



∞ Meta

amazon

TESLA

Apple

nvidia

Microsoft

Alphabet



# US TECH: THE MAGNIFICENT



## Disclaimer:

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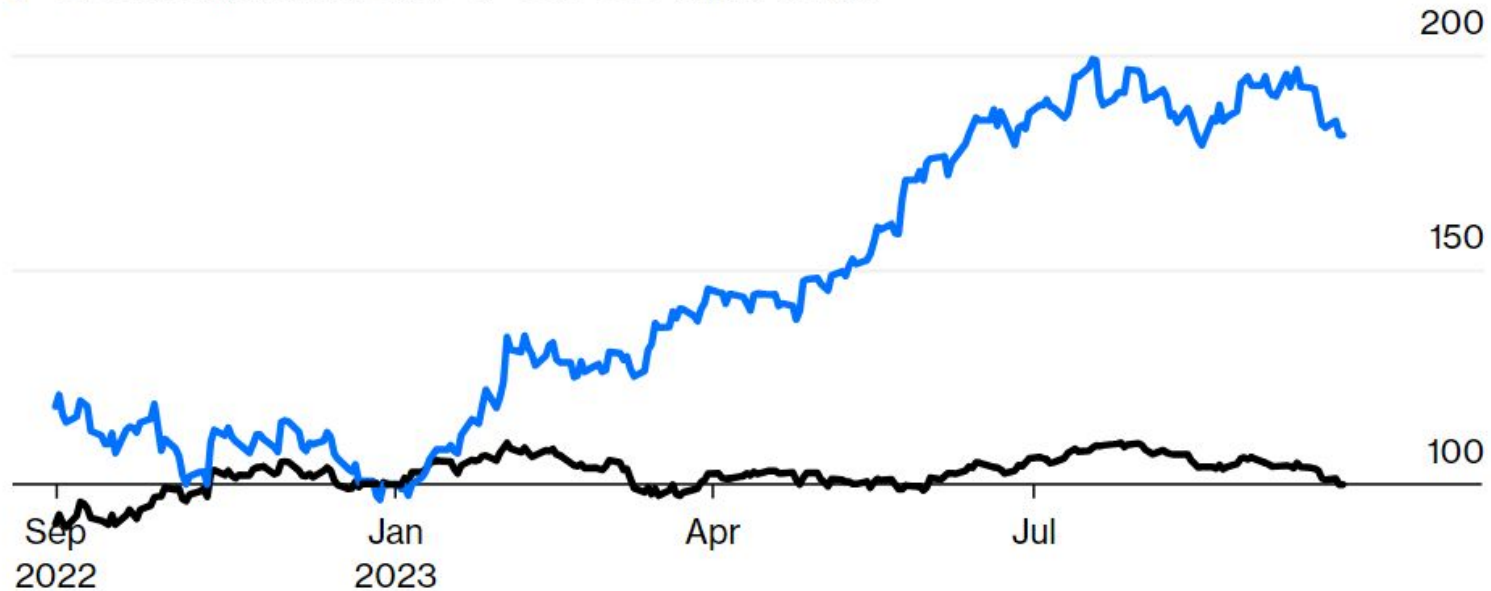
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# The Boom:

