

## Software

Institutional Equity Research  
December 1, 2025

### November '25 DaVinci Developer Update: +DT, +DDOG, +ESTC

Today, we are providing our monthly updated takeaways within our proprietary DaVinci Developer Dataset following the end of November. This past month, we saw a broad sequential deceleration of developer activity that is expected due to the holiday season, though we certainly observed certain entities decelerating substantially more than others. Thus we're highlighting DT (**BUY**), DDOG (**BUY**), and ESTC (**NEUTRAL**) as three noteworthy call-outs in November. **For more detailed insights or access to our datasets, please contact your D.A. Davidson institutional salesperson.**

**Dynatrace (DT; Luria-BUY): Best performing public entity in our dataset this past month.** In the month of November, Dynatrace was the only entity that grew on a sequential basis, which was surprising given historical trends suggest Dynatrace typically sees a double-digit sequential decline in this period. That being said, this is coming after what we'd characterize as a lackluster October month when Dynatrace was one of the worst performers. Despite that, the reverse in trend goes well beyond a reversion to the mean as developer activity on Dynatrace increased the most on a M/M-basis we've ever observed, while Y/Y growth accelerated to the fastest it's been since November 2023.

**Datadog (DDOG; Luria-BUY): Outperformed its historical averages.** While Datadog didn't exhibit as great of a month of developer activity as Dynatrace, we do note that growth on a sequential M/M-basis fared better in November than it typically has over the past few years. This comes even after an incredibly strong October month that would typically result in a strong reversion the following month, though that was not the case this year. While M/M activity decelerated slightly, we would note that Y/Y growth is still accelerating and took a notable step-up this past month that is the fastest it's grown in that regard this entire calendar year. Similar to recent months, we're seeing strength in the core observability products with promising growth in the Real User Monitoring (RUM) product.

**Elastic (ESTC; Schreiner-NEUTRAL): A surprisingly solid month.** This is the first time we've called-out Elastic for a couple of reasons. Firstly, Elastic has had what we'd consider modest performance in our dataset this calendar year relative to other performers, especially in Observability. Secondly, as it relates to the first point, there haven't been months where Elastic has either done significantly worse or significantly better than the average entity in our dataset. Until November, where developer activity still declined sequentially, albeit far less than the average entity in our dataset, with Y/Y developer activity growth slightly accelerating that makes it worthy of calling-out in a month where there were significant declines in most of infrastructure software.

**Hyperscalers & Infrastructure Software: All hyperscalers had relatively similar months, though the ordering is still the same.** This month, we're highlighting the hyperscalers as a group because it's rather indicative of what occurred through most entities in our dataset, public or private. Majority barring the aforementioned three decelerated on a M/M basis, that was neither better nor worse than historical averages, and Y/Y developer activity growth that either remained stable or slightly accelerated. This was primarily the case with infrastructure software names, and with the hyperscalers specifically, all three saw these trends to varying degrees. Microsoft Azure still was the best performer, followed by both Google Cloud and Amazon Web Services that were a close second and third. And heading into December where holidays will have greater effect on activity growth, we aren't expecting trends to deviate from their historical path.

**If you are interested in more detailed takeaways or would like to get this data directly, please contact your D.A. Davidson institutional salesperson.** We offer access to developer activity data across hundreds of companies (public and private), technologies, and open-source frameworks. Additionally, see our report regarding updated regression analysis we've published linking public company developer activity performance to ARR growth.

## INDUSTRY UPDATE

Price (12/1/25)

Industry:

TECHNOLOGY

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### DaVinci Overview

D.A. Davidson's DaVinci initiative focuses our technical-oriented research, data-driven insights, and prescient think pieces under one unified framework. We note that for our DaVinci coverage of deep tech businesses, we employ an early-stage venture approach focusing on technical foundations, disruptive potential, and long-term strategic value, rather than near-term financial and valuation metrics given the unique growth trajectories of pre-inflection markets.

