



Palantir Technologies Inc. (PLTR) — Research Summary

Technology | Software - Infrastructure | 2026-09-18

Price: \$177.64

Signal: BUY (7.54/10)

Market: bull_tech

Equity Research Summary: Palantir Technologies Inc. (PLTR)

Sector: Technology — Software (Infrastructure) | **Price:** \$177.64 | **Market Cap:** \$423.5B

Aerondight Systems Rating: BUY (7.54/10)

1. Company Overview & Investment Thesis

Palantir builds data-analytics and artificial-intelligence software used by governments (defense, intelligence) and large enterprises to make sense of complex data and drive real-time decisions. The company sits at the center of the enterprise-AI boom, and its recent numbers show that AI demand is translating into rapid, profitable growth — a rare combination that keeps it firmly in the spotlight.

2. Fundamental Snapshot

Valuation: Palantir is expensive by almost any measure. It trades at a trailing P/E of ~149x (forward ~78x), a price-to-sales of ~69x, and an enterprise value of roughly \$410B against \$2.7B of EBITDA (EV/EBITDA ~152x). With free cash flow of about \$1.2B in the latest quarter (annualizing near \$4–5B), the price-to-FCF ratio is well into triple digits. These multiples sit far above typical software peers and price in years of continued high growth.

Earnings trend: The company has beaten estimates for four straight quarters, and the beats are getting larger — from +8.7% (Dec 2025) to +46.4% (Jun 2026). This accelerating outperformance suggests genuine momentum, not just conservative guidance.

Growth & margins: Revenue grew ~38% year-over-year in the two most recent quarters (\$1.9B in Q2 2026). Profitability is excellent: gross margins near 85%, operating margins in the mid-40% range, and a net profit margin around 49%. Commercial revenue is the standout — up 110% to \$945M — showing that Palantir is no longer just a government contractor.

Balance sheet: Very strong. The company holds \$9.4B in cash against only \$0.2B of debt — essentially net cash with a negligible debt-to-equity ratio of 0.02.

3. Technical Outlook

The stock trades at \$177.64, sitting in the upper portion of its 52-week range of \$106.37–\$207.52 — roughly 86% of the way up. Recent news coverage points to a rebound alongside a broader Nasdaq recovery, suggesting momentum is building again after a pullback from highs.

Levels to watch:

- **Resistance:** ~\$207 (the 52-week high) — a break above would signal renewed strength.
- **Support:** the \$150s area on any pullback, with deeper support toward the low-\$100s.

4. News & Sentiment

Overall sentiment: Slightly Bullish

Three themes dominate recent coverage:

1. **AI partnership momentum:** New deals with NVIDIA, Nebius, and Method Security reinforce Palantir's central role in enterprise AI. Analysts and commentators (including Jim Cramer, with a \$250 target, and UBS naming it a top "laggard-turned-buy") remain vocal supporters.
2. **Valuation debate:** Even bulls acknowledge the stock is richly priced, and several articles frame the story as a "fair value debate" — strong business, demanding price.
3. **Political and regulatory overhang:** CEO Alex Karp's provocative comments about "nationalizing" AI labs, plus scrutiny of Palantir's UK NHS contract (prompting the hire of former Labour deputy Tom Watson), highlight the political sensitivity around the company's government work.

Market narrative: Palantir is viewed as a premier AI winner delivering real, profitable growth — but the ongoing tension is whether that success is already fully reflected in an extraordinarily high stock price.

5. Bottom Line

- **Aerondight Systems signal: BUY (7.54/10)**
- **Thesis:** Palantir combines rare, accelerating growth with strong profitability and a fortress balance sheet, making it a leading play on enterprise and government AI adoption.
- **Key upcoming catalyst:** The next quarterly earnings report, where investors will watch whether commercial revenue growth and margin expansion continue.
- **Risk level: High** — the fundamentals are excellent, but the extreme valuation, high beta (1.62), and political/regulatory sensitivities mean the stock can move sharply in either direction.

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