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Growth Report for Third Quarter 2009 - Part I 2 comments

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The third quarter earnings season is about over. It's time to take stock (no pun intended, well, maybe it was).

After each quarter's earnings season, I try to pull together what I call the Growth Report. Part 1 compiles the list of stocks that have shown a year-over-year increase in both revenue and earnings *AND* a sequential quarter-over-quarter increase in both revenue and earnings. Given the perception that the economic downturn is easing, it will be interesting to see how many companies have been able to pull off this trick.

The following table presents a comparison of the last three quarters:

	Q1-2009	Q2-2009	Q3-2009
In S&P 500	27	41	39
All stocks	218	312	281



The number of stocks in the S&P 500 that qualified as growth leaders and made it onto the Q2 Growth Report grew by 50% over the first quarter. Comparisons, however, are becoming more difficult. In Q3, we are actually seeing a small decrease in the number of growth leaders as compared to Q2.

Repeat winners --

There are 33 stocks that managed to make the list in all three quarters this year. These stocks are not only growth leaders they are truly consistent growth leaders during difficult economic times. Here's the list :

Symbol	Name
AIRM	Air Methods Corporation
AMED	Amedisys Inc
APT	ALPHA PRO TECH, LTD.
ASIA	AsiaInfo Holdings, Inc.
CACC	Credit Acceptance Corporation
CNU	CONTINUCARE CORPORATION
COCO	Corinthian Colleges, Inc.
CRM	SALESFORCE.COM, INC.
CRN	CORNELL COMPANIES, INC.

CTFO	China TransInfo Technology Corp.
CUB	CUBIC CORPORATION
EBIX	Ebix Inc
EBS	EMERGENT BIOSOLUTIONS, INC.
FMR	FIRST MERCURY FINANCIAL CORPORATION
GTS	TRIPLE-S MANAGEMENT CORP.
HTS	HATTERAS FINANCIAL CORP.
IDCC	InterDigital, Inc.
INMD	IntegraMed America, Inc.
LINC	Lincoln Educational Services Corporation
MED	MEDIFAST, INC.
NHC	NATIONAL HEALTHCARE CORP.
ORLY	O'Reilly Automotive, Inc.
ROST	Ross Stores, Inc.
SEP	SPECTRA ENERGY PARTNERS, LP
SF	STIFEL FINANCIAL CORP.
[[SQM]]	SOCIEDAD QUIMICA Y MINERA DE CHILE SA
SVT	SERVOTRONICS, INC.
TNDM	Neutral Tandem, Inc.
TRU	TORCH ENERGY ROYALTY TRUST
TSTC	Telestone Technologies Corp.
TYL	TYLER TECHNOLOGIES, INC.
VIT	VANCEINFO TECHNOLOGIES INC
YORW	The York Water Company

Interestingly, this is exactly half as many stocks as we saw when combining Q1 and Q2.

Conclusion --

Even as many companies beat earnings estimates this quarter, there was still much concern over the fact that revenues were not growing as fast as many analysts had hoped. Again, cost cutting helped many companies achieved their profitable results. Our results seem to bear this out - there was no increase in the number of stocks that registered sequential and year-over-year increases in revenues and earnings. Indeed, the numbers decreased a little.

This makes the achievement of the stocks that did register strong results all the more remarkable.

You can click [this link](#) to download a spreadsheet that lists all the individual stocks that qualified for the Q3 Growth Report.

Stay tuned for Part 2 of the Q3 Growth Report where we discuss the those stocks that raised their dividends in the last quarter.