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# Sign-up fever: how “Generation A” could make you a 375% profit

Eoin Treacy, Investment Director



In *Frontier Tech Investor* my mission is two-fold.

Firstly, I want to introduce you to breakthrough ideas and powerful trends

that are pushing technology to new limits and reshaping our world.

Secondly, I look for ways you can make money from these ideas and changes.

I've wanted to write about today's opportunity for a long time. But I have been waiting to find the best way for you to position yourself to profit. I believe I have found it. And this market is moving quickly. So I urge you to move on it now – before it gets expensive, and therefore riskier, to do so later.

So let's jump into it...

I was in Phoenix at the beginning of the year with my daughter for a fencing tournament. It gave me a chance to meet up with an old friend who used to be the chief science officer at Hewlett Packard.

Back in the 1990s, he made his fortune as CEO of Commerce One. At the height of the tech boom it was pioneering the development of an online marketplace for B2B purposes that the major US auto manufacturers had signed up to. Like many of the companies at the time, it didn't work out for investors but a lot of the people in the sector did very well.

In 2018 he sold all his property in Silicon Valley and moved to Arizona. Buying his new ranch helped him reach a simple conclusion about the property ownership model around the US.

The vast majority of people will not be able to put down the money to buy a home and therefore will be stuck renting indefinitely. He sold his California property because he feels unwelcome in a state that is raising taxes on individuals year after year to pay for a green manifesto.

Meanwhile, he has been buying properties in Oklahoma City because they offer 8% cap rates, the market is too small for the big private equity firms and the shale oil business is driving prices higher.

That got me thinking about the opportunity I'm bringing you today. And then, coincidentally, another encounter brought my thoughts into even clearer focus...

Just last week I was sitting in on a conference call for the family office investment committees



I oversee. The subject of diversification came up, with some people proposing real estate investment for just the same reason.

Big private equity firms reached this conclusion immediately after the financial crisis and they have since become some of the biggest landlords in the US. Many of the big private equity firms continue to pitch new funds for real estate investment and are successfully raising billions to deploy in this trade.

I first came across this view about three years ago when some clients of mine told me

would pay for an unexpected emergency (\$2,500) by taking on debt. That number was 62% in 2016, which means that following a big jump in economic growth, the financial condition of consumers has not moved at all. Property prices have gone up a lot though and affordability continues to trend in the wrong direction for consumers.

This problem gets to the essence of every business, which is: you may have great products, but if you do not know your customer, then you are going to have a hard time making sales. Or put even simpler: if you are selling

If we take a quick but important look back at those which have preceded us, they are all different but there are common characteristics that coalesced to drive the massive expansions we are familiar with. And I think it pulls a lot of things you see going on in the world right now into sharp focus.

Every one of the industrial revolutions which preceded this one had innovation in a combination of sectors so that they all aided the others in driving the evolution of a bull market. Therefore, the three most important sectors from an industrial revolution standpoint are **communication, energy and finance**.

## If you are selling high-cost items and your typical consumer doesn't have enough money, what's your Plan B?

they had been pitched the idea of buying apartment blocks by their fixed income fund managers. It seemed to me at the time to be a rather bleak way of looking at earnings prospects and was truly a testament to the meagre returns available on bonds.

However, the fact is it is now pervasive among the financial community and that is having far reaching effects on how company boards structure their businesses.

This is a big change to the way the commercial world normally works. Most people will not even realise it his happening. They won't understand how significant it is... or that it offers investors a huge opportunity.

The problem is thus: if average consumers can no longer afford to make big ticket purchases, how are the US's biggest companies supposed to sell big ticket items like cars and computers?

In the US, a recent Bankrate study found 61% of people

high-cost items and your typical consumer doesn't have enough money, what's your Plan B?

### Consumer evolution

The answer is simple – and signifies an evolution in the way we “buy” goods and services as a society: if the consumer is not flush with cash, then you need to find a way to make your product cheaper so they can buy it.

That's where this month's company comes in. It provides a business model in a box that solves these exact issues. I'll get to exactly how it works in a moment – but first, I want to take some time to talk about why I have been concentrating on fintech for two months in a row.

The Fourth Industrial Revolution is a term that has been bandied around for some time. In fact, it is the central thesis on which *Frontier Tech Investor* is based. It occurs to me that I have not spent much time to talk about exactly what it means to have an industrial revolution.

