

In Andrew's Portfolio – DXC Technology Inc [US]

DXC Technology Co, is engaged in the information technology (IT) and professional services industry. DXC Technology Company provides digital information technology (IT) services and solutions. DXC offers an array of services to clients in the commercial and government markets and specializes in applying contemporary practices towards the employment of IT introducing modernised solutions.

Company Facts [Web Site](#)

Ticker	Market Cap	Sector	Exchange	Currency	Indices
DXC	£28.82 bn	IT	NYSE	US \$	n/a

Key Features

- DXC Technology is a Fortune 500 company and represented in the S&P 500 Index.
- A global company that services multi US industries including Insurance, Healthcare and life sciences, Travel and Transportation, Banking and Capital Markets, Manufacturing and the US public sector.
- The company has established more than 250 industry-leading global Partner Network relationships, including 15 strategic partners: Amazon Web Services, AT&T, Dell EMC, HCL, Hitachi, HP, HPE, IBM, Lenovo, Micro Focus, Microsoft, Oracle, PwC, SAP and Service Now.
- With \$7 billion in annual revenues and nearly 6,000 clients in more than 70 countries, DXC Technology is uniquely positioned to lead digital transformations – creating greater value for clients, partners and shareholders; as well as presenting new growth opportunities for its people.
- Well established Technology company with years of experience delivering Technology solutions in Analytics, Business Process services, Cloud computing, consulting, Enterprise and cloud applications, Security applications including workplace and mobility improvements.
- The Company provides a range of services, including customer analytic service applications, business process, cloud and workload, consulting, enterprise and cloud applications, security, predictive maintenance analytics, social intelligence analytics, healthcare analytics, insurance analytics, data pipeline and operations, banking analytics, airline analytics and operational analytics and workplace and mobility practices, .
- Adopts strategic partnerships with one of the world's largest manufacturers of pharmaceuticals and consumer healthcare products needed to modernize its business intelligence (BI) environment, it turned to DXC Technology for help
- Has provided mobile on board training system for the Royal Australian Navy.
- Provided an information hub for more than 100 public sector organisations with data collection services.
- Year on year share performance increase 27.2%. (18 May 2017 \$78.78 18 May 2018 \$100.23)

Recent News

- DXC Technology is to report on 24 May on its fourth quarter 2018 results.
- DXC has been positioned as a Leader in the NelsonHall Evaluation & Assessment Tool (NEAT) for General Data Protection Regulation (GDPR) Services.
- DXC Technology Sets Record and Distribution Dates for U.S. Public Sector Spin-Off and Closing Date for Merger with Vencore and KeyPoint to Form Perspecta

Financial Performance

- [Annual Report 2017](#)

Key Statistics

- [Analyst Estimates](#)
- [DXC Technology Multi year Financials](#)