## The Magnificent - And Everyone Else

Big internet platforms are up 80% this year; the average stock is down

— Bloomberg Magnificent 7    — S&P 500 Equal-Weight

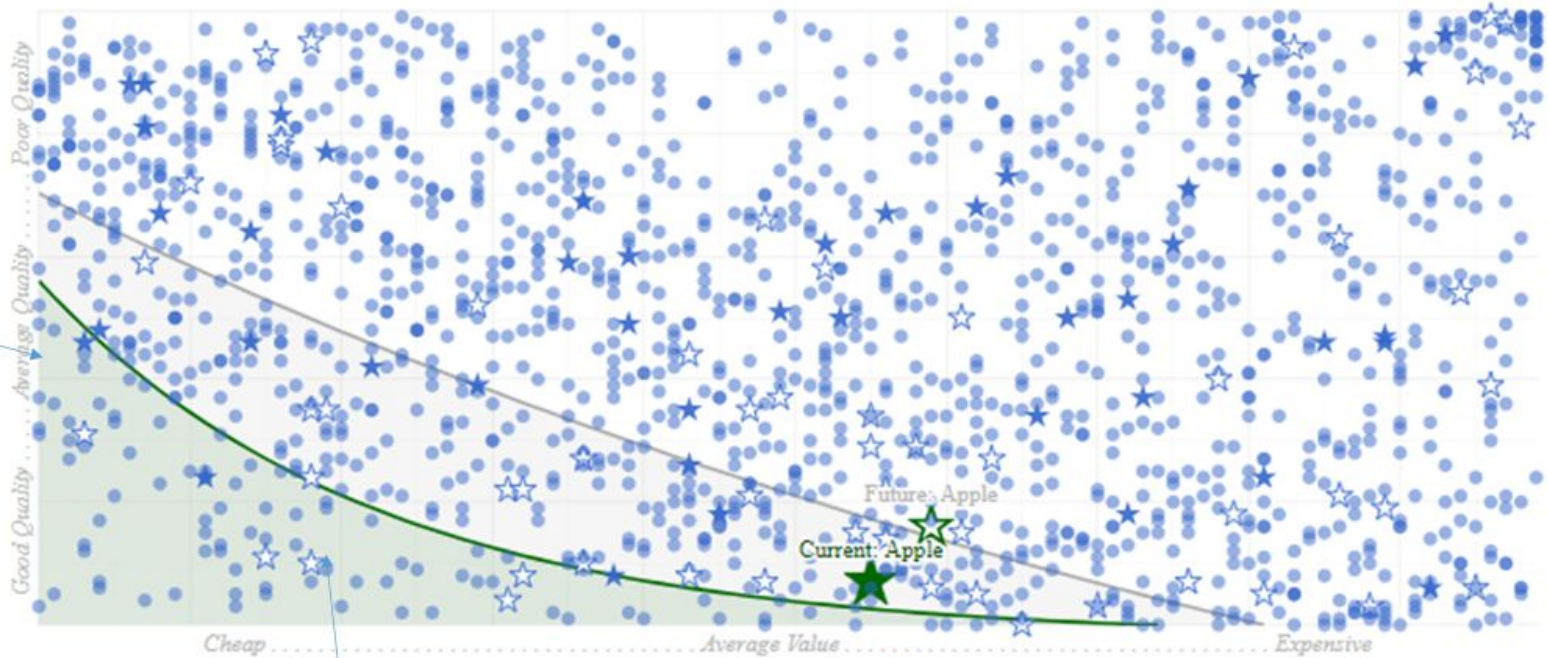


Source: Bloomberg

Re-based: 100 = 01/01/2023

# Quality vs Value:

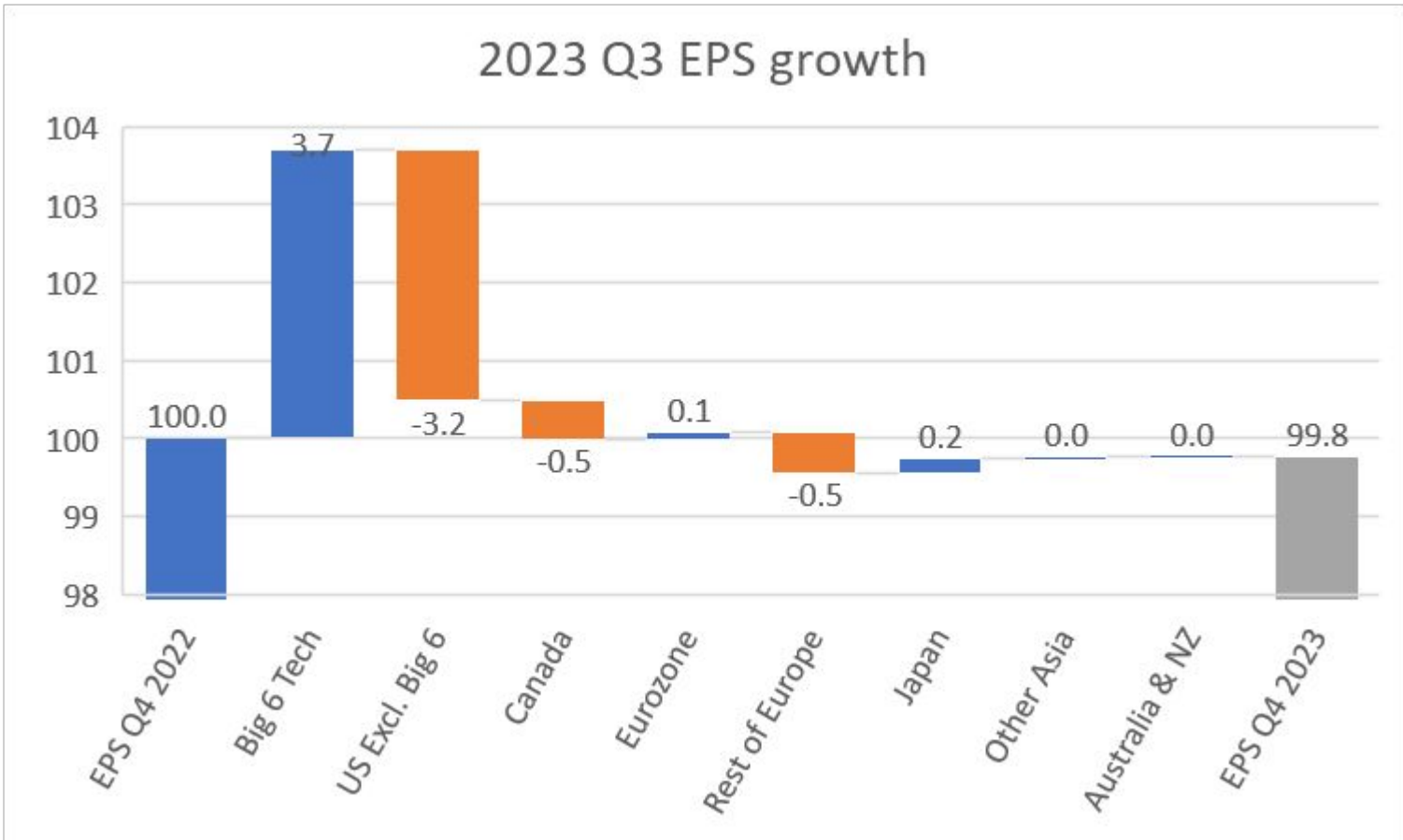
Some exposure to average quality stocks that are very cheap