The logic is simple enough. When we remove barriers to talking to one another, reduce the cost of production and transportation and create fresh sources of credit, wonderful things happen. Importantly, each industrial revolution leads to massive social change, which is often uncomfortable to live through but in hindsight is viewed as a universal good.

**The First Industrial Revolution (c.1770-1830)** was driven by steam. Until the invention of the steam engine in 1760 the entire global economy was structured around agriculture and manual labour. The steam engine revolutionised the agriculture and textiles sectors and people began to move to the towns and cities, and urbanisation was born. Steam enabled machining and tool making on a vast scale.

It revolutionised transport via ship and created railroads and canals. It even led to the creation of the London Stock Exchange, as demand for capital and investment drove financial innovation.

Most people are aware the UK was the first country to ban slavery, but I believe it is no coincidence that society's sudden change of heart on slavery occurred after the steam engine and not before.



Slavery fulfilled one vital part of the agrarian society, which was manual labour. It was expensive and inefficient and downright dastardly, so when an alternative arose the most technologically advanced country in the world was the first to grasp the fact that slavery was obsolete.

**The Second Industrial Revolution (1870-1914)** was pioneered by the invention of the gasoline engine and the invention of the electric motor. That led to the invention of cars, planes, chemical fertiliser and phone lines.

The introduction of the assembly line and replaceable parts further revolutionised transportation. The personal automobile afforded people a level of personal freedom only ever enjoyed by the wealthy before then. Mass electrification made light a commodity and banished the long night. That alone was one of the primary reasons for mass literacy.

Meanwhile, the electric motor found its way into every factory in the world, boosting productivity as it went. This was when urbanisation really took off, cities exploded in size. The global population expanded and the global economy with it. The introduction of the limited liability company helped to oil the wheels of commerce by reducing the risk of entrepreneurship.

Socially, the Second Industrial Revolution coincided with the suffragette movement, with one vote for each person, rather than just men, becoming law in 1918 in the UK.

Again, it was the world's most technologically advanced countries that were the first to migrate to universal suffrage.

Arguably, the **Third Industrial Revolution** began with the invention of the semiconductor in 1947. Faster and faster computing speeds vastly improved the number, range and scope of calculations that

could be processed, which greatly enhanced the pace of innovation.

The constant pace of innovation defined by Moore's Law persisted until quite recently. However, as I've written about previously, the pace of innovation in chips has slowed down as the atomic width of a silicon atom is approached. The result of this "silicon ceiling" is that we might now argue the process is over.

Nuclear power coincided with the development of the semiconductor and today it represents a pivotal source of base load electricity all over world. That massive increase in the availability of energy coupled with the pace of digitisation, has changed the world almost beyond compare in the last 60 years.

In terms of the evolution of the capital markets, the creation of the multinational corporation and globalisation have been pivotal in creating international markets. Meanwhile, the evolution of the global bond market has enabled the credit creation that has allowed economic growth to flourish. The invention of financial futures allowed hedging to take place in the stock and bond

## The death of ownership

I believe the Fourth Industrial Revolution began with the launch of the World Wide Web in 1990. The first thing many people will identify is there is substantial overlap between the Third and Fourth industrial revolutions, but it is important to identify the differences between the two.

I believe the most important difference is that the Third Industrial Revolution was based on physical objects like computers and their components, while the Fourth Industrial Revolution is more about provision of services over the web, which are effectively invisible.

Each industrial revolution that has gone before us, all share three important characteristics. These are innovations in communication, energy and finance, of which societal change has largely been a by-product.

The internet is the communications innovation. The invention of the internet, social networks and cloud computing have dropped barriers to communication and increased humanity's ability to work as a team.

## The commoditisation of information is a wholly new business model and it is not even close to having reached its full potential.

markets, which reduced risk and therefore allowed leverage to increase.

The social implications of this growth have been the drive towards greater individual freedoms. Equal rights, child welfare, animal rights, sexual liberation all evolved during the Third Industrial Revolution.

The commoditisation of information is a wholly new business model and it is not even close to having reached its full potential because the size of the data sets that can be analysed from a digital world continue to expand at an exponential rate.

Solar, batteries and eventually fusion are the innovations of this cycle that are going to



provide the fuel for future innovation. However, there is another much less discussed phenomenon that is equally important in the Fourth Industrial Revolution.

