



December 2020



EDGR 13F Fund Rebalance Report

Whale Rock Capital Management

“It can be tricky to invest in the tech sector. There is constant change, brutal competition, price deflation and often high and “bubble” like valuations. At the same time, it’s clear that there has been massive, large scale wealth creation in the internet sector over the past 20 years.”— Alex Sacerdote, Founder of Whale Rock Capital Management

Alex Sacerdote founded Whale Rock Capital Management in 2006 as a hedge fund that invests globally and focuses on the Technology, Media, and Telecom sectors. Before founding his own hedge fund, Mr. Sacerdote was an analyst and sector portfolio manager at Fidelity Investments. Sacerdote has spent his entire career working in the technology sector, and the main reason he left Fidelity to strike out on his own as a technology specialist. That decision has paid off, and now Sacerdote the manager of a hedge fund with an AUM over \$10 billion.

Whale Rock focuses on the technology sector, and its top 5 holdings include some of the most popular stocks this year such as Amazon, Tesla, and Zoom. The fund has had a very impressive year as its focus on technology stocks has more than paid off in 2020. The fund’s top investment is Amazon with a year-to-date performance of +75%. Even more impressive is the fund’s second top investment Shopify which is +191% year-to-date, and their third top investment Tesla which returned an astonishing +640% year-to-date.

The fund has turned its attention this year towards work-from-home stocks and up-and-coming companies while selling shares of blue-chip-stocks. Sacerdote has dumped large stocks such as Microsoft and instead investing large amounts of money into fast growing companies like Fastly and Shopify. Moves like these can be traced back to Sacerdote’s experience in the tech sector and his openness to adapt to it. He invests in companies with the most room to grow, and a perfect example is Zoom. What was an unknown company before this year has turned into a household name and has posted revenue growth in the triple digits. Sacerdote invests in companies that he feels like have the best chance for rapid growth, and his portfolio is an important one to watch for any tech investor.

Latest 13f filings, reported on November 13, 2020 show the following top 20 positions (by market value)

