

**Team/Investor Name:** Qadirah, Adina, Emma

**Your Investment Philosophy (2-3 Sentences):**

*Briefly describe your overall approach. What is your overarching strategy? What key macro-economic or industry trends are you betting on? (Feel free to add anything else)*

- Our approach is a slight hedge on the technology and AI sector
- Governments are subsidising AI development in a global 'tech' race, and cannot afford to fall behind.
- For example, the US has promised an investment of up to \$500 billion, and the UK government is committing £2 billion towards AI.

**Allocation:**

*How would you split your allocation? And explain briefly why too:*

Stock 1: 35%, Stock 2: 35%, Stock 3: 30%

We will allocate the majority of our funds (70%) to the AI and technology sector. However, we recognise the importance of a diverse portfolio to mitigate the risk of an industry shock (such as the so-called 'AI bubble' bursting). Therefore, we have allocated 30% to renewable energy.

**Stock 1 Name:** Taiwan Semiconductor Manufacturing Co.

**Ticker:** TWD

**Why:**

- They have scaled the development of semiconductor microchips to a monopolistic level
- Demand for greater computing power keeps rising
- The main risk is geopolitical tensions between Taiwan and China. Either way, the company should remain afloat due to their unmatched scale and customer base

**Data to back up claim:**

- Net profit of \$88,282,800 in 2024
- Market Cap of \$1.37 trillion
- 9th largest company in the world by Market Cap
- Taiwan produces around 90% of the world's most advanced semiconductors
- Spent over \$6 million dollars on R&D in 2024
- 17% growth in the last year

**Stock 2 Name: Nvidia**

**Ticker: NVDA**

**Why:**

- Largest company in the US, and in the world, along with by far the largest market share of GPUs / data hardware
- The US relies on NVDA as a powerhouse for the economy, and for geopolitical power
- Nvidia is very volatile, with a beta above 2, meaning this investment is quite a heavy hedge on its sustained success in outperforming rising demand

**Data to back up claim:**

- 38.6% growth in the past year
- They have a P/E ratio of 45.26 (and a forward P/E of 29.9), meaning investors remain confident that Nvidia's earnings will continue to increase substantially
- AI-related spending is set to be ~US\$2.02 trillion in 2026, forecasting major plans for growth and expansion

**Stock 3 Name: Vestas Wind**

**Ticker: VWS**

**Why:**

- Vestas Wind is the world's largest manufacturer of wind turbines
- It has a significant market share in Europe, where there is a large investment into renewable technologies, e.g. Denmark, Poland
- Diversifies our investments away (by industry) from AI and the technology sectors, and (by region) from Taiwan and the US.
- The main risk is increasing competition from Chinese turbine manufacturers

**Data to back up the claim:**

- High long-term forecasted growth:



- Market cap of 25 billion dollars
- Target price of 210KK (Denmark) - a 75% increase if it achieves the target.
- Currently undervalued by 0.8% (according to SimplyWallSt), suggesting room for the price to increase.
- In the past quarter, shares have risen 28.84% (59.36% in the last year), while the S&P 500 has only risen 6.44% and 13.97%, respectively
- The company's forecasted annual earnings growth of 14.8% is above both the Danish market average of 3.6% and the sector's expected revenue growth.