

Twitter surges as global user growth revives

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Twitter delivered better-than-expected growth in users and revenue in the fourth quarter of 2019

Twitter shares jumped Thursday after an update showing it added millions of new users and boosted ad revenue in the fourth quarter, sparking optimism over its growth prospects.

The social media group said it ended the year with 152 million "monetizable" daily active users—its preferred measure of its base—up 21 percent from a year earlier.

Net profit fell by half from a year ago to \$119 million but revenue rose 11 percent to top \$1 billion, Twitter said in its quarterly update.

Chief executive Jack Dorsey said the results capped "a great year for Twitter" and that Twitter has been able to boost users by making the service "more instantly relevant."

"This is an incredibly strong foundation to build upon," he told analysts in a conference call.

Shares in Twitter surged 17.5 percent to \$39.24 in late morning trade.

The latest report suggested Twitter is making headway as seeks to keep pace with bigger social networks like Facebook and Instagram while it works to filter out abuse and manipulation.

"Twitter is growing Daily Active Users in the US faster than Snapchat and Facebook, albeit off a much smaller base," said analyst Rich Greenfield of Lightshed Partners.

Last year, the San Francisco tech firm said "bugs" in its software used to deliver targeted ads had dragged down revenue.

It has changed the way it measures its user base, now reporting only "monetizable daily active users," which rose sharply in the quarter.

That figure included 31 million in the United States and 121 million internationally, with both categories gaining.

Twitter said the drop in profit compared with a year ago reflected a tax benefit in 2018 that boosted net income by more than \$100 million.

The platform has been seeking to expand its user base beyond celebrities, journalists and politicians as it moves to curb content deemed manipulative or abusive.

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