

# IT Services Forecaster™

## Growth Forecast Report for C1Q 2017

Market Report – August 2017: Complimentary Abstract / Table of Contents

**Please refer to the Appendix for our important disclosures and terms of readership.**

Sources of exhibits herein are based on company reports and DeepDive | Everest Group research, unless otherwise noted.

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Headed by perennial #1 stock analyst Rod Bourgeois, DeepDive Equity Research provides in-depth research on enterprise tech sector shifts and stock-specific controversies, with a particular focus on IT services stocks. DeepDive's differentiated research approach entails unsurpassed industry expertise, proprietary pattern recognition of stock and fundamental tendencies, access to significant industry network, and refined financial modeling and metrics analyses. Stocks/businesses tracked by DeepDive include Accenture, Cognizant, Infosys, CSC, Genpact, CGI, IBM Global Services, HP Services, Xerox Services, Unisys, TCS, Wipro, HCL, EPAM, Capgemini, Atos, Luxoft, Virtusa, Syntel, Tech Mahindra, EXL, WNS, ADP, Paychex, and CSRA. See [www.DDEresearch.com](http://www.DDEresearch.com) for more information.

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### DeepDive | Everest Group Collaboration

DeepDive Equity Research and Everest Group have formed a research partnership. The two firms are collaborating to develop unique IT services data sets, forecast industry growth rates, conduct primary research, extend our intelligence on IT services contract signings, and analyze industry shifts caused by enterprise technology changes.

### More Information

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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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