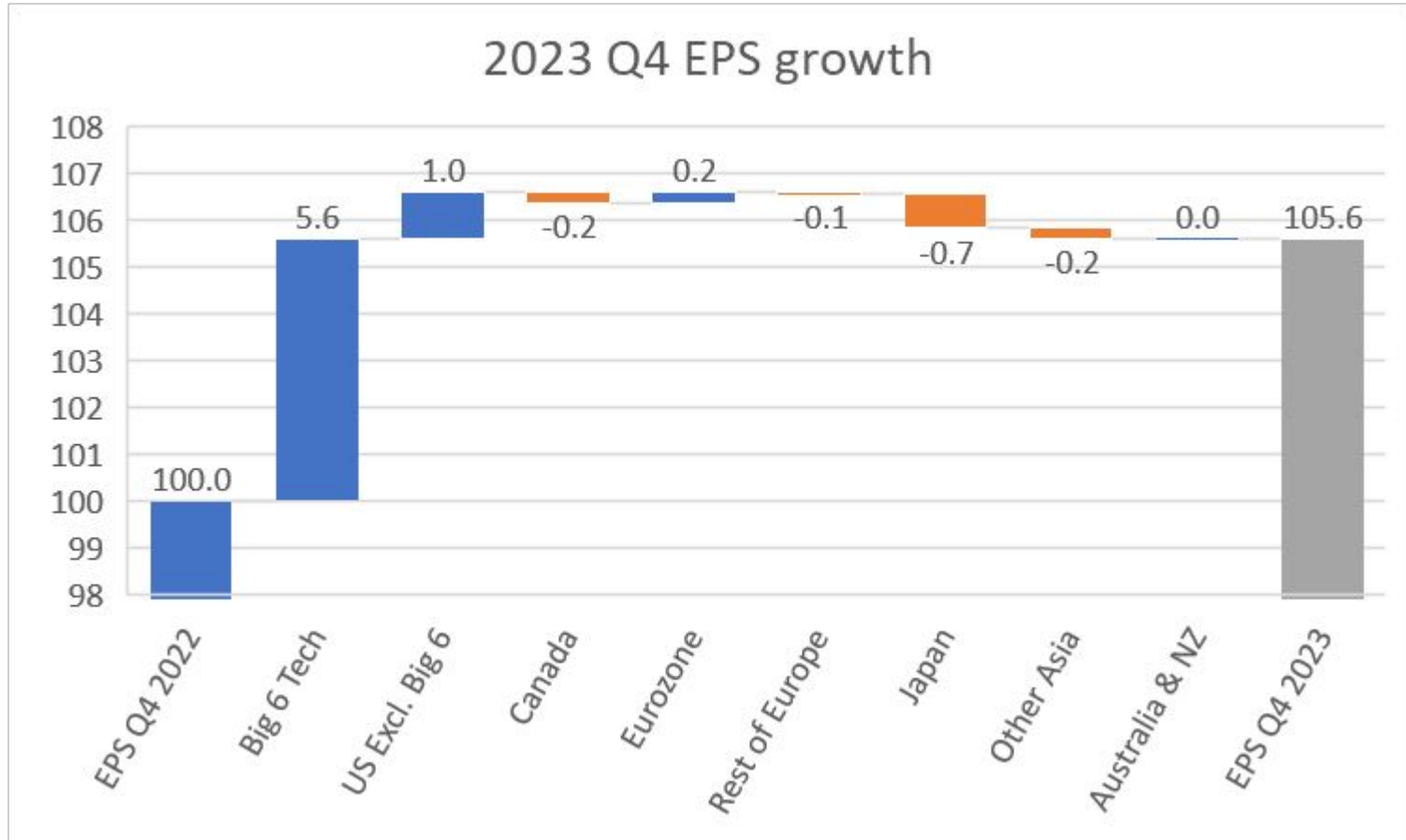
Most exposure to stocks with both quality and value