The world's most advanced economies are becoming less, rather than more, energy intensive. It is taking less energy to get the same quantity of work done today than it used to. That alone is helping to reduce costs.

The financial innovations we can see in the future are primarily driven by two factors. Networks and software as a service (SaaS).

Blockchain is rapidly innovating. I continue to think the parallels between blockchain and the internet itself are the best analogues one can hope for.

The internet was first conceived as a network of networks and the first working version (ARPANET) was funded by the US Department of Defense in the 1960s. It adopted TCP/IP protocols in 1983 and from there it took seven years for the World Wide Web to be released.

Blockchain was first conceived in 2008 and it will eventually become as much a foundation of modern life as the internet.

The other side of the equation is companies are constantly innovating in how they do business to take the best advantage both of technological innovation and the changing texture of the economy.

Crowdfunding, ICOs (initial coin offerings) and the mega-cap technology companies like Amazon, Alphabet and Facebook offering banking products are all major developments in the financial technology part of this industrial revolution.

However, from an investment perspective we need to know how companies are going to make money. How are they going to get their wonderful new service to customers and get paid for it?

We often talk about how energy intensive the world is, but when I think about how data intensive my life is, I see where the major user growth segment is.

The Third Industrial Revolution was as much about computing power as it was about energy. The Fourth Industrial Revolution is probably going to be even more focused on data, and energy innovation will be driven

effectively turns highly cyclical earnings into much more predictable modifiable cash flows.

Again, if I use myself as an example, the consumption of services I use to do my job has exploded over the same timeframe. Producing videos for subscribers alone requires subscriptions to three different services. The costs for those

**For me, buying the software outright is a no-brainer, but for many people with limited resources that is just not an option.**

by the use of data rather than exploitation of resources. That is why fusion energy is making such leaps forward in viability.

My output has gone from kilobytes to megabytes to gigabytes of production per annum over the last decade. In 2018, I personally produced 545 gigabytes of content. In 2019 I expect to top a terabyte. I'm just one person, but if we begin to scale that output up to the industrial scale, then the clear conclusion is the world is swimming in data today, but that is going to become an ocean of data within the next decade.

That means data miners and SaaS businesses are likely to continue to be the clear leaders in this generation. The big thing they require is a billing system. More importantly, they need a way of keeping their fingers on the pulse of what their clients want.

The subscription business model is the perfect fit because it makes products affordable, while at the same time spitting out data on what a business' customers are interested in, what they are using, what they aren't and what they want to see developed. At the same time, it irons out cash flows, which

service range from about \$20 a year for Screencast-O-Matic to \$28,000 a year for Bloomberg.

Microsoft is another example of a business that has transitioned to a subscription business model. You can choose to pay Microsoft £7.99 a month, £79.99 a year, or buy the set of programs outright for £129.99 but lose out on all of the cloud services.

The vast majority of people can afford £7.99 a month but think twice about an extra £129.99 when they are buying a PC. I don't know about you, but I tend to hold on to my computers until they are clearly obsolete and the benefits of upgrading are undeniable.

For me, buying the software outright is a no-brainer, but for many people with limited resources that is just not an option. That is the entire rationale behind the decision by Adobe, Salesforce, Amazon, Netflix, Autodesk and a long list of other companies for adopting a subscription business model.

Apple is the latest to begin to explore it. The company has been churning out iPhones for a decade and it is safe to say that anyone who wants one and can



# It's early days yet, but wait a couple of years and Apple may be charging a subscription for receiving a new phone at every update.

afford one probably has one. There is a solid argument we are at peak phone and the pace of smartphone adoption is going to deteriorate from here.

If you are the world's most desirable phone manufacturer and we are at peak phone, what do you do? The answer according to the company's CEO, Tim Cook, is to boost the allure of the company's subscriptions offerings. It's early days yet, but wait a couple of years and Apple may be charging a subscription for receiving a new phone at every update.

The fact that Microsoft, which is wholly dedicated to its subscription offering, leapfrogged Apple in December to become the world's most valuable company is a testament to the earning power of the subscription business model.

To ram home the point about how much of an advantage a business' future, let's take a leaf out of *Top Gear's* book.

Take a look at these two versions of the same reasonably priced car.

On the face of it, they are basically the same. It's a 2016 Volkswagen Golf estate asking just less than \$17,000 with between 36,000 and 38,000 miles on the clock.

