APPLICATION SOFTWARE INDUSTRY

Adobe Systems Inc. ADBE

* Solid stock with long term growth
* Analysts believe its going to stay put
* Rising due to movement into subscription model for purchasing adobe, which is working in the long-run
* Very little room for further growth, but not going to fall. Steady
* DC Recommendation: WAIT AND SEE

Microsoft Corporation MSFT

* Huge growth YTD
* CEO is leaving
* Lots of investor confidence and reasonably so – growth is built off innovation
* Window’s phone market grew 60% last year – it's an area which should drive the stock up in 2014
* SONY is going to support the Window’s Phone
* DC Recommendation: Strong Buy: Microsoft’s a great stock – we can’t lose on this bet, and I could see substantial growth at best, steady growth at worst.
  + Stake $5000

Openwave Systems Inc. OPWV

* UPIP is the new TICKER
* Strong stock
* Long-run decline with recent bump
* Rated pretty highly by a bunch of analysts, but for no apparent reason…
* DC Recommendation: Wait and See

Oracle Corporation ORCL

* Strong long-run growth
* Currently at 52 week high
* Recently bought Responsys – solid investment is going to expand its ability to compete with Salesforce and Adobe
* Wants to enter the digital marketing space
* Investors are bullish – they are looking for Oracle to outperform in January
* Reason to believe that Oracle’s continued purchases will bring it growth in 2014
* DC Recommendation: Buy:
  + Stake: $3000

Taleo Corporation TLEO

* Acquired… I’m therefore not sure if we’re allowed to trade this stock

TELECOM SERVICES INDUSTRY

AT&T, Inc. T

* Analysts think the telecom sectors is going to do badly in 2014
* AT&T’s stock is very volatile
* T Mobile is going to bring a lot of competition in 2014
* Spending forecast is really low
* Emerging markets are going to define growth
* DC Recommendation: Stay away from telecoms

Verizon Communications Inc. VZ

* News is better for VZ than T, but outlook is pretty bad
* Lots of stock volatility
* Analysts are short-selling, if anything
* DC Recommendation: Stay away from telecoms

Sprint Nextel Corporation S

* The only telecom who’s stock has been growing
* Considering a merger with TMobile which has driven up the stock price
* Problem is that the government is going to reject the merger
* I would sell short if anything, and no way I’m going to ride this up
* DC Recommendation: Run and hide!

Vodafone Group PLC VOD

* Long run growth
* Deal with Kabel is going to bring big profits
* Recently approved to work in India
* Spending $3 billion of the next few years on wireless investment.
* DC Recommendation: Buy: $4,000: it’s going to outperform the sector significantly.

France Telecom S.A. FTE (now FP)

* Ticker changes and I’m confused…
* Can’t find this…

INTERNET INFORMATION PROVIDERS INDUSTRY

Facebook, Inc. FB

* Impressive growth but no reason for continual growth
* Anaylsts are saying to hold FB because of its insubstantial return on equity
* Twitter is falling really fast though, and I think this is going to help FB because some investors are going to want to hedge their bets by selling twitter and picking up Facebook
* Seeking alpha is really bullish (Facebook is going to double!)
* A lot of studies recently came out finding Facebook to be a top notch social media site
* DC Recommendation: Wait and See: I’m super confider about this. I think we should dip our fingers in this stock, b/c there’s no reason for it to fall, and then trade on news. If we see Facebook growing, we put more money in, otherwise, we stick to a small stake
  + Stake, $1000…

Google Inc. GOOG

* Some investors are super bullish about Google
* Its currently trading at almost $1200, a life-time high
* Still, a lot of investors are really nervous that its over-valued, so the stock is kind-of on a pendulum. It might keep rising, but its going to have to fall slightly, as the nervous investors jump ship at the first chance. After the dip, we’re going to see a strong rally again. Let’s buy in the dip – not now at the peak.
* Sales and revenue are predicted to fall in Q1 2014 🡪 the stock price is going to fall
* DC Recommendation: Wait and See

Groupon, Inc. GRPN

* Long-run growth, investors are feeling pretty happy about this stock
* Institutional investors and insiders are buying
* Marketwatch says that sentiment is 77% bullish
* After initial hype melted on groupon, its still a solid stock. I’m not sure why to buy it though – there’s no news or earning reports that are going to create growth.
* January should be groupon’s best month though – people (tourists especially) grab “deals” through groupon during the holiday seasons
* DC Recommendation: Buy: I’m not super hot on this, but I see it growing 5%. It could grow a lot more, and probably won’t fall
  + Stake $2000

LinkedIn Corporation LNKD

* More popular than twitter
* Actually has a semi-legit revenue model
* Long run growth and continual addition of users who are spending more and more time on the website
* Motley Fool says it Tier 1: Great management, huge growth potential. Definetely going to be volatile - it has been in the past and will be in 2014
* I think this is the strongest stock I’ve looked at in any sector.
* DC Recommendation: Strong Strong Buy: Stake $7000

Twitter, Inc. TWTR

* Its falling!
* Don’t go near this.

Yahoo! Inc. YHOO

* Market is bearish – people are saying its time to get out of Yahoo because its undervalued
* People are waiting for the right moment to sell
* Not a growth stock in 2014; hasn’t been doing enough R&D, no apps on Apple Stores top 100, analysts estimates are slow steady growth

Zillow, Inc. Z

* Analysts aren’t too hot about it, but many see it rising to $93
* Online real estate database – rising and falls as the real estate market rises and falls
* Huge earnings growth
* 69% increase in visitors could translate into sales
* Ranked one of the best companies to work for
* Management is top-notch, CEO keeps winning awards
* DC Recommendation: Buy: Solid growth stock in 2014
  + Stake: $3,000

Zynga, Inc. ZNGA

* Very volatile stock
* Has lots of unspent money
* Could jump up or down, I don’t know
* Earnings growth is negative
* Honestly, I have no idea what’s going on here, so I’m going to stay away

Conclusion:

1. MSFT: $5,000
2. ORCL: $3,00
3. Z: $3,000
4. PLC VOD: $4,000
5. GRPN: $2, 000
6. LNKD: $7,000
7. **Total: $22,000**