

Alpesh Patel's Newsletter

Exclusively for ShareScope Alpesh Patel Special Edition Subscribers



27 July 2020

Overview

Whilst I would accept in March a 50-50 chance the market would rise or fall, I did not expect this massive rally and that's why I pick the stocks I do. If the market rises, I win. If it falls, I get to keep my money safe. Some of my top performers.

AAP2*Leverage Shares Plc 2X Apple ETP
03/04/67 USD**AMZ2†***Leverage Shares Plc 2X Amazon ET
03/04/67 USD**BOTB**Best of the Best plc Ordinary
5p Shares**AAPL***

Apple Inc Com Stk NPV (CDI)

3USL*WisdomTree S&P 500 3x
Daily Leveraged**LO24***

Lotto24 AG Npv

QDEL*

Quidel Corp VTG USD0.001

PYPL*

Paypal Holdings Inc USD0.0001

SQ.1*Square Inc Common Stock
USD0.0000001**NETC1***

Netcompany Group A/S DKK1

PYPL1*

Paypal Holdings Inc USD0.0001

ZM1*Zoom Video Communications
Inc USD0.001**NTES1***

Netease Inc USD (CDI)

MSFT1*Microsoft Corporation Comm Stk
US\$ 0.0000125 (Crest Depository L...**DB11***