The version being offered from the Volkswagen dealership is certified. CarMax's comes with a 30-day guarantee. After that, you're on your own. I don't know about you but for the same money I'd go with the dealership.

Of course, at the dealership only a moron would pay the asking price.

Generally speaking there is at least a few thousand dollars of wiggle room if you are willing to haggle.

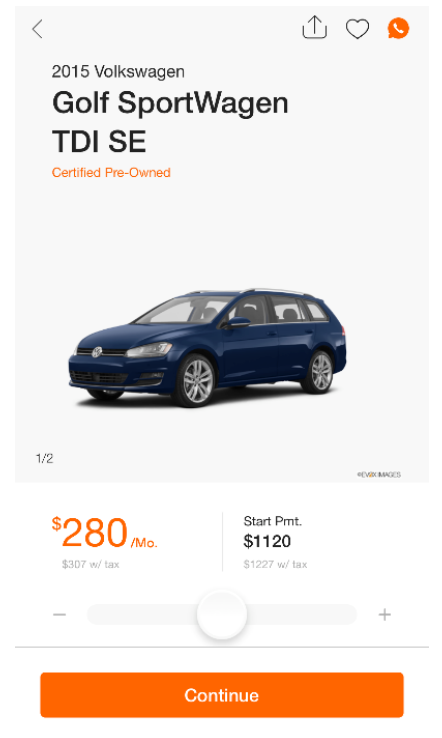
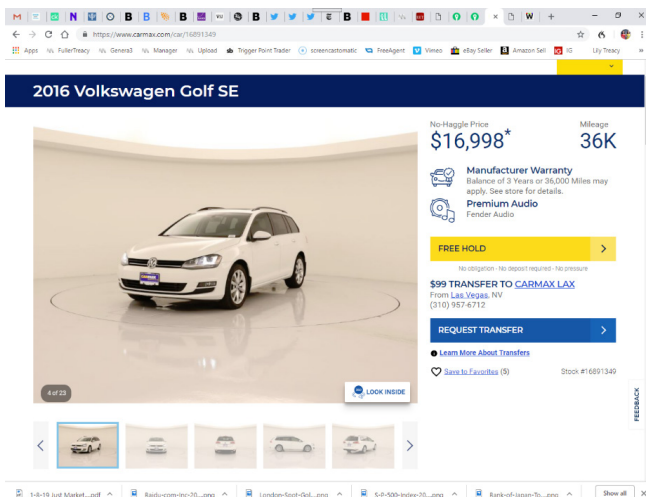
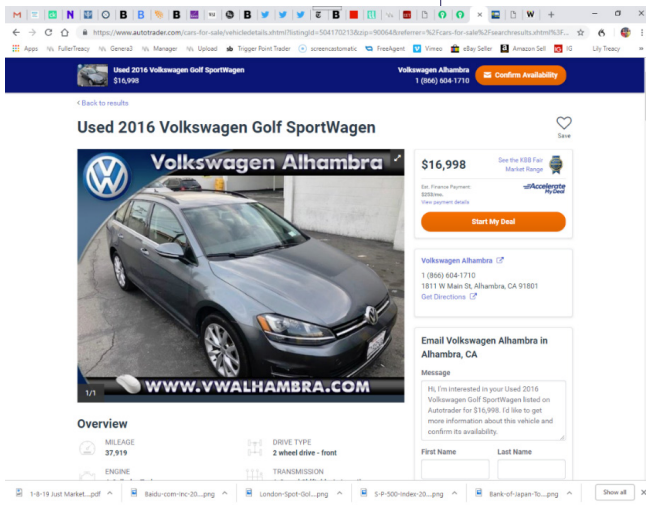
CarMax is betting consumers would rather do anything than go to the dealership and haggle over the price of a vehicle so it offers the same sticker price for cars and a haggle-free sale process.

That model has worked very well but there are a range of new entrants to the market which are upending its route to profitability.

## The Access Revolution

First, you have Carvana, which has some very eye-catching car vending machines situated beside major freeways. It offers a highly automated online buying experience and will even deliver the car to your home with a bow on it.

It is following CarMax's no-haggle business model but with the extra convenience of an online showroom and the gimmick of pressing a button and having your car delivered to you as if you are using a vending machine.



