

# Mason Stevens Global Technology Managed Portfolio

(as advised by Tekne Capital Management)

Performance Report as at 30 June 2020



## Investment objective & strategy

The principal objective of the Mason Stevens Global Technology Managed Portfolio (Managed Portfolio) is to be a globally oriented, concentrated portfolio with a focus on liquid, listed securities that aim to achieve positive returns over a long-term investment time horizon. The target return of the portfolio is to achieve a return that exceeds the NASDAQ Composite Total Return Index after fees in AUD, with a suggested investment time frame of more than five years.

The Managed Portfolio seeks to invest in a portfolio of listed securities with a core focus on capturing alpha arising globally in and around technology, media, telecommunications and related sectors, unless stated otherwise.



The Mason Stevens Global Technology Managed Portfolio (as advised by Tekne Capital Management) is a Managed Discretionary Account (MDA), also sometimes referred to as a Separately Managed Account

## Fund performance as at 30 June 2020<sup>1</sup>

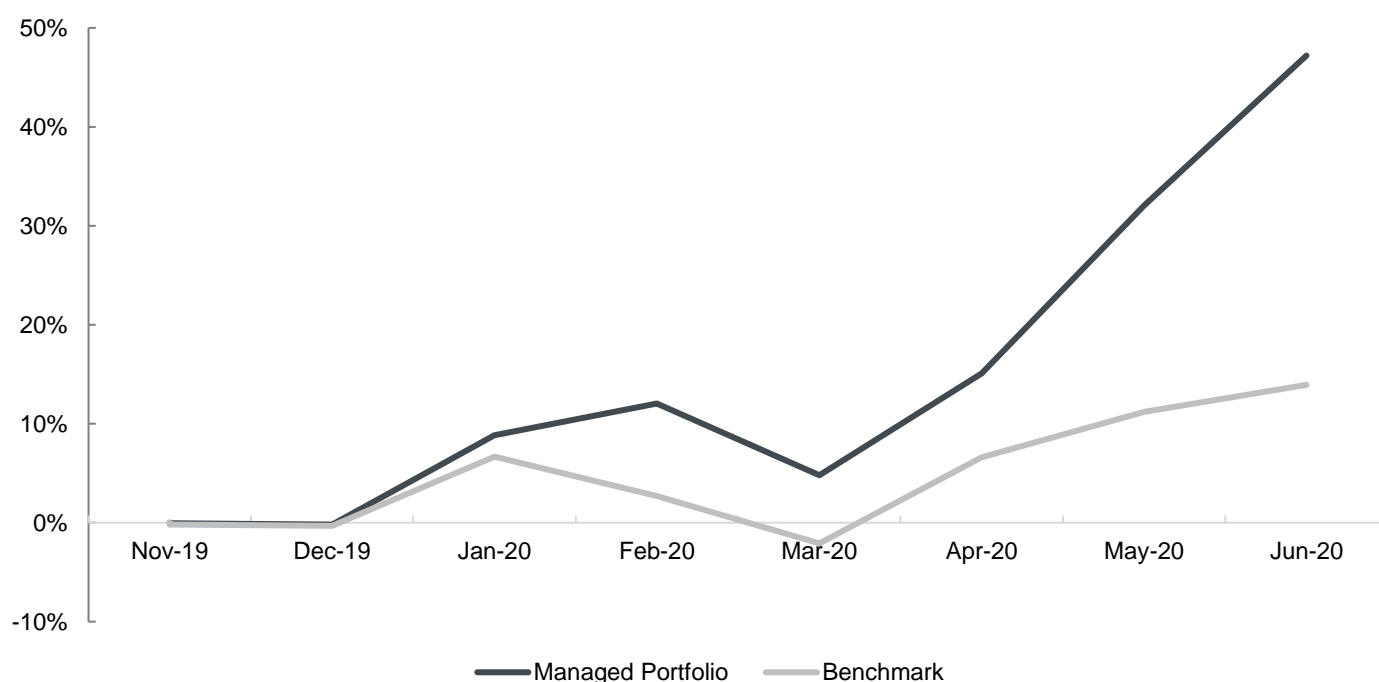
	1mth (%)	3 mths (%)	6 mths (%)	1yr (%)	Since inception (%)
<b>Fund</b>	11.47	40.47	47.41	n/a	47.21
Benchmark	2.45	16.36	14.30	n/a	13.93
Excess Return	9.02	24.11	33.11	n/a	33.27

## Top 5 Holdings

Sea Limited	17.0%
Pinduoduo Inc	14.4%
ADYEN	13.7%
GDS Holdings Ltd	10.1%
Square Inc	9.1%

Past performance is not a reliable indicator of future performance.

