

Hedge Funds Still 'Like' Facebook

Stockholm (HedgeNordic) - Hedge Funds are still 'liking' Facebook stock, irrespective of the criticism the company receives from other quarters, MarketWatch reports.

27 of the world's 50 biggest hedge funds held shares in the social network at the end of Q4 2016, and increase of 3 from Q3. This, according to FactSet, makes it the most widely held stock among hedge funds for the second quarter in a row, beating out giants such as Visa and Microsoft, and continues a trend that started even earlier last year.

Facebook has surged roughly 18% since the beginning of the year, overcoming analyst earnings targets and surpassing the S&P500 performance. Facebook was also the seventh largest aggregate holding of the top 50 hedge funds.

Reasons likely include a compelling valuation capable of potentially delivering average earnings growth of 25% and upwards in the next few years and its own stock buyback, projected to kick off during Q1 2017.

Read FactSet's Hedge Fund Ownership Q4 2016 Quarterly Highlights [here](#).

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