Deutsche Boerse AG NPV

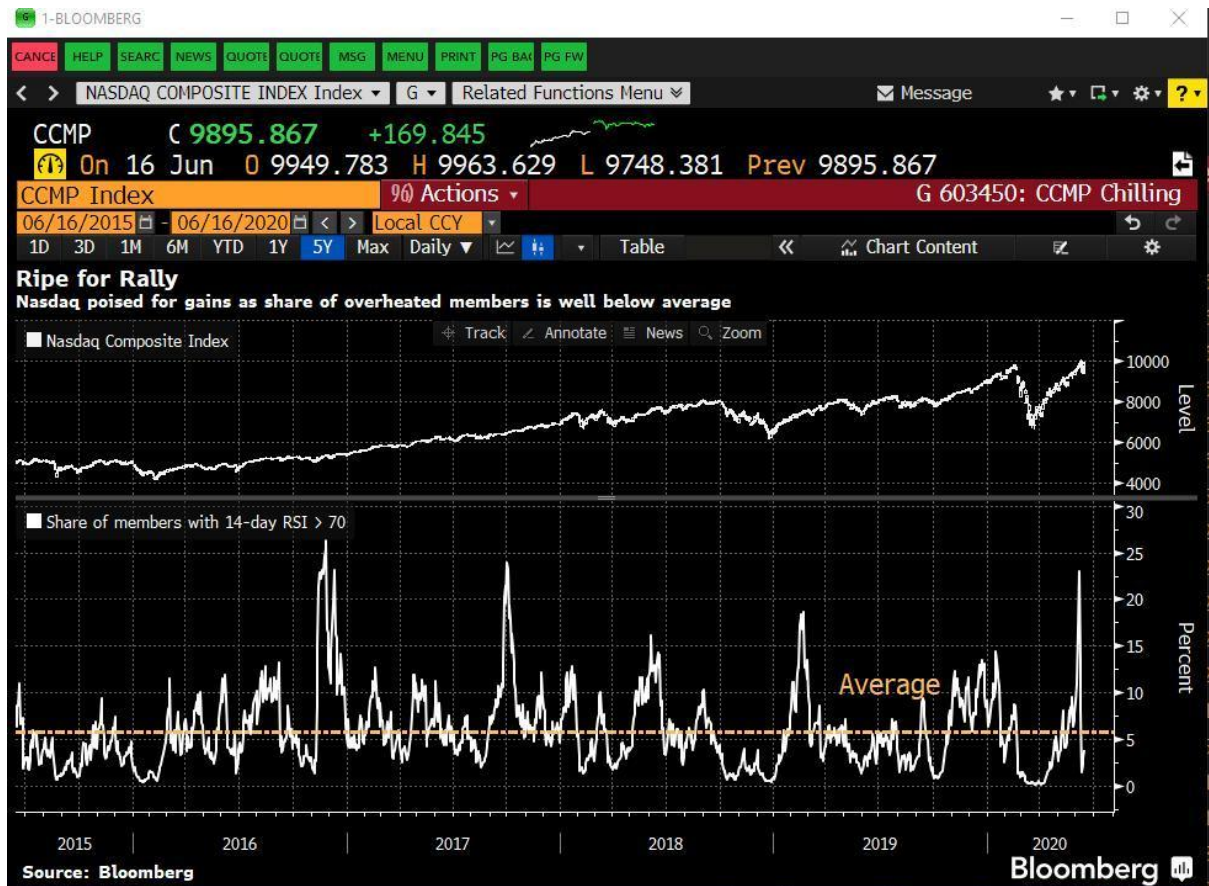
ADBE1*

Adobe Inc Comm Stk US\$.0001

Where's the Bubble?

Nasdaq-100 shows tech-stock gains are nowhere close to matching 1990s surge

Normalized As Of 07/09/2015 ■ Nasdaq-100 Index ■ Nasdaq-100: March 1995-March 2000



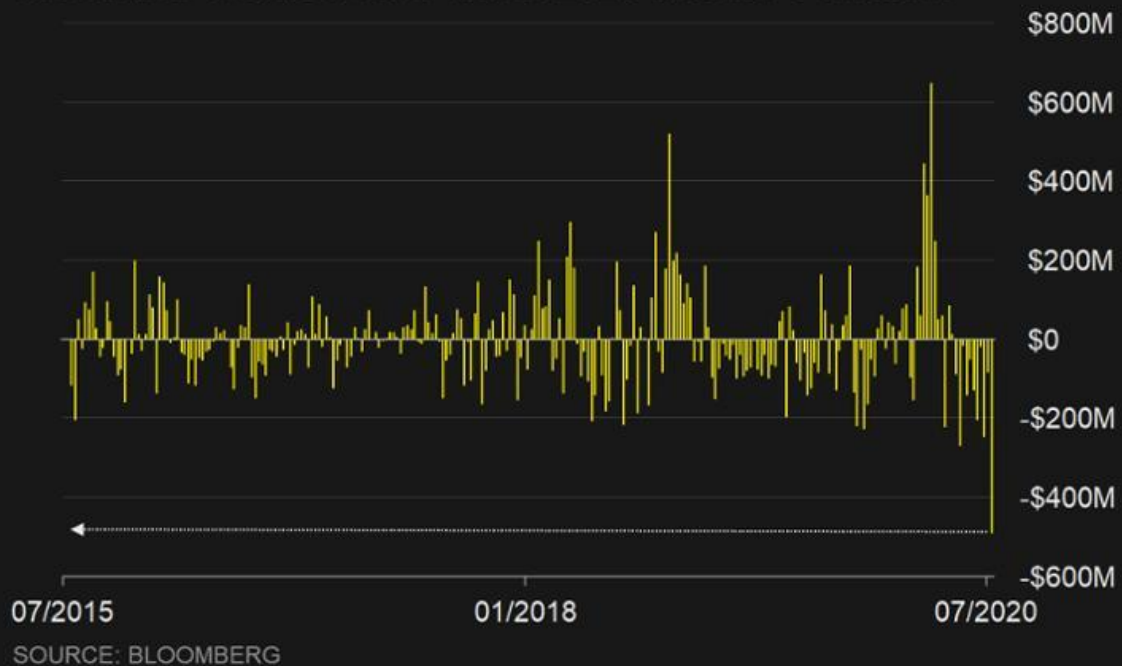


Whilst I am tech heavy – take care too:

A triple-leveraged ETF that tracks some of the world's biggest technology companies suffered its worst week of outflows after soaring more than 200% from its March low. The \$6.8 billion ProShares UltraPro QQQ, which seeks investment results that correspond to three times the daily performance of the Nasdaq-100 Index, lost nearly \$500 million last week. "The outflows here look like classic profit-taking from an ETF that has been in money printing machine mode for about three months straight," said Eric Balchunas of Bloomberg Intelligence.

