

MONTHLY RESEARCH WEBINAR

SOFTWARE: CLOUD AND AI RESHAPE THE MARKET

Moderator:

Jim Kelleher, CFA

Director of Research

June 5, 2024

■ **Software: Cloud and AI Reshape the Market**

- Jim Kelleher, CFA, Director of Research
- John Eade, Argus President
- Joe Bonner, CFA, Senior Communication Services and Technology Analyst

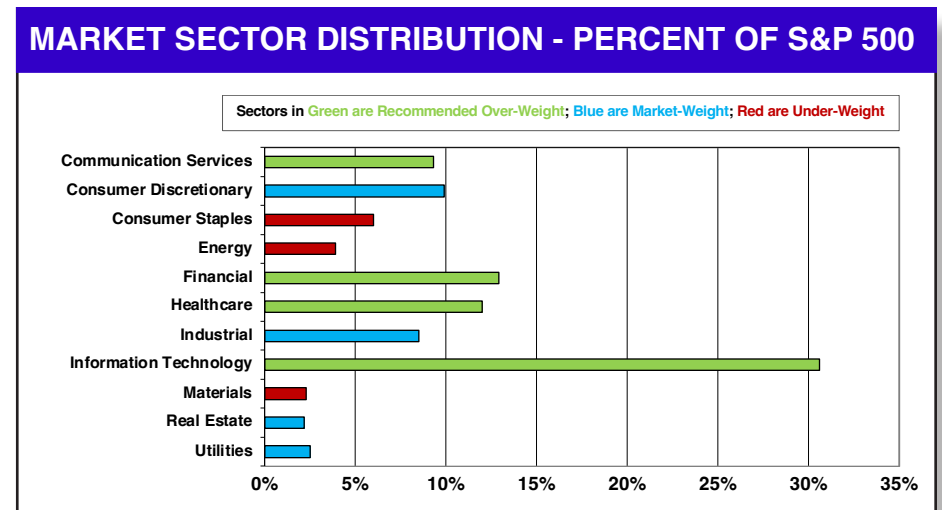
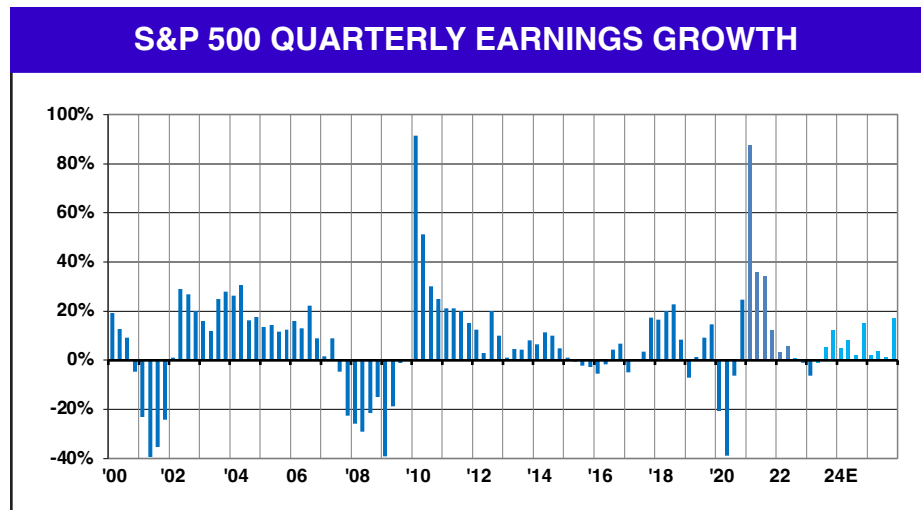
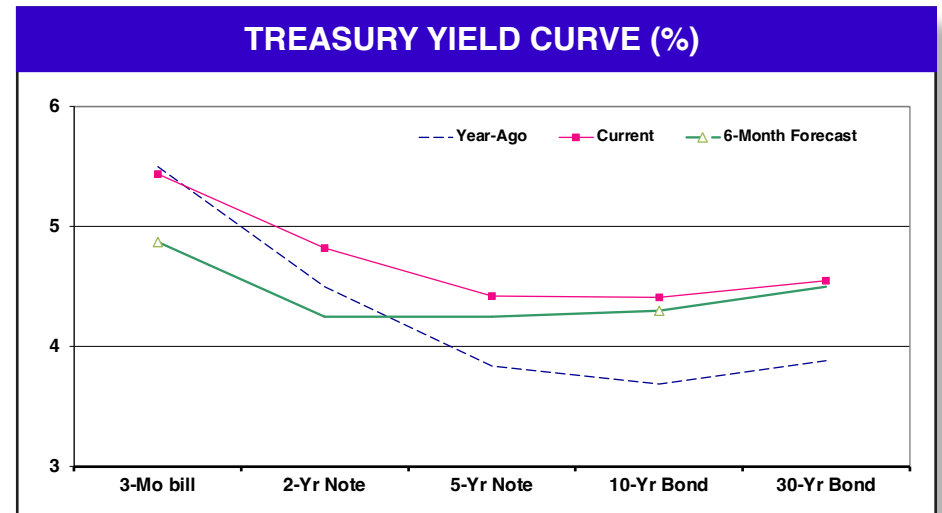
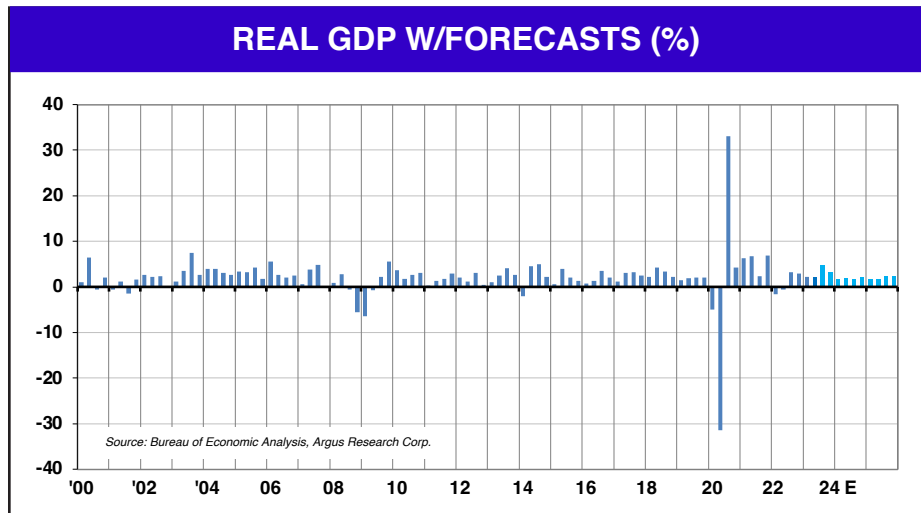
■ **Argus Quick Notes**