Some exposure to more expensive stocks that are very high quality

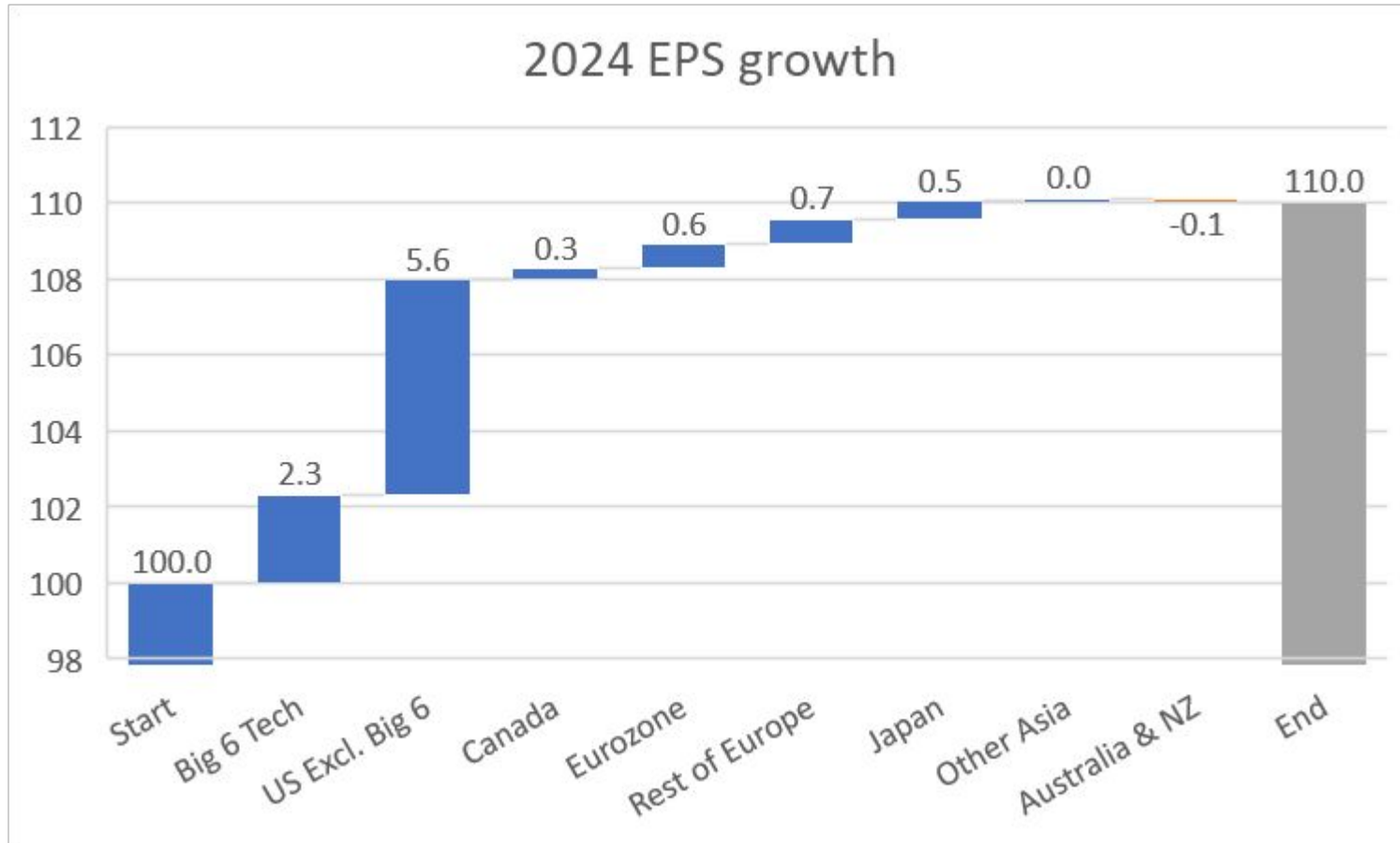
# Forecast Growth



# Forecast Growth



# Forecast Growth



## Choose themes to screen from your portfolio away from (i.e. remove stocks)

Climate Change

War

Human Rights

Health

Vices

Animal Rights

Religion

Asset Class

Thematic

### Climate Change

- No Fossil Fuels (Worst Offenders) 
- No Fossil Fuels (Any) 
- No Coal Seam Gas or Fracking 
- No Nuclear Power 
- No Old Growth Forest Logging 