TRIMMING TECH

PROSHARES TQQQ SUFFERS WORST EVER WEEK OF OUTFLOWS



The bond ETF universe could almost double in less than four years as traditional fixed-income heavyweights embrace the funds, according to BlackRock. Institutional investors such as pension funds and insurance companies are increasingly warming to bond exchange-traded funds in the aftermath of March's coronavirus-fueled market turmoil, the world's largest asset manager said in a report Wednesday. First-time buyers of BlackRock's iShares fixed-income ETFs collectively added roughly \$10 billion of inflows during the first half of 2020, the firm said.

New Milestone

Nasdaq 100 surpasses its 2000 peak relative to S&P 500

■ Nasdaq 100 vs S&P 500



Breaking Away

Nasdaq 100' premium over its 200-day average is widest since February

■ Nasdaq 100 ■ 200-day average



I don't just buy ETFs, I cherry pick the best of the stocks they hold.



And I am surprised by the market.

1-BLOOMBERG

Tabs are here! Options

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Markets Live Blog Global Macro News

09:33 Stocks Pop As Earnings Season Kicks Off

U.S. stocks jumped into the green following last week's rally as earnings season kicks off and traders await reports from the largest banks on Wall Street, which could offer a sign of the strength of the economic rebound. PepsiCo got things going with a strong beat for its second quarter after a nationwide lockdown led to a boost in revenue. The coronavirus remains the key variable for markets, as Florida broke the daily record for most cases in a U.S. state while the FDA granted fast-track designation to Pfizer and BioNtech for their two vaccine candidates. Geopolitical tensions are rising as well after China slapped sanctions on U.S. Senators Rubio and Cruz as a retaliation for American sanctions on top Chinese officials related to human rights abuses.

- S&P 500 opened up 0.9%, Nasdaq gained 1.3% and the Dow jumped 250 points, 1%
- The VIX held at 28
- European indexes traded higher with FTSE 100, CAC 40 and Dax all posting gains of at least 1%
- Oil fell, with the front month contracts for WTI and Brent trading with \$40 and \$43 handles, respectively
- Bloomberg Dollar Index retreated 0.2%
- Gold rose 0.8%
- Yields on 10-year Treasuries climbed to 65 bps

Julia Fanzeres Markets Live Reporter

But I am happy – of course.

I don't even think what used to happen still does:



We know this is true though

Upward Trajectory

Stocks tend to go up over the long run



Bull market's peak vs prior cycle (%)

Source: Bloomberg

Bloomberg

Highest % of Buy Ratings in S&P 500: Top 10 (Source: FactSet)

COMPANY	BUY	HOLD	SELL
Quanta Services, Inc.	100%	0%	0%
Assurant, Inc.	100%	0%	0%
L3Harris Technologies Inc	95%	5%	0%
Intercontinental Exchange, Inc.	95%	5%	0%
Jacobs Engineering Group Inc.	94%	6%	0%
Synopsys, Inc.	93%	0%	7%
Cigna Corporation	92%	8%	0%
Amazon.com, Inc.	92%	6%	2%
Diamondback Energy, Inc.	92%	8%	0%
Alphabet Inc. Class A	91%	9%	0%