- Financial Sector Stocks
- Activist Stocks
- Companies Raising Guidance
- Innovative Companies
- Find these on the homepage of our website

■ **Portfolio Update: the Argus ESG Model Portfolio**

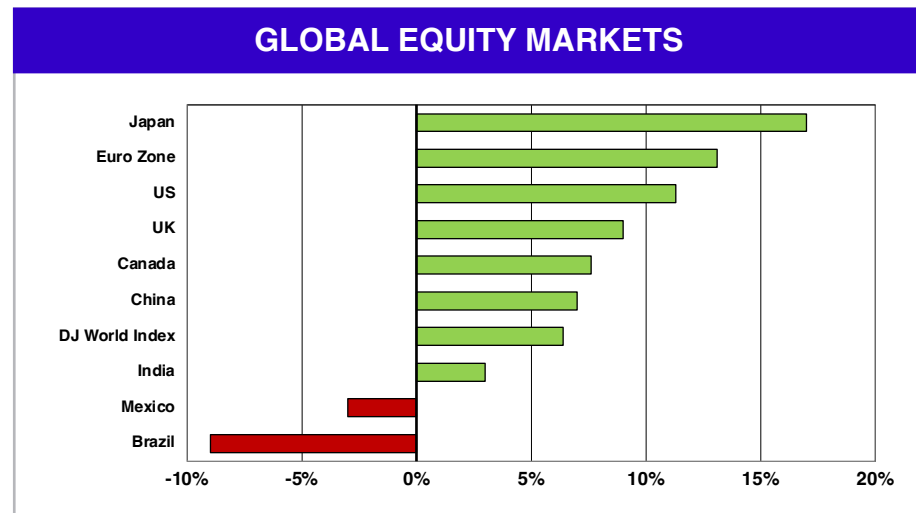
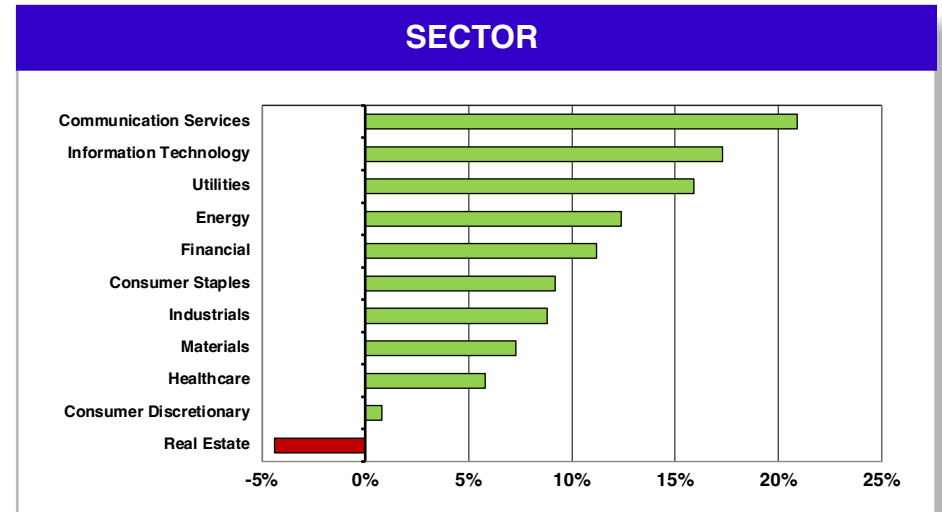
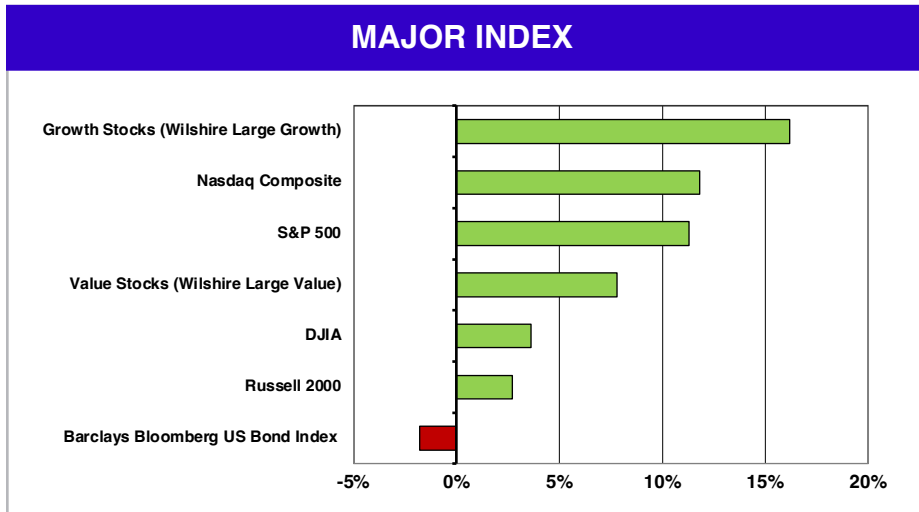
- ESG gaining traction with global investors
- Asset flows have grown in recent years as focus shifts
- From excluding companies to prioritizing sustainability
- Find the Argus ESG MP on the homepage of our website

MACRO FORECASTS



MARKET PERFORMANCE

DATA AS MAY 31, 2024



- **Mixed Signals: Cautious guidance – slowing but still double digit revenue growth**
 - Soft macroeconomy
- **The effects of industry restructuring**
 - Inflation
- **Salesforce bellwether?**
- **Focus on profitability and cash flow**
- **The big getting bigger –Microsoft – Alphabet - Meta**
- **The promise of Gen AI**

■ ORACLE (ORCL)

Target price: \$145

- **Large installed base moving to cloud**
- **Revenue acceleration into FY25**
 - » Demand outstripping ability to service
- **Cloud infrastructure to apps technology**
 - » Autonomous database and AI
 - » Healthcare vertical
 - Cerner acquisition
- **Shareholder friendly**

■ PALO ALTO NETWORKS (PANW)

Target price: \$348

- **Growing cyber defense market**
- **Technology leader**
 - » Next generation cloud security
 - » “Platformization”
 - » Precision AI
- **Tuck in acquisitions to enhance cybersecurity capabilities**

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