Then you have Fare, which is a heavily advertised app offering a completely automated procedure for leasing cars, down to electronic contracts for financing, and delivers your car to your doorstep. When you want to change your car, you just hand it back and get a new one, no questions asked. You simply pay the difference in the lease for the new car over the old car.

When I was researching this vehicle, Fare did not have a 2016 model but it was offering a 2015 certified model for \$306, which is about the same as the finance for buying a \$17,000 car. The difference of course is you are not buying the car, you are leasing it, and therefore the cost per month is a lot higher than from other companies. However, I wonder how many consumers do the actual research to figure that fact out.

We can therefore reduce the business model of no-haggle car dealers to fleecing customers

more time and less money. That's when the cost of a car loan becomes a burden rather than a convenience.

By the end of 2017, the US had accrued over \$1 trillion in auto loans. That has allowed these new kinds of firms to proliferate. However, when the next downturn hits, will it be the asset-light new entrants that survive because they will not have the same overhang of existed debt or will it be the established companies with huge inventories and expensive land leases that fail? This is likely to be just one more sector that becomes a footnote in the history of the march of technology and cutting out the middle man.

The one big benefit companies like Fare have is that they have fat margins by offering the same prices for leases as conventional dealers offer for loans. Having adopted the subscription model, they are in a position

convenient.

Now let's look at how you can take advantage of this change in the way people buy goods and services...

**This month's recommendation: Zuora Inc (Zuo)**

The company that is providing the backend for companies to transform conventional sales in subscription cash flows is **Zuora**.

The company's CEO, Tien Tzuo, literally wrote the book on the subscription business model and launched it right ahead of the company's IPO last year as a way of raising awareness of the company. He was one of the original team members at Salesforce and before that was a senior executive at Oracle. Therefore it is safe to say he knows what he's talking about when it comes to developing a technology business.

Here is a section from the book's introduction:

*Today Zuora has a thousand customers in dozens of industries. We work with streaming media companies, publishers, newspapers, manufacturers, online learning companies, healthcare providers. We work with giant tractor companies and small cannabis infrastructure start-ups. Our clients run planes, trains and automobiles. We manage billions of dollars of subscription revenue per day.*

**More than anything else, the demise of conventional companies and the rise of service and access companies is about the end of ownership.**

by providing them with fleeting convenience. The dealership won't have the car elevator, it won't offer to deliver it to your home and it doesn't offer a competitive online booking system. Instead you just pay less, get better after-purchase service and have the support of the manufacturer should anything go wrong. It's just not as convenient.

So, when do people prize convenience more than any other attribute? It's usually when they are busy and flush with cash so they feel like they can afford to splurge a little. Consumer habits change during a slowdown or economic contraction. Suddenly you have

to prosper during the next recession because while people may downgrade their ride, they will still need a car. For the conventional car dealers, sales will dry up and more than a few will go out of business.

More than anything else, the demise of conventional companies and the rise of service and access companies is about the end of ownership. You used to own your car, computer, phone or software. Now you rent it. That frees up your cash flow and smooths out your monthly expenses by removing the need to keep as large a safety net. It also leaves you beholden to companies, which is not what we might like but it certainly is

That's a good explanation of the fact Zuora is supplying a business plan in a box for the companies that want to avoid obsolescence.

The simple fact of the matter is that companies which do not embrace the rising tide of access rather than ownership are not going to be able to survive. Younger people today are simply not inspired by ownership and more importantly can't afford it. "Generation A" (for "access") are driving a powerful trend.



One that is forcing some of the biggest companies in the world to adapt to.

One of the most important portions of the book from a valuation perspective centres on double entry bookkeeping:

*First, the traditional income statement does not differentiate between recurring and nonrecurring dollars. It's like saying there's no difference between a dollar and a dollar that keeps happening every year for the next ten years. Recurring revenue is the cornerstone of subscription businesses, but traditional accounting concepts were never designed to recognize this fact. Second, sales and marketing is matched to past goods sold. It's essentially a sunk cost. I'll get into this later in the chapter, but subscription businesses need to think strategically about sales and marketing spend going toward driving future business. And finally, this is a backward-*

which are the basis for valuations, are much easier to come up with when you have a solid idea of how many recurring customers you have. It's enormously attractive from an investor's perspective and subscription companies generally command higher multiples as a result.