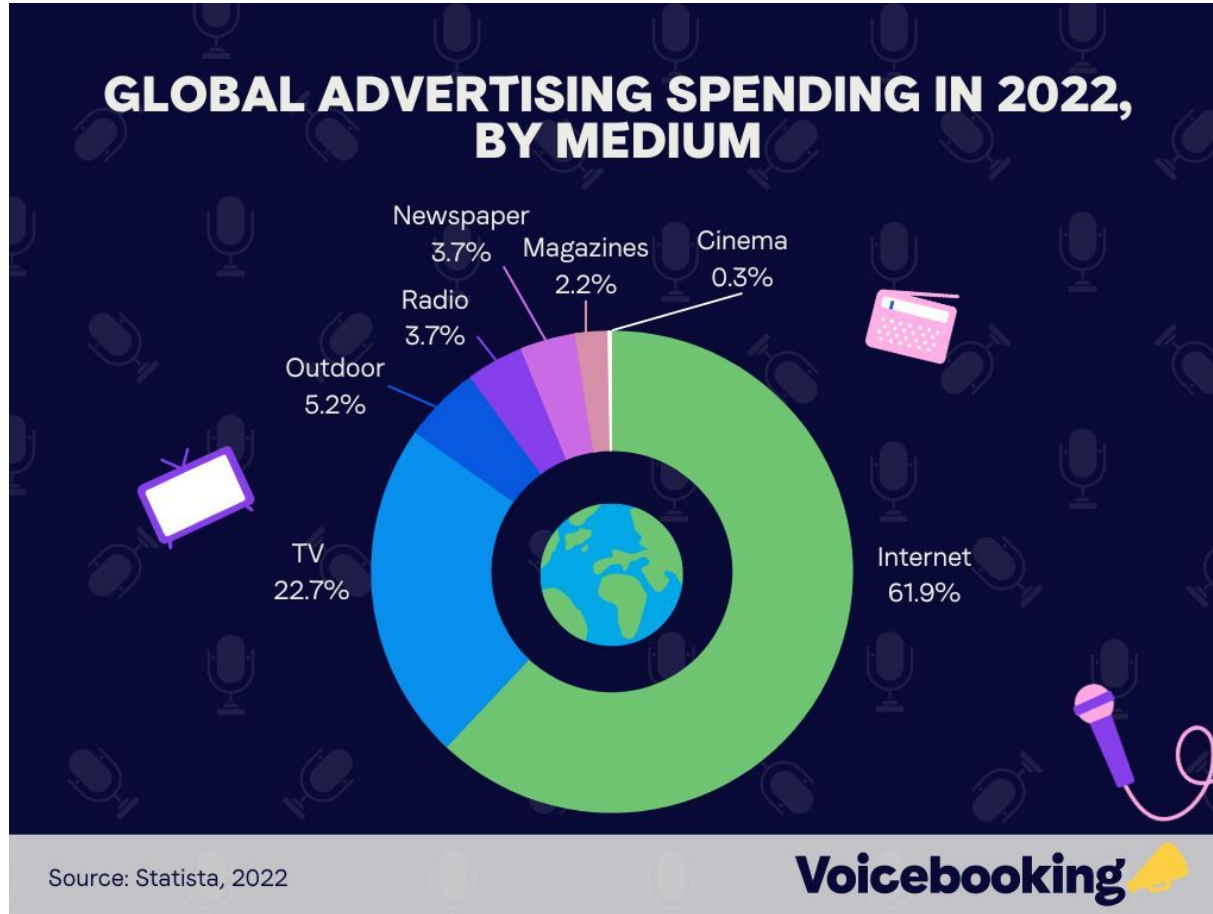


# Meta: Positives or negatives

In Millions

	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23
Advertising	\$ 28,580	\$ 28,276	\$ 32,639	\$ 26,998	\$ 28,152	\$ 27,237	\$ 31,254	\$ 28,101	\$ 31,498
Other	192	176	155	215	218	192	184	205	225
<b>Family of Apps Revenue</b>	<b>28,772</b>	<b>28,452</b>	<b>32,794</b>	<b>27,213</b>	<b>28,370</b>	<b>27,429</b>	<b>31,438</b>	<b>28,306</b>	<b>31,723</b>
<b>Reality Labs Revenue</b>	<b>305</b>	<b>558</b>	<b>877</b>	<b>695</b>	<b>452</b>	<b>285</b>	<b>727</b>	<b>339</b>	<b>276</b>
<b>Total Revenue</b>	<b>\$ 29,077</b>	<b>\$ 29,010</b>	<b>\$ 33,671</b>	<b>\$ 27,908</b>	<b>\$ 28,822</b>	<b>\$ 27,714</b>	<b>\$ 32,165</b>	<b>\$ 28,645</b>	<b>\$ 31,999</b>
Family of Apps Operating Income	\$ 14,799	\$ 13,054	\$ 15,889	\$ 11,484	\$ 11,164	\$ 9,336	\$ 10,678	\$ 11,219	\$ 13,131
Reality Labs Operating (Loss)	(2,432)	(2,631)	(3,304)	(2,960)	(2,806)	(3,672)	(4,279)	(3,992)	(3,739)
<b>Total Income from Operations</b>	<b>\$ 12,367</b>	<b>\$ 10,423</b>	<b>\$ 12,585</b>	<b>\$ 8,524</b>	<b>\$ 8,358</b>	<b>\$ 5,664</b>	<b>\$ 6,399</b>	<b>\$ 7,227</b>	<b>\$ 9,392</b>
Operating Margin	43 %	36 %	37 %	31 %	29 %	20 %	20 %	25 %	29 %

# Meta: Positives or negatives



## Meta: Positives or negatives

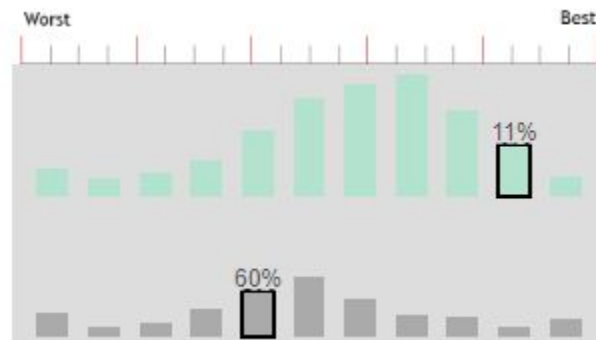
Valuation x	Av5	LTM	NTM	STM
P/E	32.3	34.5	18.9	15.9
Yield%	0.0	0.0	0.0	0.0
P/Book	7.7	6.3	4.2	3.3
EV/Sales	9.8	6.5	5.2	4.7
EV/EBITDA	20.8	19.2	9.7	8.5
EV/EBIT	26.3	27.0	15.2	13.0
P/FCFE	35.7	33.3	31.2	25.6

# Google: at risk?

Valuation x	Av5	LTM	NTM	STM
P/E	40.0	27.0	20.4	17.5
Yield%	0.0	0.0	0.0	0.0
P/Book	8.3	6.7	4.5	3.6
EV/Sales	9.1	5.8	5.0	4.5
EV/EBITDA	27.0	18.5	12.2	10.9
EV/EBIT	34.5	21.7	17.5	15.4
P/FCFE	41.7	23.8	26.3	21.7

Quality ⓘ

Value ⓘ



# Apple: at risk?

- Products vs Services
- Chip advantages
- No longer as cheap
- Becoming more capital efficient
- Ex-growth?



