into tonight's report.

Rackspace is a popular provider of webhosting. In other words, it mans the server farms necessary to give companies their online presence. Rackspace is also running a thriving business as a platform for cloud-computing applications, but full-blown webhosting remains the company's biggest business. Given the buzz over cloud computing and the hearty consolidation taking place in high-growth tech

industries, Rackspace has [popped lately](#) on buyout speculation.

Investors shouldn't be buying on rumor mill chatter, naturally. Thankfully, Rackspace is clearly growing well on the bottom line to justify the due diligence even if buyers sniff elsewhere.

Ebix's trade is enterprise software for the insurance industry. [CEO Robin Raina](#) recently engaged in a Web chat with the Foolish community, explaining Ebix's heady growth over the years and how its revolutionizing the insurance exchanges. Analysts want to see a profit of \$0.32 a share, but Ebix is another company that typically lands well ahead of where the pros are parked.

JA Solar and LDK make solar energy equipment. The prospects have been improving for the industry lately, and that's evident with the strong projected bottom-line growth that Wall Street is expecting from both companies.

Finally we have MBIA. The municipal bond insurer was one of the earliest companies to crack during the financial crisis. Obviously it wasn't a good time to be insuring municipal bonds that previously didn't seem to have a lot of default risk. Well, MBIA isn't exactly back, but it should post a dramatically narrower quarterly loss than it did a year ago.

Cross those fingers, but know the fundamentals

Investors in these seven stocks have a right to be excited. They are all improving their financial situations. They are worthy of the gains that the market rally has bestowed upon them over the past year.

I wouldn't be uncomfortable owning any of these companies. They're doing the right thing, regardless of Mr. Market's mood swings.

The expectations may be high, but these seven stocks wouldn't have it any other way.

Are you a buyer or a seller of stocks these days? Share your strategy in the comment box below.

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