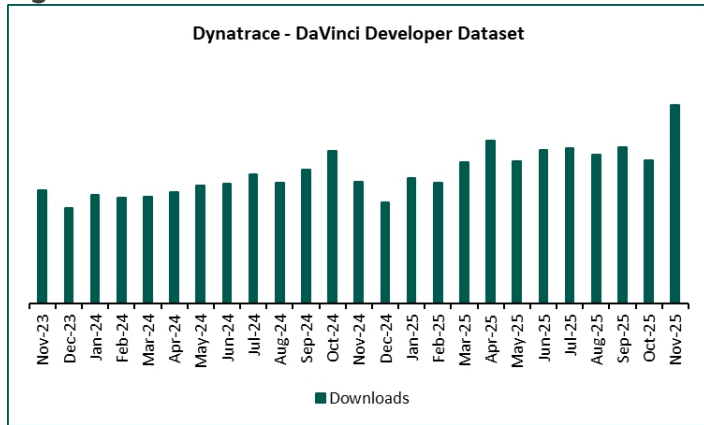
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Below, we provide simple bar charts with the y-axis deliberately removed along with no growth rates, to merely give a high-level overview of developer activity trends within the aforementioned companies, technologies, and open-source frameworks.

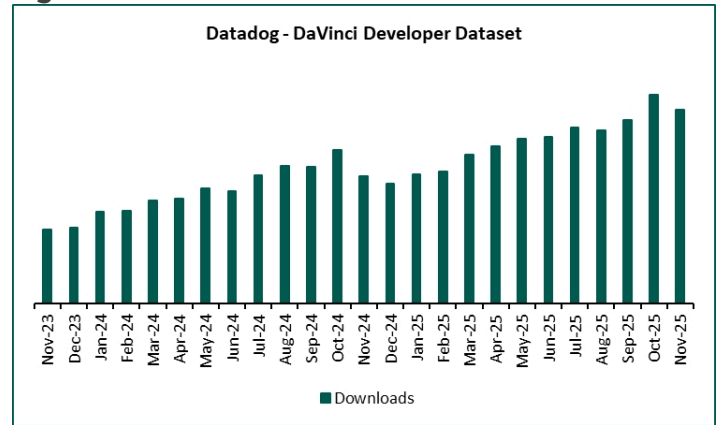
If you are interested in getting more detailed charts or the raw data, please contact your D.A. Davidson institutional salesperson.

