

**BARRON'S**

- Tuesday, February 16, 2010 ET

## **Qualcomm: Charter Equity Says Buy**

By [Eric Savitz](#)

**Charter Equity Research analyst Ed Snyder** today upped his rating on **Qualcomm** ([QCOM](#)) to Buy from Market Perform, asserting that new moves by the wireless communications company to cut operating expenses should lead to improved profit performance in March and June quarters.

Snyder contends that a steep drop in the shares following its most recent quarterly report “appears to have focused management’s attention on the short game, resulting in new efforts to slow or stop hiring, cut excess travel costs and trim expenses.” In response, Snyder is lifting his operating margin expectations through mid-year, and raising estimates.

The analyst says the sharp sell-off in QCOM shares related to worries about ASPs “was overdone.” He adds, though, that “investors’ sensitivity to this metric has not been lost on management, which appears to be altering its marketing strategy to shore up pricing.”

QCOM today is up a penny at \$38.85.