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4-Star Stocks Poised to Pop: Ebix

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Based on the aggregated intelligence of 170,000-plus investors participating in [Motley Fool CAPS](#), the Fool's free investing community, insurance-industry software specialist **Ebix** (Nasdaq: [EBIX](#)) has earned a respected [four-star ranking](#).

With that in mind, let's take a closer look at [Ebix's](#) business and see what CAPS investors are saying about the stock right now.

Ebix facts

Headquarters (Founded)	Atlanta (1976)
Market Cap	\$787.5 million
Industry	Application software
Trailing-12-Month Revenue	\$140.63 million
Management	Chairman/CEO Robin Raina CFO Robert Kerris
Return on Equity (Average, Past 3 Years)	8.4%
Cash/Debt	\$39.3 million / \$34.2 million

Sources: Capital IQ (a division of Standard & Poor's) and Motley Fool CAPS.

On CAPS, 97% of the 1,460 members who have rated Ebix believe the stock will outperform the S&P 500 going forward. These bulls include [hyung96](#) and All-Star [AaronRogers](#).

Just [last month](#), hyung96 offered a balanced take on Ebix:

Great qualities: high margins, great growth history and prospects, insider buying, low p/e ratio, good FCF. Not so great qualities: high number of acquisitions, margins/earnings appear higher due to tax breaks. ... A great growth stock at a bargain basement price. What more could you want?

In fact, Ebix currently sports a cheapish [PEG ratio](#) of 0.8. That represents a slight discount to much larger enterprise software plays like **IBM** (NYSE: [IBM](#)) (1.2), **Microsoft** (Nasdaq: [MSFT](#)) (1.0), and **Oracle** (Nasdaq: [ORCL](#)) (0.9).

CAPS All-Star AaronRogers [lists](#) several reasons why Ebix should outperform over the long-term:

- 1) Cash Flows-
- 2) Profitability- They make more every year. The earnings are stable and reliable.
- 3) Growth and price of growth- Check out the PEG
- 4) Debt- They just keep paying it off

The Juice is in the short Interest. Check the charts this stock keeps chugging along. Violent short term swings at times but trend line is up. Debt is about done. Cash flows gaining in double digits Qtr to Qtr YOY. Profits growing. The price is relatively inexpensive by P/E and by PEG. Shorts are cooked and they will add a lot of pop.

What do you think about Ebix -- or any other stock, for that matter? If you want to retire rich, you need to put together the best portfolio you can. Owning exceptional stocks is a surefire way to secure your financial future, and on Motley Fool CAPS, thousands of investors are working every day

to find them. CAPS is 100% free, so [get started!](#)

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