

# Facebook soars to new heights on upbeat earnings

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Facebook shares rocketed to an all-time high Thursday as investors welcomed solid earnings for the social networking giant, which has seen big gains in advertising and better connections in mobile and video.

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company's [market value](#) to more than \$306 billion.

The stock, which struggled following its public offering in 2012, has seen spectacular gains from the low of \$17.72 in September 2012.

Facebook's market value is now roughly equal to that of online giant Amazon (\$307 billion) and above that of industrial conglomerate General Electric (\$299 billion).

However, it remains well below the world's biggest company by market value, Apple (\$674 billion), Google parent Alphabet (\$523 billion) and Microsoft (\$434 billion).

In its quarterly update Wednesday, Facebook said surging [mobile advertising](#) lifted its profits and revenues and that its user base grew to over 1.5 billion people.

Net profit in the third quarter jumped 11 percent from a year ago to \$891 million as revenues leaped 41 percent to \$4.5 billion, despite the negative impact of a strong dollar.

The vast majority was from advertising, and mobile accounted for 78 percent of ad revenues in the quarter, compared with 66 percent a year earlier.

Facebook said the number of monthly active users of the network hit 1.55 billion, up 14 percent from a year earlier, with more than a billion using Facebook daily. And it counted some 1.39 billion of its members using mobile devices such as smartphones or tablets.

Jefferies analyst Brian Pitz said in a research note that Facebook's results were impressive, getting more advertising in mobile and establishing itself as a player in [video](#), with more than eight billion videos viewed

daily.

This ramps up Facebook as a video rival to YouTube and opens up a new stream for ad revenues.

"We think Facebook looks well positioned to capture an increasing portion of TV ad budgets as markets migrate toward data-driven, highly-targeted online video ad campaigns," Pitz said, estimating that this "could be worth some \$17 billion a year in the US alone."

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