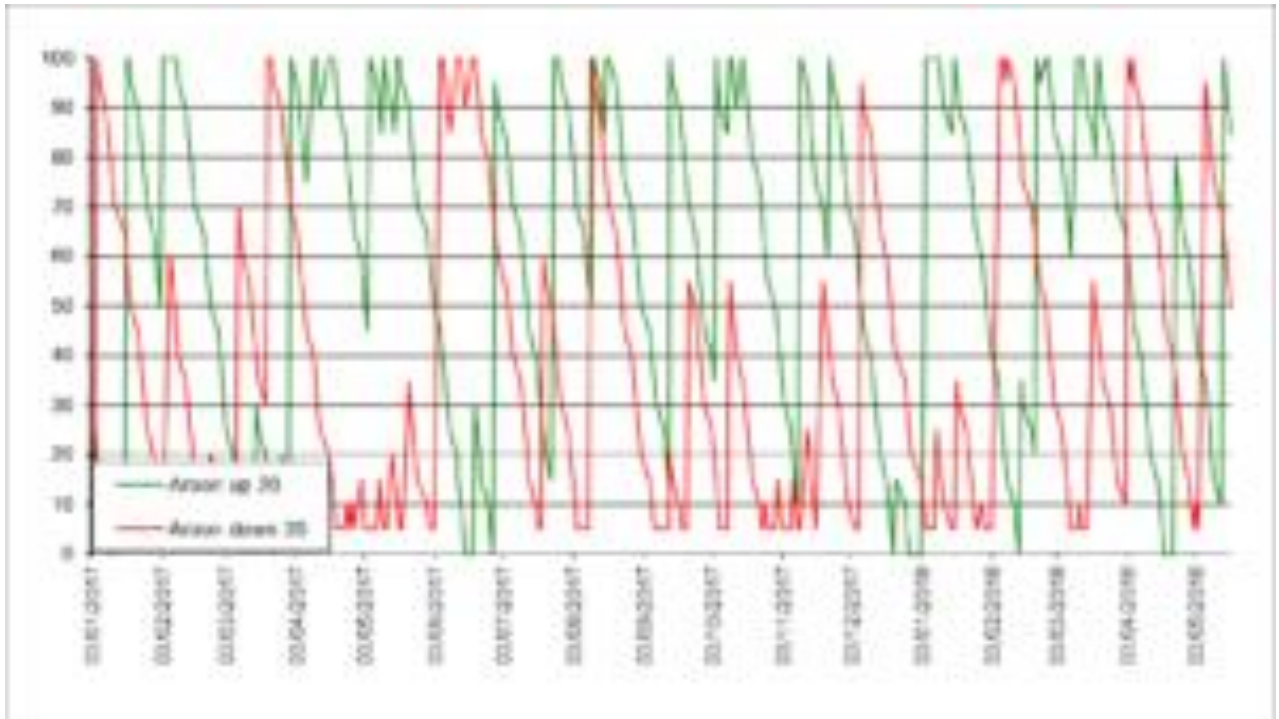
	2016 \$ mil	2017 \$ mil	Change %
Revenue	7,106	7,607	7.05
Net Income	251	123	-51.0
Total Assets	7,736	8,663	12.0
Long Term Debt	1,865	2,159	15.7
Cash and Cash Equivalents	1,178	1,263	7.22
Current Asset Ratio [CA/CL	1.31	1.10	-16.0
Earnings per share 4 th quarter 2017		Est 1.98p Actual 2.15p	6.59

TECHNICAL ANALYSIS – Technical Diagnosis –

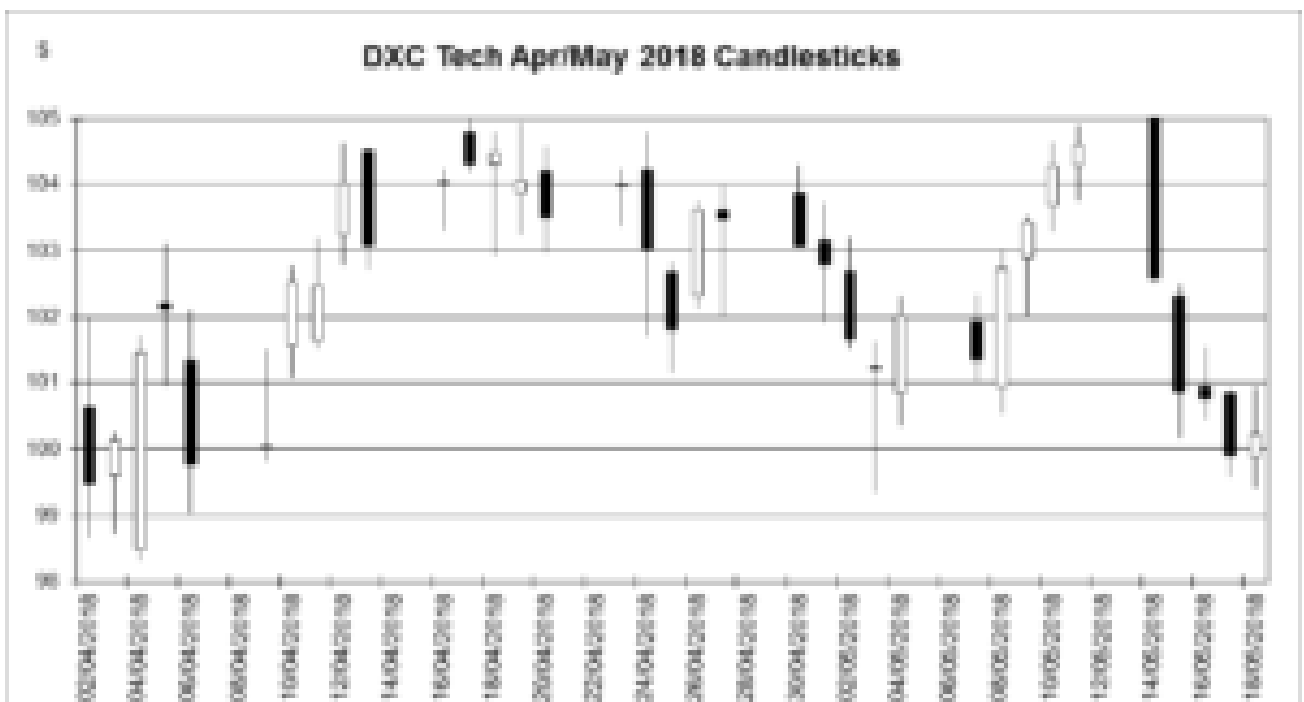
Share Performance – DXC Technology has since 2017 to Mid May 2018 seen its share price growth in upward momentum. The 100 day Moving Average has reinforced its positive yearly growth with the 20 Day Moving average in constant upward unison with its price performance. Since July 2017 price has in the main been above the moving averages. Price action since 2017 has been in the ascendancy confirmed by the lagging moving Averages and at no point declines towards its 100 Day moving average. Since Jan 2018 the share price has hovered around the psychologically important \$100 mark. Support would now seem to be established at this level since February.



