

ServiceNow Inc (NOW)

Servicing The AI Supercycle



Technical Outlook

Bullish continuation pattern. After breaking above the MA200, price experienced higher-lows-and-higher-highs and is currently well-supported the EMA20. Price is expected to test its next resistance level around 162.5, followed by 192.4, while support zone is set at 130.9-135.2. A break below the support zone would invalidate the setup.

Trading Catalysts

- **AI monetisation moves beyond proof-of-concept.** NOW's AI business surpassed USD1bn in annual contract value (ACV) in 2QFY26, showing enterprise adoption is translating into commercial demand. This strengthens the case for AI as an incremental growth driver rather than merely a defensive response to software disruption.
- **Security emerging as a new growth pillar.** Following the integration of Armis and Veza, NOW expanded its Autonomous Security offering across asset visibility, identity governance and exposure management. The combined platform broadens NOW's addressable market in Security and Risk while creating further cross-selling opportunities across its enterprise customer base.
- **Strong order book supports revenue visibility.** 2QFY26 subscription revenue grew 23% YoY in constant currency to USD3.88bn, while current remaining performance obligations (RPO) rose 21.5% YoY to USD13.2bn. Total RPO reached USD29.0bn, equivalent to around 2.1x FY25 revenue, providing strong visibility over future revenue recognition and supporting continued earnings growth.

Peer Comparison

Company Name	Ticker	Price (USD)	Market Cap (USD'bn)	P/E (x)	Forward P/E (x)	ROE (%)	NP Margin (%)	RSI	ST Trend
SERVICENOW INC	NOW	137.7	142.4	14.2	13.2	89.3	30.1	Positive bias	Up
SALESFORCE INC	CRM	236.4	194.6	19.4	18.0	25.7	16.0	Positive bias	Up
WORKDAY INC-CLASS A	WDAY	191.9	4.6	16.0	7.3	34.9	15.9	Positive bias	Down
ORACLE CORP	ORCL	148.6	449.2	43.6	25.2	22.5	17.3	Positive bias	Down
Avg ex-SERVICENOW INC			216.1	26.3	16.8	27.7	16.4		

Source: Bloomberg, M+Global Research

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ServiceNow Inc

Company profile

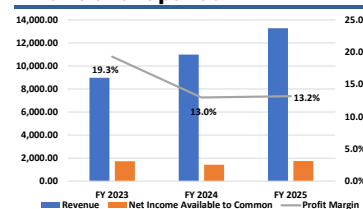
ServiceNow Inc. is a cloud-based enterprise software provider, providing AI platform for business transformation and automated workflow solutions to corporations, governments, and institutions. It operates primarily through its unified Now Platform, which categorizes its offerings into four core product suites: IT Workflows, Employee Workflows, Customer Workflows, and Creator Workflows.

Technical Data

Price	138.95
R1	162.50
R2	192.40
S1	135.20
S2	130.90

M+ Research, Bloomberg

Financial Snapshot



M+ Research, Bloomberg



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(a) nil.