Here is a portion of a transcript from an interview with Zuora's CFO Tyler Sloat at the Needham & Company Growth Conference in January:

*Yeah. So, it was 115% net dollar retention last quarter. We have guided, we say, hey we think the range of 108% from 112% is really good. And for the end of this year we said we're going to be a little bit above 112%, but we don't want the investor to get ahead of ourselves. We actually land pretty heavy. That's one of the reasons, we can land with pretty substantial annual deals or we're not landing like a lot – like small SaaS companies [indiscernible]*

*point where you actually can't improve it very much anymore. There is going to be churn within your base especially if you're selling to small companies which we do. But on the upsell component, it is a mix of companies buying other products where you could be a billing customer and you're buying RevPro or vice versa. We still have less than 10% overlap of our customer base using both of our flagship products, but we do see a lot of traction starting there. But transaction volume continues to be the biggest driver of upsell within our customer base. So, we disclosed last year, the transaction volume was 50% of – I am sorry, upsell was 50% of bookings, and of that, 80% of that 50% was transaction volume.*

This statement gives us a lot of information about how Zuora both deploys its solution and grows its business. It lands with a company and delivers two big products.

The first is it automates all subscription order-to-revenue operations in real time for any business it works with.

Then it sets up a *grow-as-you-grow* model so that as the subscription business at the destination firm grows so does Zuora's revenue.

**Forward earnings projections, which are the basis for valuations, are much easier to come up with when you have a solid idea of how many recurring customers you have.**

*looking picture – it's all about money already earned, expenses already paid, actions already taken. Subscription businesses are all about forward visibility: how much money I know I can count on over the next twelve months, so I can account, plan, and spend accordingly.*

– Tzuo, Tien. *Subscribed* (p. 179). Penguin Publishing Group. Kindle Edition.

This is the reason why subscription business model structured businesses tend to do well in the stockmarket. Forward earnings projections,

*(10:12) small SaaS companies that will land with a quick little group and then it will just grow the crazy like that. This is a big project for a lot of companies that we land with.*

*The net dollar retention is driven by really two things, right. You mention, one, is gross churn and the other is upsell. And within the upsell it's products and transaction volume. What we said is, gross churn we actually are really happy about. We don't disclose the gross churn number, but we've done better at it every single year. And at some point, you get to a*

That is what allows it to generate retention revenue of greater than 110%. It is very good at managing cancellations and the only way to do that is to keep your customers happy. At the same time, it is selling new line items to its subscribers, which is growing its footprint. It is no exaggeration to state that Zuora is the subscription business of subscription businesses and it is therefore a pure play on the sector.

So, if this true, why isn't Zuora already the biggest company in the world? The simple fact of the matter is the computer game, entertainment and software businesses might have adopted



the subscription model, but these are only the *early adopters*. We have yet to truly see healthcare, education, transportation and real estate embrace the model – but it is coming...

The pharmacy CVS just bought Aetna, a large health insurer, because it was to offer more services that are included within the insurance coverage schema. Tesla has cut out the middle man already by running its own dealerships and arranging its own financing. WeWork is pioneering “pay only for what you use” models in real estate. These are all examples of early-stage moves which are straws in the wind for what we can expect from the whole economy in future.

The subscription model is too compelling, profitable and effective for big companies to ignore. They will all sign on to “sign-up fever”.

The second reason is Zuora is not yet cash-flow positive in its own right. It has posted losses for each of the quarters since IPO last year. That is expected to continue until at least 2020 as the company continues to spend to achieve growth.

The reason the market is willing to tolerate that spend is because gross margins are in the region of 50%. When the company reduces the amount of money it is spending on expansion, it will turn a tidy, and ongoing, profit from each of its subscription businesses.

I’m not the only one who believes the company is attractive at current levels. Here is a section from a Needham & Company report issued on 21 December:

*We like stocks with exposure to fast-growing end markets – ZUO has the best exposure to this trait in our coverage. ZUO is a leading vendor in a subsector called Subscription Management software, which we expect to grow at the fastest rate – +25% CAGR – in our universe over the next several years. We believe ZUO to be the most unique company – and the most misunderstood*

*– in the software IPO class of 2018. We believe the confusion surrounds a lack of understanding of what its platform does and how ZUO empowers an entirely new business model. Our work in the space suggests macro drivers like large, digital transformation projects can drive FY20 (CY19) y/y revenue growth ahead of current expectations and deliver 30% growth into FY21. ZUO’s Growth Efficiency Index (CAC ratio) highlights improved sales productivity, which explains our confidence in higher revenue estimate revisions in CY19.*

Right now, there are six analysts covering the share. Three have buys, two with a holds and one has a sell. The sell rating was the right call between the June peak and late December. However, the share has rallied steadily over the last six weeks to break its downtrend and I firmly believe this is an opportune time to buy the share.