HEDGE FUND OWNERSHIP REPORT – Q1 2020

A REPORT COVERING HEDGE FUND STOCK OWNERSHIP TRENDS AND INDIVIDUAL MANAGER PORTFOLIOS

Rank	Security Name	Symbol	Value Owned	Shares Owned	Q/Q Change In Shares	% of Stock Ownership	# of Owners	New Owners	Buys	Sells	Holds	Exits	# of Owners holding in top 10
1	Amazon.com Inc	AMZN	\$3.93 Billion	2.02 Million	273 Thousand	0.40%	37	10	11	10	6	1	30
2	Microsoft Corp	MSFT	\$9.06 Billion	57.4 Million	7.25 Million	0.76%	35	5	14	12	4	1	25
3	Facebook Inc	FB	\$6.2 Billion	37.2 Million	3.52 Million	1.30%	32	4	11	11	6	2	22
4	VISA Inc	V	\$4.4 Billion	27.3 Million	4.21 Million	1.23%	30	6	6	14	4	0	18
5	Mastercard Inc	MA	\$2.78 Billion	11.5 Million	1.22 Million	1.14%	25	5	9	9	2	0	17
6	Alphabet Inc. Class A	GOOGL	\$2.87 Billion	2.47 Million	77 Thousand	0.36%	23	2	8	8	5	2	11
7	Alphabet Inc. Class C	GOOG	\$6.45 Billion	5.54 Million	18.8 Thousand	0.81%	22	2	4	12	4	0	15
8	PayPal Holdings Inc	PYPL	\$2.2 Billion	23 Million	1.9 Million	1.96%	22	2	9	9	2	2	11
9	ServiceNow Inc	NOW	\$1.89 Billion	6.59 Million	1.47 Million	3.47%	19	4	6	8	1	1	9
10	Salesforce.com Inc	CRM	\$2.21 Billion	15.4 Million	-5 Thousand	1.72%	18	1	7	10	0	1	12
11	Alibaba Group Holding Ltd ADR	BABA	\$3.12 Billion	16.1 Million	-182 Thousand	0.60%	18	0	8	8	2	2	14
12	Netflix Inc	NFLX	\$1.76 Billion	4.69 Million	-542 Thousand	1.07%	17	1	5	7	4	2	10
13	Twilio Inc	TWLO	\$986 Million	11 Million	-1.84 Million	7.87%	17	1	10	4	2	2	8
14	Charter Communications Inc	CHTR	\$6.28 Billion	14.4 Million	837 Thousand	6.14%	16	3	5	7	1	0	14
15	Okta Inc	OKTA	\$396 Million	3.24 Million	811 Thousand	2.64%	14	2	6	2	4	1	6
16	Adobe Systems, Inc	ADBE	\$2.56 Billion	8.04 Million	-467 Thousand	1.67%	14	0	3	7	4	1	6
17	Uber Technologies Inc	UBER	\$1.59 Billion	571 Million	-2.12 Million	3.30%	13	3	6	4	0	2	7
18	Apple Inc	AAPL	\$279 Million	1.1 Million	-43.4 Thousand	0.03%	13	1	4	5	3	2	5
19	Square Inc	SQ	\$705 Million	13.5 Million	3.37 Million	3.07%	13	3	5	4	1	2	6
20	Moody's Corp	MCO	\$2.78 Billion	13.2 Million	1.32 Million	7.03%	12	1	5	3	3	0	9
21	Ringcentral Inc	RNG	\$1.27 Billion	5.99 Million	233 Thousand	6.88%	12	2	5	4	1	1	8
22	Sea Ltd ADR	SE	\$753 Million	17 Million	696 Thousand	3.65%	12	2	3	5	2	1	7
23	Autodesk, Inc	ADSK	\$1.04 Billion	6.64 Million	3.12 Million	3.02%	12	1	5	3	3	2	5
24	Avalara Inc	AVLR	\$400 Million	5.36 Million	-257 Thousand	6.87%	12	3	4	4	1	4	3
25	CrowdStrike Holdings Inc	CRWD	\$188 Million	3.38 Million	2.14 Million	1.58%	11	4	2	3	2	0	2