Valuation x	Av5	LTM	NTM	STM
P/E	41.7	28.6	26.3	23.8
Yield%	0.5	0.5	0.6	0.6
P/Book	33.3	50.0	16.7	10.0
EV/Sales	10.0	7.4	6.8	6.5
EV/EBITDA	30.3	22.2	20.8	18.9
EV/EBIT	34.5	24.4	22.7	21.3
P/FCFE	38.5	27.0	26.3	25.6

# NVIDIA: How big will the market be?

## Historical Financial Metrics

### EPS Forecasts history ⓘ



# NVIDIA: How big will the market be?

## Private Investment in AI, 2013–22

Source: NetBase Quid, 2022 | Chart: 2023 AI Index Report

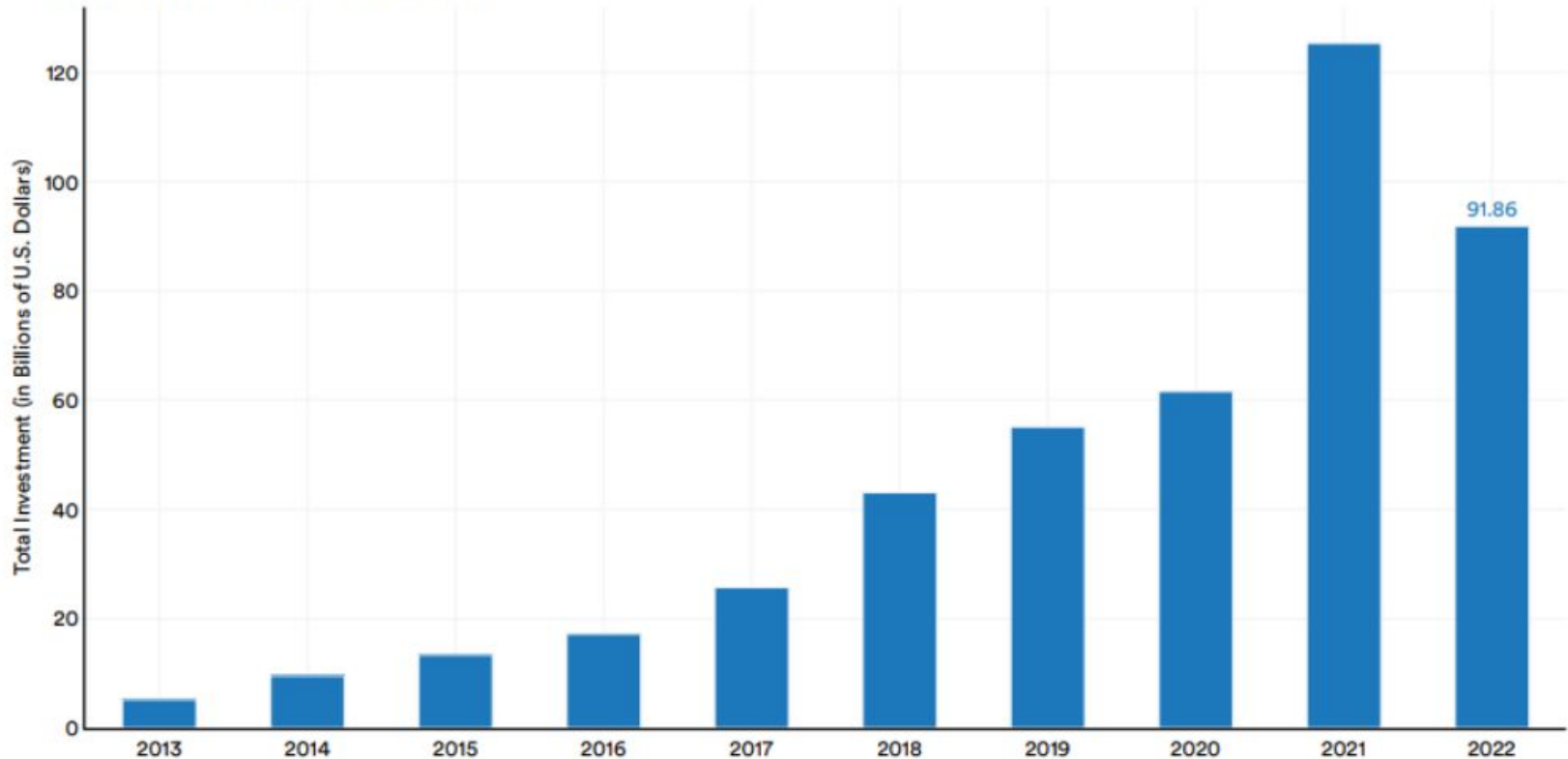


Figure 4.2.6

# NVIDIA: Cisco Kid?

## 12m Forward Forecast EPS



Market Summary > Cisco Systems Inc

53.45 USD

+53.37 (66,712.50%) ↑ all time

Closed: 4 Oct, 7:16 pm GMT-4 • Disclaimer

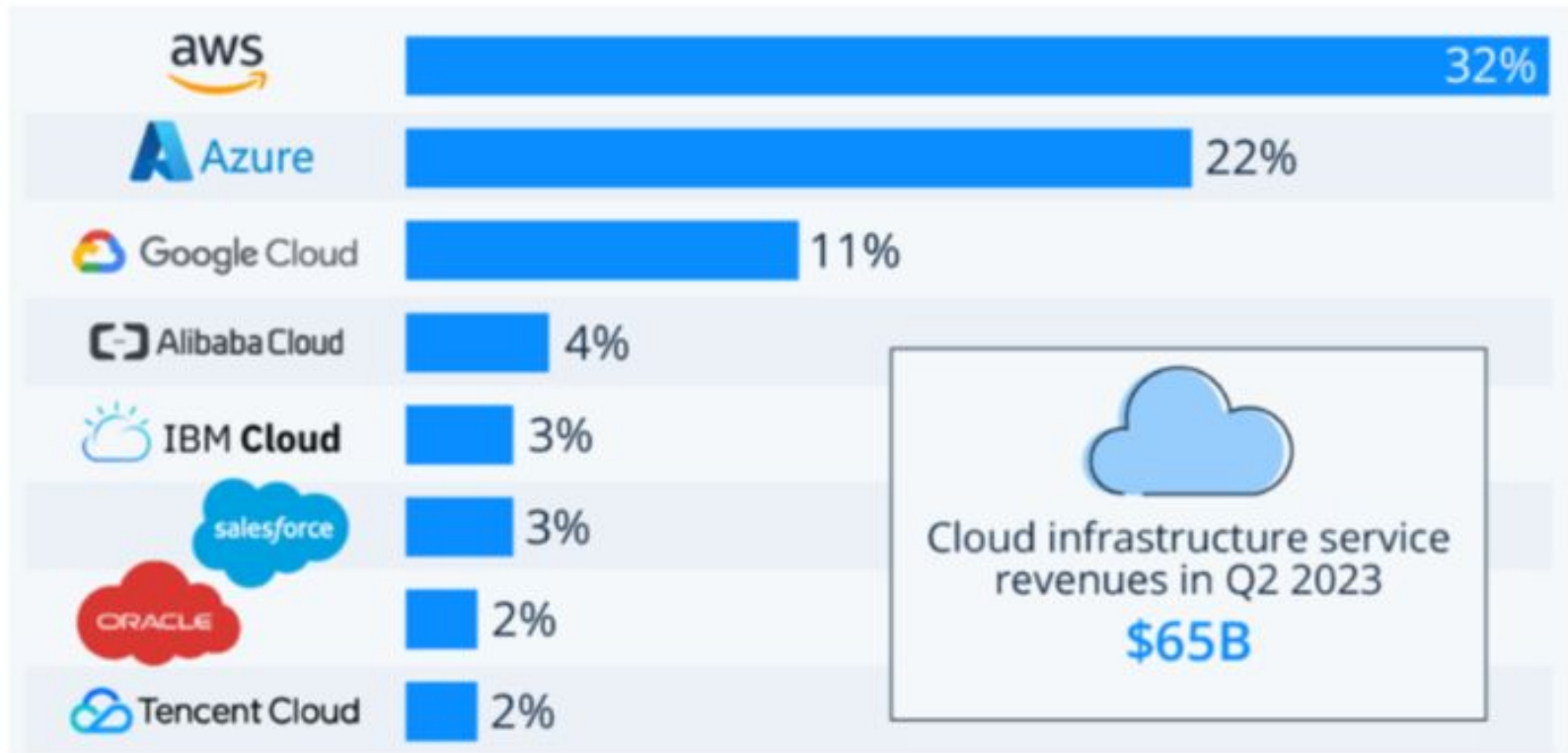
After hours 53.37 -0.080 (0.15%)

