

ASML

Company: ASML

Sector: Technology

Initial Investment: May-21

Company Size: £214bn

Enjoys a near-monopoly on a critical set of tools required to make semiconductors for smart devices

ASML is the dominant manufacturer of machines used to make semiconductors that put the “smart” in “smart devices”. These semiconductor chips are currently used to power iPhones and datacentres but will go on to define the next stage of technological innovation from artificial intelligence applications, including self-driving cars and augmented reality devices, to super-connected cities.

Only ASML has overcome the extraordinarily complex engineering challenge required to manufacture machines that make leading-edge chips, making it exceptionally well-positioned to benefit disproportionately from the acceleration in demand for high-performance computing.

charles SCHWAB

Company: Charles Schwab

Sector: Financial Services

Initial Investment: Sep-21

Company Size: £117bn

One of the world's largest investment platforms, poised to benefit from a rise in interest rates

Charles Schwab is one of the largest investment platforms in the US, providing wealth management, securities brokerage, banking, asset management, custody and financial advisory services for individual investors, professional advisors and corporate retirement plans.

With over 50% of revenues derived from interest on cash balances on account, Charles Schwab is a beneficiary of a rising interest rate environment. Given the already low interest rate environment, any rate rises from the Fed should result in significant revenue uplift. This combined with a successful takeover of TD Ameritrade (and the resulting synergies from the takeover), and impressive inflows to AUM as a result of strong growth in household wealth, makes Charles Schwab a welcome addition to the portfolio.

intuit.

Company: Intuit

Sector: Financial Services

Initial Investment: Feb-18

Company Size: £96bn

Leading accounting software helping millions of small businesses stay on top of their finances

Intuit is the company behind both QuickBooks, the leading accounting software for small businesses globally and TurboTax, the leading tax-filing software for individuals in the US. This niche focus and an excellent management team that embraces ‘self-disruption’ have helped Intuit to thrive across various technology eras (DOS, Windows, Web and Mobile) since its founding in the 1980s.

While accounting and tax may sound ‘boring’ to some, Intuit enjoys a myriad of growth opportunities. The majority of small businesses still don’t use any accounting software, send and settle invoices via mail, and the majority of US citizens still pay professionals to help file their taxes. Technology is helping to change both. For example, QuickBooks Online, the web and mobile based version, allows receipts and invoices to be captured in seconds using a smartphone camera and automatically matched to bank statements. QuickBooks Online has grown its subscribers from 4.1m to 5.9m in just 3 years – impressive, yet still only a fraction of the hundreds of millions of small businesses globally that Intuit targets.



Company: Lam Research

Sector: Technology

Initial Investment: Aug-21

Company Size: £55bn

Dominant supplier of critical equipment that allows semiconductor engineering at the atomic scale

Lam is a supplier of semiconductor manufacturing equipment, focused on meeting the industry’s escalating demands. The manufacturing equipment that enables production of devices is becoming ever more critical, especially given the increasing complexity of semiconductor devices. Already a key part of the global economy, the demand for semiconductors will continue to grow as the proliferation of technologies such as artificial intelligence, high performance computing and 5G networks takes hold. Lam is at the forefront of companies enabling manufacturers to keep up with growing global demand.



Company: Mastercard

Sector: Financial Services

Initial Investment: Oct-17

Company Size: £287bn

Enabling half of all card transactions globally? Priceless.

Mastercard is a high quality business benefitting from the structural shift of payments away from cash to mobile, online and contactless transactions. At its core, Mastercard runs BankNet, a global payment network connecting major banks for verifying and processing card payments. Mastercard is able to process hundreds of millions of transactions per day due to its superior technology. Looking ahead, Mastercard is seeking to build on its successes in consumer payments to business-to-business transactions (much of which is still made manually by cash or cheque) and we are confident in their ability to navigate and execute on this multi-decade opportunity.





Microsoft

Company: Microsoft

Sector: Technology

Initial Investment: Sep-17

Company Size: £1,497bn

Powering businesses and home computing around the world is not enough for the world's largest software company

Microsoft's products; Windows, Office, server operating systems and developer tools, are part of the foundation of almost every enterprise. But history is littered with examples of companies in such enviable positions that abuse their power over customers and fail to adapt to a changing world. We believe Microsoft is a rare exception.

Since taking over as CEO in 2014, Satya Nadella has reinvigorated Microsoft by pursuing a more 'open' strategy (Office 365 works on Apple iPhones - unthinkable previously), overhauling internal culture to attract the best talent and focusing attention firmly on the future of technology (Microsoft is one of the top contributors to open source software and artificial intelligence research).



NVIDIA

Company: Nvidia

Sector: Technology

Initial Investment: Jun-21

Company Size: £390bn

Accelerating the evolution of artificial intelligence with silicon, systems and software that power the next era of computing

You may not have heard of Nvidia but chances are, you're already a regular user of one of the many services their chips enable, including video recommendations on TikTok, grammar checks in Word online, feed recommendations on Pinterest or ad recommendations on Facebook and Instagram.

Nvidia's chips speed up compute-intensive parts of applications. Accelerators were initially used to power desktop computer graphics but as Moore's Law has slowed, accelerated computing has emerged as a solution, enabling researchers to continue to push the boundaries in fields such as AI, climate simulation, drug discovery, ray tracing, and robotics.

SARTORIUS

Company: Sartorius

Sector: Healthcare

Initial Investment: Jun-21

Company Size: £25bn

Driving the transformation of medicine production from brute chemical processes to organic biologics

Sartorius represents one of the only publicly available pure-play investment opportunities in the growing bioprocessing industry. The bioprocessing industry is attractive because the business model and regulatory approval requirements mean that 75% of Sartorius's revenue is repeatable consumables revenue that is locked-in for the lifetime of the biologic – a type of medicine that is made not from chemicals but from organic matter. Moreover, Sartorius is benefitting from two secular shifts; the increasing prevalence of biologics (currently 30% of drugs sold and growing) and a shift from stainless steel technologies to single-use technologies. The combination of these two factors means that Sartorius has a long and sustainable growth runway.

Veeva

Company: Veeva

Sector: Healthcare

Initial Investment: Jun-18

Company Size: £22bn

Accelerating the discovery and availability of life-saving drugs

Veeva develops software specifically for the life-sciences industry and was founded in 2007. A relentless focus on innovation and delighting its customers led Veeva to become the largest software vendor to the life-sciences industry just 10 years later.

Veeva has a dominant market share in pharmaceutical CRM software. We are optimistic about significant growth in the future as Veeva leverages its customer relationships, technology platform (Veeva Vault) and focus on innovation and customer surplus into many other niches within the life-sciences industry. And there are many; from the software used to manage vast amounts of data generated by clinical trials, to the software for a global pharmaceutical company to manage compliance with myriad regulations in the hundreds of countries in which it operates. Longer term, Veeva also has its sights on other industries that share some similar characteristics such as chemicals and cosmetics.

VISA

Company: Visa

Sector: Financial Services

Initial Investment: Mar-18

Company Size: £395bn

The world's largest and most connected payments company

Visa is a high quality business benefitting from the structural shift of payments away from cash to mobile, online and contactless transactions. Visa operates VisaNet, a global payment network connecting major banks for verifying and processing card transactions. In 2018, Visa successfully merged its European and global operations so that its full array of value added products and services (especially in transaction security) could be rolled out across bank and fintech customers across Europe. Like Mastercard, Visa is building on its successes in consumer payments and bringing this to the B2B space. We are confident in their ability to navigate and execute on this multi-decade opportunity.

