



June 2021

EDGR 13F Fund Snapshot Report

Alkeon Capital Management



“Historically most of the return attribution points to significant alpha generation in the mid-cap sector, which we regard as our sweet spot. Currently, we find significant investment opportunity among mid-cap innovators that participate in strong secular cycles driven by digital convergence and mobility.” – [from March 2006 EurekaHedge interview with Takis Sparaggis, President and CIO, and Alex Tahsili, Managing Director, of Alkeon Capital Management](#)

Alkeon Capital Management is a New York-based long/short equity hedge fund which was founded in 2002. Alkeon is a TMT (Technology/Media/Telecom) stocks specialist. Mr. Sparaggis, the founder of Alkeon, holds PhD in electrical engineering and M.B.A. from the University of Massachusetts and, not surprisingly, Alkeon’s thematic investment approach focuses on emerging technologies. Alkeon’s process is 100% bottom-up, where each analyst uses industry knowledge and network to pick stocks. In addition to the TMT stocks, the latest 13F filings show that Alkeon has approximately 15% to 20% of long stock exposure allocated to the health care and biotech sector. Some of the new and significant positions which Alkeon initiated in the second quarter, perhaps with an eye on post-COVID recovery, were Expedia (EXPE) with \$382MM, Uber Technologies (UBER) \$357MM, and Lyft (LYFT) \$321MM. Alkeon’s top 5 positions are Ringcentral (RNG), Facebook (FB), Cadence Design Systems (CDNS), Amazon (AMZN), and Microsoft (MSFT). Not exactly “FANGs”, but very close. Alkeon began reporting their 13F filings in 2011 and since then, our models show that Alkeon’s top 5 positions generated approximately +18% annualized return. To put this in perspective, a hypothetical \$10,000 investment in top 5 positions since December 2011 and, rebalanced quarterly (as per 13F filings), grew to approximately \$50,000. From the most recent interviews, we’ve learned that Alkeon has a multi-year view on stocks they pick. Our own analysis support this and our quantitative models show that an average stock holding time-frame is between 20 to 30 months. With such strong returns, strong analytical team, multi-year positions outlook, Alkeon can be a good candidate for a 13F filing replication strategy.

Latest 13f filings, reported mid-May 2021 show the following top 20 positions (by market value):

Alkeon Capital Management Top 20 13F Filings Positions ^{2,3}

13F Filings Reported in May 2021

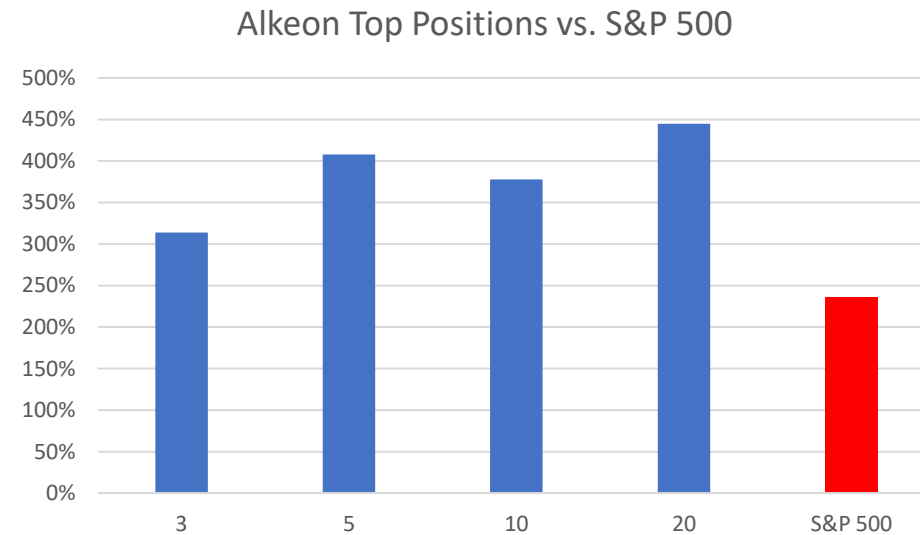
Company Name	Ticker	Price as of 5/28/21	Sector	Market Value as of May 2021	Market Value Change from the prior reporting period	Market Value as February 2021	Market Value latest quartile Change
Totals				11,683,066,000	-567,598,000	12,250,664,000	-3.36%
Ringcentral Inc	RNG	262.47	Technology	933,690,000	-393,463,000	1,327,153,000	-29.65%
Facebook Inc	FB	328.73	Communications	875,042,000	66,861,000	808,181,000	8.27%
Cadence Design Systems, Inc.	CDNS	126.99	Technology	787,279,000	21,081,000	766,198,000	2.75%
Amazon.com Inc.	AMZN	3,223.07	Consumer Discretionary	749,275,000	-38,000,000	787,275,000	-4.83%
Microsoft Corp.	MSFT	249.68	Technology	732,025,000	-137,974,000	869,999,000	-15.86%
Alphabet Inc. Class A	GOOGL	2,356.85	Communications	704,635,000	224,659,000	479,976,000	46.81%
Synopsys Inc.	SNPS	254.34	Technology	673,876,000	-29,928,000	703,804,000	-4.25%
Twilio Inc	TWLO	336.00	Technology	665,886,000	8,620,000	657,266,000	1.31%
Apple Inc	AAPL	124.61	Technology	561,174,000	-52,949,000	614,123,000	-8.62%
Pinterest Inc	PINS	65.30	Communications	506,928,000	-161,043,000	667,971,000	-24.11%
Taiwan Semiconductor Manufacturing Co Ltd ADR	TSM	117.36	Technology	498,909,000	193,009,000	305,900,000	63.10%
MercadoLibre Inc	MELI	1,358.67	Communications	495,091,000	-129,677,000	624,768,000	-20.76%
Teradyne Inc	TER	132.35	Technology	485,501,000	89,195,000	396,306,000	22.51%
Five9 Inc	FIVN	177.10	Technology	473,470,000	-53,130,000	526,600,000	-10.09%
Chipotle Mexican Grill, Inc.	CMG	1,371.98	Consumer Discretionary	466,167,000	12,257,000	453,910,000	2.70%
KLA Corp	KLAC	316.89	Technology	441,081,000	42,354,000	398,727,000	10.62%
Coupa Software Inc	COUP	238.20	Technology	417,643,000	-70,251,000	487,894,000	-14.40%
Global Payments Inc.	GPN	193.71	Technology	407,894,000	-151,697,000	559,591,000	-27.11%
TJX Companies Inc.	TJX	67.54	Consumer Discretionary	404,361,000	-12,141,000	416,502,000	-2.91%
Shopify Inc	SHOP	1,242.87	Communications	403,139,000	4,619,000	398,520,000	1.16%

Alkeon Capital Management 13F Historical Performance ⁴

December 2011 – May 2021

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 Alkeon’s 13F filings on each filing date.

Stocks Count	Portfolio Return
3	314%
5	408%
10	378%
20	445%



During the same time period, the SPDR S&P 500 ETF, a benchmark tracking the performance of the S&P 500 Index, returned +236%.

Notwithstanding important disclosures below and high volatility which accompanies growth technology stocks, one may be interested in monitoring and researching Alkeon’s reported 13F 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 May 15, 2021, 13F form filling date.

3 Closing prices as of 5/28/2021

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.