My 12-month target is for the share to get back to its post IPO peak of \$37. Over the next five years I expect it to do what every other subscription business in my coverage has been doing and to multiply

many times over. \$100 within five years is not too ambitious. That would be a 376% gain for your portfolio, should Zuora grow as I anticipate.

The biggest risk to the company is not from the failure of the market but from its success. The subscription business model is gaining traction in direct response to the issues I covered above. Everything from falling disposable cash levels among consumers, to companies’ desire to smoothen out cash flows – and indeed companies’ drive to avoid obsolescence and to adjust to pay-as-you-use demand structures – suggest the subscription business model is here to stay and will flourish.

However, the bigger it gets, the more competition it will attract. Zuora is the only listed subscription supplier in the world today, but that will certainly not remain the case. There will be competition and the company will have to continue to innovate to stay at the head of the pack.

Many thanks,

Eoin Treacy  
Investment Director, *Frontier Tech Investor*

**Action to take:**  
**Ticker:**  
**Price as of 02/01/2019:**  
**Buy up to:**  
**52-week high/low:**  
**Market cap:**

**Buy Zuora Inc**  
**ZUO:US**  
**\$21.16**  
**\$25**  
**\$37.78/15.56**  
**\$2.349 billion**



## Medical



Company	Ticker	Rec Date	Price Then	Price Now	Gain/loss %
Autodesk	ADSK	19/07/17	\$108.83	\$151.59	39.29
Illumina	ILMN	05/09/17	\$207.22	\$281.04	35.62
PureTech Health	PRTC-L	09/01/18	155.75p	170.00p	9.15
Becton Dickinson and Co	BDX	03/05/18	\$221.35	\$247.16	12.69
Canopy Growth Corp	WEED:CN	21/03/18	C\$33.11	C\$65.26	97.10
Advanced Oncotherapy	AVO	03/07/18	48p	36.50p	-23.96
Bioquell	BOE:LN	07/08/18	440p	587.00p	33.41
Aurora Cannabis	ACB-T	19/09/18	C\$12.35	C\$10.55	-14.57

## Technology



Company	Ticker	Rec Date	Price Then	Price Now	Gain/loss %
Garmin	GRMN US	02/08/16	\$55.75	\$69.57	34.04
Cisco Systems Inc.	CSCO:US	03/04/17	\$33.80	\$47.35	47.43
Microsoft	MSFT	31/07/17	\$73.04	\$105.74	48.23
Northrup Grumman	NOC US	07/11/17	\$301.66	\$278.73	-6.17
Intel Corp	INTC	06/06/18	\$57.03	\$49.22	-12.64
Activision Blizzard	ATVI:US	02/10/18	\$83.29	\$46.78	-43.83
Tesla	TSLA	05/11/18	\$346.41	\$312.89	-9.68
Science Apps Int	SAIC	07/07/16	\$58.20	\$69.03	24.47
Alphabet	GOOG:US	04/12/18	\$1,093	\$1132.80	3.64
Visa	V US	08/01/19	\$136.06	\$141.50	4.00

## Energy



Company	Ticker	Rec Date	Price Then	Price Now	Gain/loss %
Ormat Technologies	ORA on NYSE	06/06/17	\$58.79	\$57.00	-1.87
Sherritt International Corp	S CN	06/02/18	C\$1.18	C\$0.45	-62.29

## Moonshot



Company	Ticker	Rec Date	Price Then	Price Now	Gain/loss %
SolarWindow	WNDW	07/04/16	\$3.96	\$2.78	-29.80
Alkane Resources Ltd	ALK:AU	05/09/16	AU\$ 0.31	AU\$ 0.20	34.43
Superconductor Tech Inc	SCON	03/04/18	\$9.60	\$1.44	-85.00

For the full portfolio including live prices, please visit the *Frontier Tech Investor* subscriber area. [You can view that by following this link.](#)

**Risk warning**

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