Figure 1



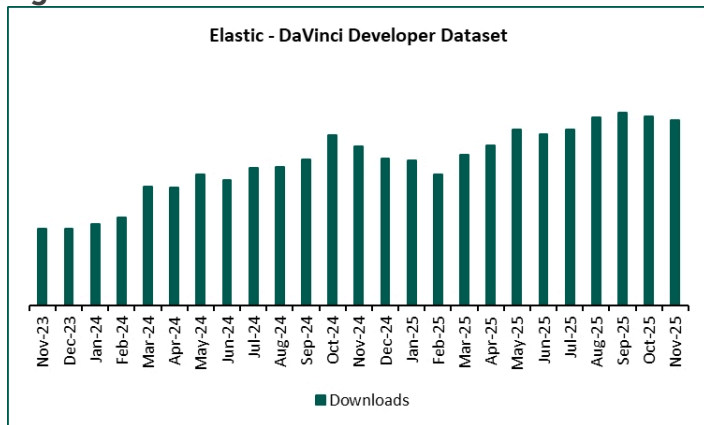
Source: D.A. Davidson Cascade

Figure 2



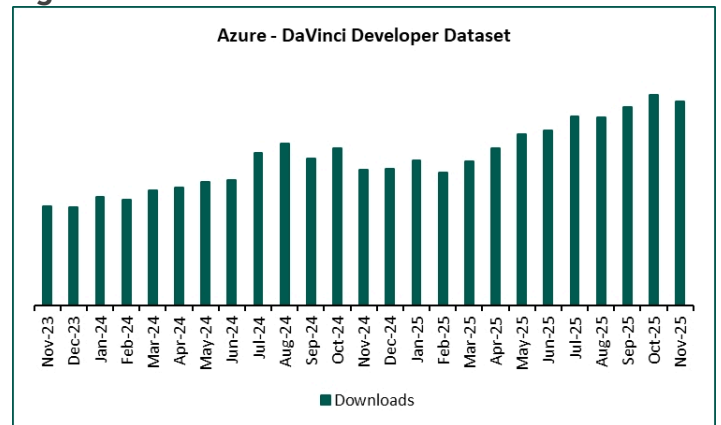
Source: D.A. Davidson Cascade

Figure 3



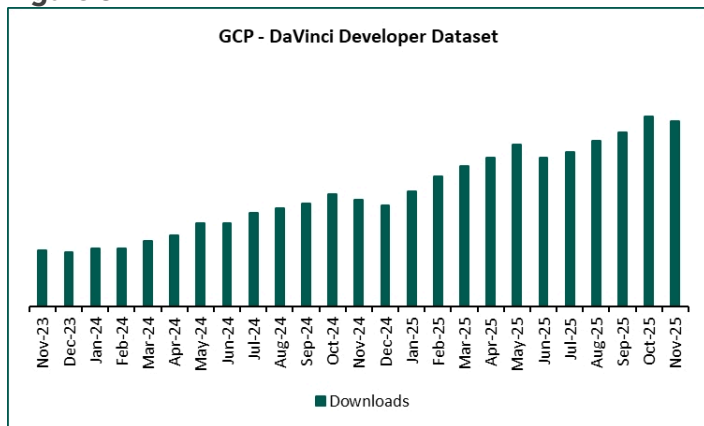
Source: D.A. Davidson Cascade

Figure 4



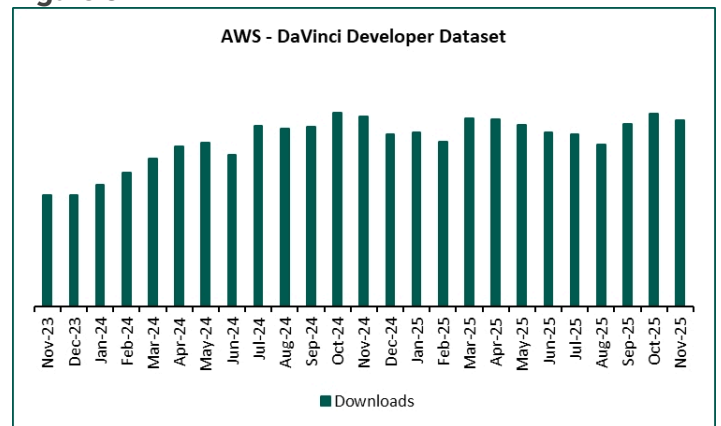
Source: D.A. Davidson Cascade

Figure 5



Source: D.A. Davidson Cascade

Figure 6



Source: D.A. Davidson Cascade



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**BUY:** Expected to produce a total return of over 15% on a risk adjusted basis over the next 12-18 months

**NEUTRAL:** Expected to produce a total return of -15% to +15% on a risk adjusted basis over the next 12-18 months

**UNDERPERFORM:** Expected to lose value of over 15% on a risk adjusted basis over the next 12-18 months

Rating Distribution (as of 9/30/25)	Coverage Universe Distribution			Investment Banking Distribution		
	IR	WMR	Combined	IR	WMR	Combined
<b>BUY (Buy)</b>	59%	85%	62%	8%	0%	7%
<b>NEUTRAL (Hold)</b>	40%	13%	37%	4%	0%	3%
<b>UNDERPERFORM (Sell)</b>	1%	2%	1%	0%	0%	0%

*IR denotes Institutional Research; WMR denotes Wealth Management Research whose rating scale is Buy/Add, Neutral, Sell/Reduce. Investment Banking Distribution denotes companies from whom D.A. Davidson & Co. has received compensation in the last 12 months. Best-of-Breed: Expected to outperform on a risk adjusted basis over a five-year time horizon.*

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## Other Companies Mentioned in this Report

Company Name	Ticker	Rating	Price
<b>Amplitude, Inc.</b>	AMPL	BUY	\$10.28
<b>Amazon.com, Inc.</b>	AMZN	BUY	\$233.22
<b>Confluent, Inc.</b>	CFLT	BUY	\$22.25
<b>Datadog, Inc.</b>	DDOG	BUY	\$160.01
<b>Dynatrace, Inc.</b>	DT	BUY	\$44.56



Company Name	Ticker	Rating	Price
Elastic N.V.	ESTC	NEUTRAL	\$70.53
JFrog Ltd.	FROG	BUY	\$60.98
Alphabet Inc.	GOOGL	NEUTRAL	\$320.18
MongoDB, Inc.	MDB	BUY	\$332.37
Microsoft Corporation	MSFT	BUY	\$492.01
Oracle Corporation	ORCL	NEUTRAL	\$201.95
Snowflake Inc.	SNOW	BUY	\$251.24