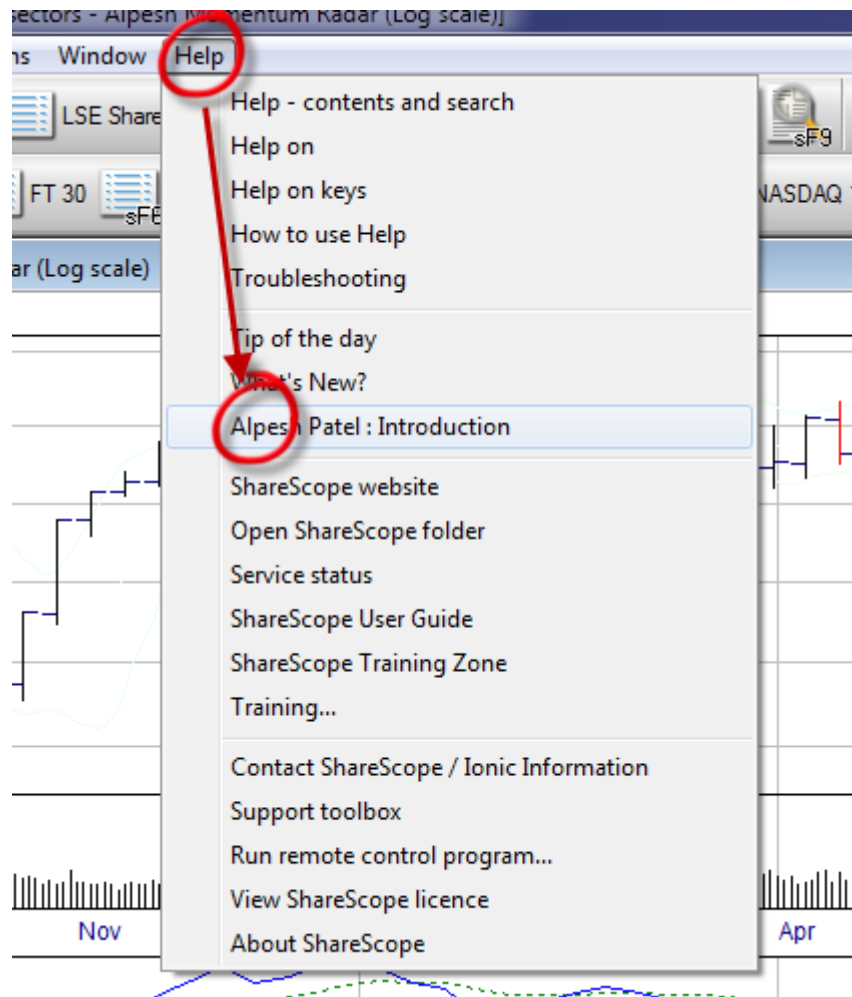
Rank	Security Name	Symbol	Value Owned	Shares Owned	Q/Q Change in Shares	% of Stock Ownership	# of Owners	New Owners	Buys	Sells	Holds	Exits	# of Owners holding in top 10
26	Atlassian Corp Plc	TEAM	\$551 Million	4.01 Million	-650 Thousand	1.64%	11	2	1	5	3	0	3
27	Slack Technologies Inc	WORK	\$301 Million	11.2 Million	4.35 Million	3.85%	10	2	2	5	1	2	6
28	Smartsheet Inc	SMAR	\$649 Million	15.6 Million	1.34 Million	13.16%	10	3	2	3	2	2	4
29	Datadog Inc	DDOG	\$216 Million	6.02 Million	4.48 Million	2.01%	10	0	7	3	0	0	1
30	Zoom Video Communications Inc	ZM	\$537 Million	3.68 Million	-174 Thousand	1.32%	10	4	2	2	2	3	3
31	Activision Blizzard Inc	ATVI	\$538 Million	9.05 Million	-1.71 Million	1.17%	10	2	2	3	3	1	4
32	Guidewire Software, Inc	GWRE	\$638 Million	8.05 Million	1.66 Million	9.71%	10	3	3	3	1	3	3
33	uniQure N.V.	QURE	\$350 Million	7.38 Million	1.12 Million	16.66%	10	2	3	3	2	0	0
34	DocuSign Inc	DOCU	\$515 Million	5.58 Million	-2.24 Million	3.05%	10	1	1	5	3	0	6
35	TransDigm Group Inc	TDG	\$2.29 Billion	7.16 Million	1.87 Million	13.34%	10	1	6	3	0	1	9
36	MercadoLibre Inc	MELI	\$647 Million	1.32 Million	-390 Thousand	2.65%	10	0	2	8	0	1	4
37	New Relic Inc	NEWR	\$241 Million	5.21 Million	1.22 Million	8.79%	9	2	4	1	2	2	2
38	NVIDIA Corp	NVDA	\$220 Million	836 Thousand	373 Thousand	0.14%	9	5	1	2	1	0	1
39	Elastic NV	ESTC	\$338 Million	6.06 Million	-308 Thousand	7.41%	9	2	4	2	1	2	3
40	Zendesk Inc	ZEN	\$318 Million	4.97 Million	211 Thousand	4.36%	9	4	2	3	0	3	3
41	Coupa Software Inc	COUP	\$382 Million	2.74 Million	254 Thousand	4.11%	9	0	3	5	1	0	2
42	Shopify Inc	SHOP	\$798 Million	1.91 Million	-481 Thousand	1.82%	9	0	0	6	3	2	5
43	Argenx SE ADS ADR	ARGX	\$522 Million	3.96 Million	-6.97 Thousand	9.25%	9	0	1	3	5	0	3
44	Alteryx Inc	AYX	\$448 Million	4.71 Million	114 Thousand	7.16%	8	1	4	3	0	0	3
45	Intuit, Inc	INTU	\$372 Million	1.62 Million	211 Thousand	0.62%	8	1	5	0	2	2	3
46	JD.com Inc ADR	JD	\$2.44 Billion	60.3 Million	2.97 Million	4.11%	8	1	2	3	2	0	4
47	S&P Global Inc. (McGraw-Hill Inc.)	SPGI	\$816 Million	3.33 Million	508 Thousand	1.38%	8	2	3	1	2	0	3
48	Booking Holdings Inc. (Priceline)	BKNG	\$502 Million	373 Thousand	-321 Thousand	0.91%	8	3	1	2	2	2	3
49	Berkshire Hathaway Inc Class B	BRK.B	\$57.4 Million	314 Thousand	-30 Thousand	0.01%	8	0	1	1	6	1	1
50	Pinduoduo Inc	PDD	\$962 Million	26.7 Million	2.39 Million	2.23%	8	1	2	1	4	0	3

