DEEPDIVE | Everest Group

IT Services Forecaster™
Growth Forecast Report for C4Q 2016

Market Report – May 2017 – Preview Deck

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From **insight** to ***action***.

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DeepDive | Everest Group Collaboration

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More Information

Rod Bourgeois, Rod@dderesearch.com
Jimit Arora, Jimit.Arora@Everestgrp.com

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Risks to Investment Conclusions

- There are fundamental risks to our overarching IT services industry views, which are somewhat cautious relative to views commonly conveyed on the Street: Cyclical improvements could drive demand upside. Share gains by individual stocks could offset industry headwinds. Firms able to distinctively capitalize on digital demand can achieve growth upside
- Also, beginning in October 2015, we contended Cognizant's growth expectations for 2016 were too high. Now, the main risk to this view is that Cognizant's 2016 growth expectations have implicitly dropped to below the formal consensus estimates. Similarly, in July 2016, we made a negative call about INFY's ability to achieve its growth estimates and guidance. After subsequent reductions in INFY's growth outlook and valuation, INFY now faces lower expectations

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