<sup>1</sup> The Managed Portfolio Benchmark is the NASDAQ Composite Total Return Index (in AUD). Returns are calculated net of management, performance, administration/custody and transaction fees, but excluding any adviser fees from the Managed Portfolio's inception date of 27/11/2019 and assumes reinvestment of all income (but not franking credits). Returns are based on the theoretical performance of a portfolio which implemented the Managed Portfolio from the inception date based on simplifying assumptions and security weightings. Actual individual returns of each client's portfolio will differ depending on factors such as date of initial investment, timing of transactions, contributions and withdrawals, fees and any customisations.



## Portfolio commentary

June proved to be an outstanding month for technology stocks globally. In our view, the debate shifted from "will technology be a beneficiary of this pandemic" to "how much will technology see an adoption pull forward." As we have written previously, our focus is to own the best companies levered to the trend of global technology adoption and we do not try and time markets or trade around positions. While near-term uncertainties persist, we remain steadfast in our conviction that we own the right stocks to generate returns for the next three to five years:

Global e-commerce was the best performing sector in the portfolio

According to BCG's April 2020 Consumer Sentiment Survey, 14% of U.S. consumers and 17% of China's consumers are shopping online for the first time in the wake of COVID-19. Groceries represent one of the most quickly shifting categories, jumping 10s of points of online penetration in the last 100 days globally.

The portfolio continues to benefit from the accelerated shift away from cash.

*"Behaviours have fundamentally changed," Hogg said also noting that "lockdowns around the world had caused a boom in online shopping and precipitous declines in cash usage."* (Charlotte Hogg, CEO of Visa Europe)

Digital transformation and cloud adoption is becoming more important to all companies.

*"We've seen two years' worth of digital transformation in two months. From remote teamwork and learning, to sales and customer service, to critical cloud infrastructure and security - we are working alongside customers every day to help them adapt and stay open for business in a world of remote everything,"* said Satya Nadella, CEO Microsoft.

*"Those that were already using the Cloud had a big advantage," Amazon Web Services CEO Andy Jassy said. "It allowed them to save a significant amount of money from having to try and figure out how to add capital and capacity in their physical on-premises locations. They were able to innovate in a much faster clip."* (CRN)

*"Cloud in China is forecasted to grow at over 30% CAGR for the next five years. We estimated that this would require at least three times expansion of cloud data center capacity...This is the opportunity which we are talking to our customers about. Their procurement is consistent. They have high visibility in their business, and they are planning multiple years ahead."* - William Huang, GDS Holdings Ltd - Chairman and CEO

## Key Features

### Investment universe

Listed securities and cash

### Investment objectives

NASDAQ Composite Total Return Index (in AUD)

### Benchmark

Aims to provide a return above the NASDAQ Composite Total Return Index (after fees)

### Max individual security weighting

25%

### Min investment

US \$50,000

### Suggested timeframe

5+ years

### Portfolio Manager

**Vincent Hua** - Chief Investment Officer  
**Beeneet Kothari** – Managing Partner, Tekne Capital Management

### Portfolio management

The Managed Portfolio is managed by Mason Stevens Asset Management Pty Limited (MSAM) as the Investment Sub-Adviser. MSAM is part of the Mason Stevens group of companies. MSAM is advised by Tekne Capital Management LLC.

Investment decisions are governed by an Investment Committee that ensures the appropriate discipline and rigour is applied to the investment process.

### About Mason Stevens

Mason Stevens provides a multi-asset and multi-currency investment administration and managed account service to help produce tailored investment outcomes for advisers and their clients. Clients benefit from efficient portfolio administration, secure online access to their investments, as well as comprehensive reporting.

### About Tekne Capital

Tekne Capital Management is an investment partnership with a focus on securities and geographies where it has an investment experience and track record. The team's industry knowledge and investing pedigree enable them to assess opportunities where they believe there is a gap between market expectations and market outcome.

## Contact

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