

Is Red Hat Destined for Greatness?

By *srlinuxx*

Created *01/08/2013 - 4:51am*

Submitted by srlinuxx on Thursday 1st of August 2013 04:51:35 AM Filed under [Linux](#) [1]

Investors love stocks that consistently beat the Street without getting ahead of their fundamentals and risking a meltdown. The best stocks offer sustainable market-beating gains, with robust and improving financial metrics that support strong price growth. Does Red Hat (NYSE: RHT) fit the bill? Let's take a look at what its recent results tell us about its potential for future gains.

What we're looking for

The graphs you're about to see tell Red Hat's story, and we'll be grading the quality of that story in several ways:

- * Growth: Are profits, margins, and free cash flow all increasing?
- * Valuation: Is share price growing in line with earnings per share?
- * Opportunities: Is return on equity increasing while debt to equity declines?
- * Dividends: Are dividends consistently growing in a sustainable way?

[What the numbers tell you](#) [2]

[Linux](#)

Source URL: <http://www.tuxmachines.org/node/61131>

Links:

[1] <http://www.tuxmachines.org/taxonomy/term/63>

[2] <http://www.fool.com/investing/general/2013/07/31/is-red-hat-destined-for-greatness.aspx>