Aroon Performance – For purpose of clarification, a 20 period Aroon is calculated for DXC, the rationale, it being consistent with R. Donchian’s 4 week channel breakout methodology period. As an excellent confirmatory tool of price action, aroon performance provides guidance on early price direction based on previous periods high and lows. Since 2017, aroon up (positive) has been in the main in the upper segment (50+) with aroon down (negative) been in the lower segment (50-). The cross-over of aroon’s are very important as this often provides guidance when a change of price direction is imminent, as can be seen in the period Sept to Dec 2017. Since 2017 for the majority of the time Aroon UP has consistently been in the 50+ positive segment and Aroon Down been in the 50- negative segment. When the respective Aroon’s keep within their respective segments of strength, (Aroon UP above 50 and Aroon Down below 50) this implies that the strength of the price move is consistent with continued positive investor sentiment. Continuance of this pattern provides myself with confidence in the forward direction of price action. The share has exceeded the psychological \$100 level in Jan 2018 and has in the main seen this as threshold support. The near future will see one aroon have the dominance over the other. If Aroon UP follows its previous pattern as happened during the period Sept to Feb, the share price may well continue in its upward ascendancy. When Aroon UP and Down are at the opposite extremes price action normally follows per se. When Aroon UP is 100 and Aroon down is 0 price heads northwards. And vice versa.



Candlestick Performance – April/ May 2018 has seen support and resistance in range bound territory. The psychologically important \$100 would seem to have found its support level with resistance at \$105 where an artificial ceiling would seem to be the threshold. At \$105 the share seems to retrace to its \$100 support level. From early May positive bullish advance block candlesticks were in existence with strong lower candles. Once \$105 ceiling was hit the share again retraced to its \$100 support. The last candlestick shadow length signifies investor interest. Given that the floor of support has been held in the past and with recent aron up cross over, I suggest that price action may well return to its prior resistance and beyond



Trading Action– With the fundamental nature of the DXC with delivering years of experience in Technology solutions and new GDPR requirements together with recent confirming technical's incline me to support this share as a worthwhile proposition believing that medium to long time price appreciation to be in evidence for the future. I decided to buy 107 Shares @ \$100.59 on 18 May. A further 26 shares @\$99.48 was acquired on 22 May. First Share Reviewed on 18 May 2018 at \$100.59 Current Price 29 Aug 2018 \$91.14

Disclaimer- Please note this analysis is not advice but interpretation of potential market moves. Performance is no guide to the future.

Visitors are advised to conduct independent research