1D | 5D | 1M | 6M | YTD | 1Y | 5Y | Max



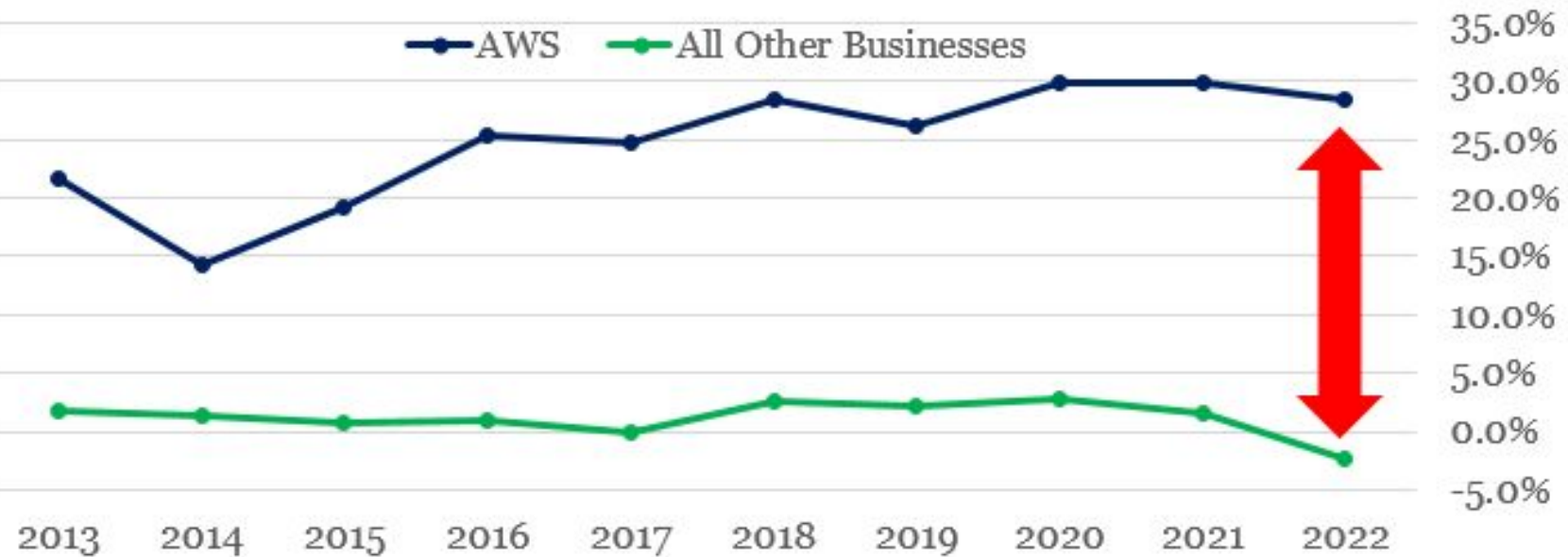


# Amazon



# Amazon

Amazon EBIT - %



# Amazon

	Per Share	Multiple	Price
AWS	2.5	40	100
Amazon US	1	20	20
Amazon Other	-0.4	0	0
<b>Total</b>	<b>3.1</b>		<b>120</b>

- North America = \$300B of revenue on -1% to +3% margins
- International = Loss making

# Microsoft: chugging along

## Historical Financial Metrics

EPS Forecasts history ⓘ

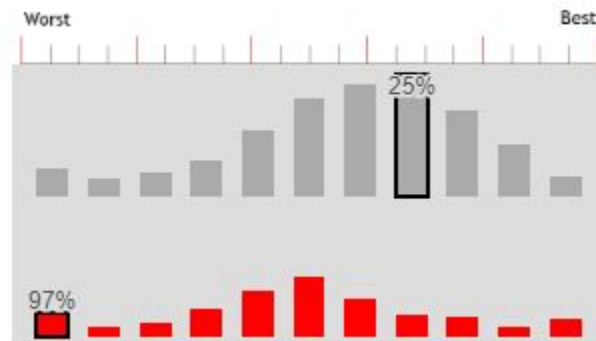


# Tesla: at risk?

Valuation x	Av5	LTM	NTM	STM
P/E	250.0	71.4	58.8	43.5
Yield%	0.0	0.0	0.0	0.0
P/Book	50.0	16.7	11.1	9.1
EV/Sales	17.9	9.0	6.5	5.3
EV/EBITDA	111.1	47.6	34.5	26.3
EV/EBIT	200.0	62.5	52.6	38.5
P/FCFE	250.0	142.9	100.0	62.5

Quality ⓘ

Value ⓘ



# Personalise Your Portfolio

## Screens

You can exclude the below to customise your portfolio

Climate Change	War	Human Rights	Health	Vices
Animal Rights	Religion	Asset Class	Thematic	

- No Fossil Fuels (Worst Offenders) ?
- No Fossil Fuels (Any) ?
- No Coal Seam Gas or Fracking ?
- No Nuclear Power ?
- No Old Growth Forest Logging ?

## Tilts

You can add the below to customise your portfolio

Investment Style Factors	Climate Change	Technology	
Consumption	Commodities	Military	GICS Sectors

- Quality Stocks ?
- Value Stocks ?
- Growth Stocks ?
- Defensives ?



Personalise your portfolio now >



# Build Your Portfolio

Need help with this page? Video Tutorial

- Account Selection
- Investment Choice
- Risk Profile
- Build Your Portfolio**
- Ethical Overlay
- Review
- Applicants
- Bank Details
- Compliance
- Final Review

## Portfolio Tilts



Quality Stocks

Value Stocks

Growth Stocks

Oil & Gas Stocks

Gold Stocks

Agribusiness

Large Technology Stocks

Cloud Computing Stocks

Robotics/AI

Video Gaming

Cybersecurity

Clean Energy

Defensives

Battery Supply Chain

Nuclear Power

Defense Contractors

Travel

Luxury Goods

Logistics

Global Communication Services

Global Consumer Discretionary

Global Consumer Staples

Global Energy

Global Financials

Global Health Care

Global Industrials

Global Information Technology

**Viewer question of the week:**

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**Will this tech boom continue or has it peaked?**

**Drop your answers in the comments**



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