Discounted Stocks With Low Bankruptcy Risk										
	Ticker		Short Name	P/B	P/B 5Yr Avg	LF	Debt/EBITDA	LF	Relative Sector [LF Debt/EBITDA]	AZS
101	MA	US	MASTERCARD INC-A	47.82		48.55		0.90	1.71	12.08
102	PFE	US	PFIZER INC	3.34		3.70		1.93	2.89	4.70
103	MRK	US	MERCK & CO	7.91		7.98		1.75	2.89	5.47
104	XOM	US	EXXON MOBIL CORP	1.04		1.62		1.65	2.55	3.47
105	CSCO	US	CISCO SYSTEMS	5.16		6.06		1.04	1.71	4.34
106	CVX	US	CHEVRON CORP	1.23		1.48		0.97	2.55	3.14
107	MDT	US	MEDTRONIC PLC	2.59		2.66		2.86	2.89	5.66
108	ACN	US	ACCENTURE PLC-A	7.68		8.12		0.40	1.71	7.32
109	LMT	US	LOCKHEED MARTIN	31.43		32.23		1.30	4.91	4.64
110	HON	US	HONEYWELL INTL	5.62		6.40		2.05	4.91	4.93
111	RTX	US	RAYTHEON TECHNOL	1.40		2.79		3.44	4.91	3.60

Source: Bloomberg Intelligence

Help Page

Some interesting things you might like:



Personal

Personal? Well no travel. I can show you a bunch of pictures of me on zoom calls? How about some past hits?