Whale Rock Capital Management LLC Top 20 13F Form Positions ^{2,3}

Reported November 2020

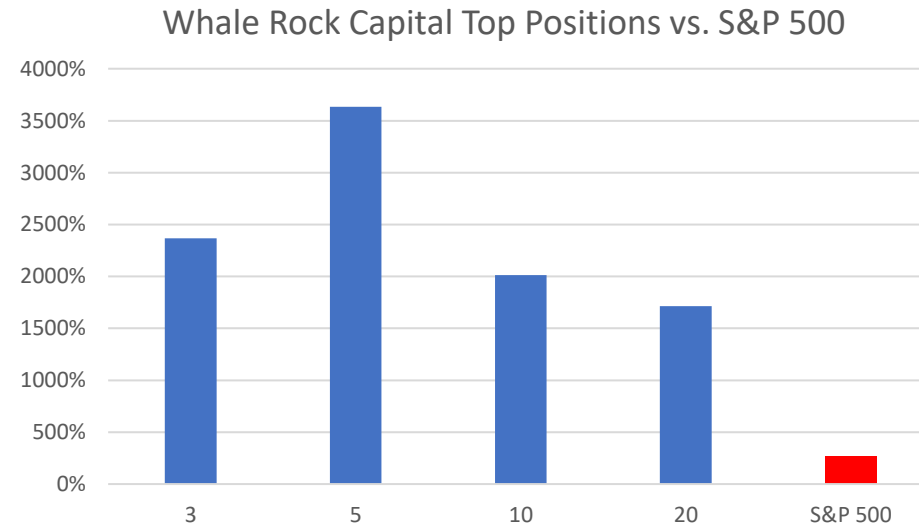
Company	Identifier	Price 1/4/2021	Sector	Market Value	Market Value Change	Prior Market Change	% Qtr Change
<u>Amazon.com, Inc.</u>	AMZN	3,220.23	Consumer Discretionary	814,075,000	255,500,000	558,575,000	45.74%
<u>Shopify, Inc.</u>	SHOP	1,118.74	Consumer Discretionary	750,072,000	435,516,000	314,556,000	138.45%
<u>Tesla, Inc.</u>	TSLA	735.35	Consumer Discretionary	662,247,000	345,359,000	316,888,000	108.98%
<u>Fastly, Inc.</u>	FSLY	86.70	Technology	553,105,000	504,690,000	48,415,000	1042.42%
<u>Zoom Video Communications, Inc.</u>	ZM	361.02	Technology	503,755,000	202,550,000	301,205,000	67.25%
<u>Microsoft Corp.</u>	MSFT	218.18	Technology	475,062,000	-34,925,000	509,987,000	-6.85%
<u>Datadog, Inc.</u>	DDOG	93.03	Technology	471,090,000	237,968,000	233,122,000	102.08%
<u>Coupa Software, Inc.</u>	COUP	333.39	Technology	453,193,000	258,376,000	194,817,000	132.62%
<u>Okta, Inc.</u>	OKTA	249.58	Technology	408,015,000	179,710,000	228,305,000	78.71%
<u>Square, Inc.</u>	SQ	229.75	Technology	362,439,000	362,439,000		0.00%
<u>Fortinet, Inc.</u>	FTNT	141.74	Technology	347,376,000	53,366,000	294,010,000	18.15%
<u>Facebook, Inc.</u>	FB	271.01	Technology	322,999,000	193,328,000	129,671,000	149.09%
<u>JD.com, Inc.</u>	JD	95.50	Consumer Discretionary	314,132,000	168,513,000	145,619,000	115.72%
<u>NXP Semiconductors NV</u>	NXPI	165.54	Technology	296,143,000	296,143,000		0.00%
<u>CrowdStrike Holdings, Inc.</u>	CRWD	210.97	Technology	291,588,000	112,795,000	178,793,000	63.09%
<u>Smartsheet, Inc.</u>	SMAR	67.68	Technology	284,614,000	51,697,000	232,917,000	22.20%
<u>Avalara, Inc.</u>	AVLR	164.00	Technology	275,270,000	115,314,000	159,956,000	72.09%
<u>Wayfair, Inc.</u>	W	241.93	Consumer Discretionary	267,567,000	199,382,000	68,185,000	292.41%
<u>MongoDB, Inc.</u>	MDB	355.22	Technology	267,311,000	106,055,000	161,256,000	65.77%
<u>Alphabet, Inc.</u>	GOOGL	1,741.31	Technology	266,657,000	77,106,000	189,551,000	40.68%

Whale Rock Capital Management LLC 13F Form Historical Performance ⁴

January 2005 – December 2020

The performance numbers below represent the hypothetical portfolio return an investor could expect if he or she bought the largest **N** stocks (by market value) as reported in Whale Rock 13F Form filings on each filing date.

Stocks Count	Portfolio Return
3	2,367%
5	3,633%
10	2,013%
20	1,715%



During the same time period, the SPDR S&P 500 ETF, a benchmark tracking the performance of the S&P 500 Index, returned +269%.

Notwithstanding important disclosures below and high volatility which accompanies growth technology stocks, one may be interested in monitoring and researching Whale Rock reported 13F Form filings.

Disclosures

1 The Edgr Score is based on number of quantitative factors and no representation is being made that the strategy will or is likely to achieve profits or losses similar to those shown. Past performance is no guarantee of future results. Armor Labs LLC is not affiliated with any financial advisors nor receives compensation from any third-party.

2 By market capitalization. As of November 15, 2020, 13f form filling date.

3 Closing prices as of 1/4/2021

4 Historical returns are not predictive of future results. The information provided herein, including, without limitation, investment strategies, investment restrictions and parameters, procedures, polices, and other material may be changed, modified, terminated or supplemented at any time, without notice. This presentation does not constitute and offer to sell or the solicitation of any offer to buy securities recommended by Armor Labs LLC.