

Twitter Thread by Ram Bhupatiraju

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Time for a Scorecard and thesis updates for purchases done in Feb/Mar 2020. Last review done in late April. How far things have come since then.

Not taking any drastic actions, other than few sells in fully valued, slower growth Co.'s.

Date	Company	Symbol	Purchase Price	Price (04/24)	Price (12/17)	Return% (04/24)	Return% (12/17)	Thoughts on 04/24.
Updated thoughts on 12/17								
3/23/2020	Brookfield Infra Partners	BIP	\$26.53	\$37.32	\$51.16	40.67%	92.84%	Happy with the Price I got for this good Company (med term hold for closing of Valuation gap). Post COVID should be even better for all their Infrastructure properties (especially Transportation) but might sell soon as valuation is decent.
3/19/2020	Wayfair	W	\$23.12	\$122.41	\$285.06	429.46%	1132.96%	Lucky Timing on the 3rd buy. Huge gains in short term pose an interesting problem. I did not think this was like catching a Falling Knife, as decent/growing Co's shouldn't fall 80% in few wks due to Macro.
3/12/2020	Wayfair	W	\$40.40	\$122.41	\$285.06	203.00%	605.59%	Holding as COVID was a big boost their Brand awareness & Customer counts and activity (similar to ETSY)
2/24/2020	Wayfair	W	\$73.31	\$122.41	\$168.00	66.98%	129.16%	Probably under-estimated the level of COVID impact on Customer demand and supply chain issues at that time. This tranche was sold in May at \$168
3/18/2020	Uber	UBER	\$14.70	\$29.49	\$45.00	100.61%	206.12%	Happy with the quick return but this was a long term buy. Entire position sold in November at \$45 just before Vaccine news :)
3/16/2020	Pinterest	PINS	\$11.63	\$20.62	\$71.00	77.30%	510.49%	Happy with the quick return but this was a long term buy. Strong hold. Will be one of the biggest beneficiaries in Digital Ads acceleration.
2/26/2020	Pinterest	PINS	\$20.40	\$20.62	\$71.00	1.08%	248.04%	Long term buy. Strong hold. Same update as above.
3/16/2020	Roku	ROKU	\$70.77	\$124.83	\$329.48	76.39%	365.56%	Happy with the quick return but this was a long term buy. Strong hold. Following an expected path to dominance (after recent Peacock, HBO Max additions). Beautifully positioned in the streaming/CTV/AdTech space.
3/11/2020	Roku	ROKU	\$90.00	\$124.83	\$329.48	38.70%	266.09%	Averaging into this good Company at available opportunities (as long as thesis holds). Strong hold. Same update as above.
2/27/2020	Roku	ROKU	\$110.17	\$124.83	\$329.48	13.31%	199.07%	Averaging into this good Company at available opportunities (as long as thesis holds). Strong hold. Same update as above.
3/16/2020	Anheuser Busch Inbev	BUD	\$36.44	\$41.91	\$71.45	15.01%	96.08%	Med term buy for closing of Valuation gap. Re-openings should boost the Volumes further. Might sell soon.
3/13/2020	Alteryx	AYX	\$89.39	\$112.54	\$127.86	25.90%	43.04%	Averaging into this good Company at available opportunities (as long as thesis holds). Holding. Post COVID spending by Businesses (for non critical spend, like Analytics to make sense of the data avalanche) should be good but watching the Competitive space (\$SNOW & others)
3/12/2020	Ventas	VTR	\$32.29	\$27.71	\$51.49	-14.18%	59.46%	Some of their Assets are good, some are directly impacted due to COVID and oversupply. Under watch w.r.t Fundamentals and Financials. Holding. Vaccination of At-Risk demographic and Healthcare workers should de-risk their Business and normalize results.
3/11/2020	Boeing	BA	\$193.64	\$128.98	\$221.24	-33.39%	14.25%	Got more attracted to the Valuation (trap?) more than the current Business/Financial quality. Not a great buy. Might read the latest and sell soon.
3/11/2020	Twilio	TWLO	\$85.63	\$109.95	\$361.07	28.40%	321.66%	Averaging into this good Company at available opportunities (as long as thesis holds). Strong hold. CPaaS -> Customer Engagement should be a good transition.
3/9/2020	Broadridge	BR	\$91.75	\$111.44	\$150.83	21.46%	64.39%	Good/stable Financial Company at an attractive price. Expected Valuation gap closed. Not interested as a long-term position. Might sell soon.
3/9/2020	OccuSign	DOCU	\$77.75	\$105.07	\$247.00	35.14%	217.68%	Excited about getting to this position and learning more. Planning to buy more slowly. Strong hold. Adoption and expansion will only get stronger with Digital Transformation projects everywhere. Bought more at \$200 in early Nov.
3/6/2020	ServiceNow	NOW	\$303.50	\$302.94	\$554.07	-0.18%	82.56%	Excited about getting to this position and learning more. Planning to buy more slowly. Strong hold and expecting to add more. Another beneficiary of Digital Transformation projects. Moat is only getting wider.
3/5/2020	Workday	WDAY	\$164.88	\$144.96	\$239.81	-12.08%	45.45%	Excited about getting to this position and learning more. Planning to buy more slowly. Holding. Employment recovery should accelerate the Business again. Not concerning enough to sell.
2/28/2020	Novocure	NVCR	\$73.23	\$73.18	\$162.81	-0.07%	122.33%	Excited about getting to this position and learning more. Planning to buy more slowly. Holding. Wasn't able to keep up with the updates in this space. Need to review to decide next steps.
2/25/2020	Match Group	MTCH	\$67.65	\$81.23	\$148.75	20.07%	119.88%	Excited about getting into this position and track. Strong hold. Post Social-distancing world will only accelerate their Business even further.

Events since then

- ✓ Co's reporting two Qtrly reports
- ✓ Accelerating growth for few sectors
- ✓ Understandable problems for few others
- ✓ Crazy run-ups & valuations in the last 9 mo's, supported by biz growth in some cases, but mostly due to Monetary factors & Investor enthusiasm...

I usually buy for two scenarios

1 Leading Co's within strong secular trends, that also have strong Management Teams and solid Financials (Rev growth, Profitability or improving Margins/FCF prospects, no balance sheet risk...).

These are bought with the intention of holding for the long-term as long as the thesis is intact or getting better. Strongly intend to add along the way. Ex : \$ROKU \$PINS \$TWLO \$DOCU \$W \$NOW \$WDAY \$NVCR \$MTCH in the above table.

2■ More mature and stable Co.'s but with some growth left (no Financial risk), mainly bought for their current under-valuation, with the intent to sell when the Market or those stocks recover. Ex : \$BIP \$BUD \$VTR \$BR \$BA in above table.

Occasional unplanned sells like

- \$W one lot in late May, as the stock 8X'ed in 2 months after bottoming in March.
- \$UBER after 3X (but unfortunately, just before the Vaccine news started coming out) as I was more interested in under-valuation in March, than for long-term.

I'm guilty of usually squeezing bulk of my buys in high Volatility periods.

Few purchases made after this (not recommendations)

\$CRM (Dec, \$220)

\$ZM (Dec, \$380)

\$DOCU (Nov, \$201)

\$ETSY (Nov, \$120)

\$TDOC (Nov, \$197)

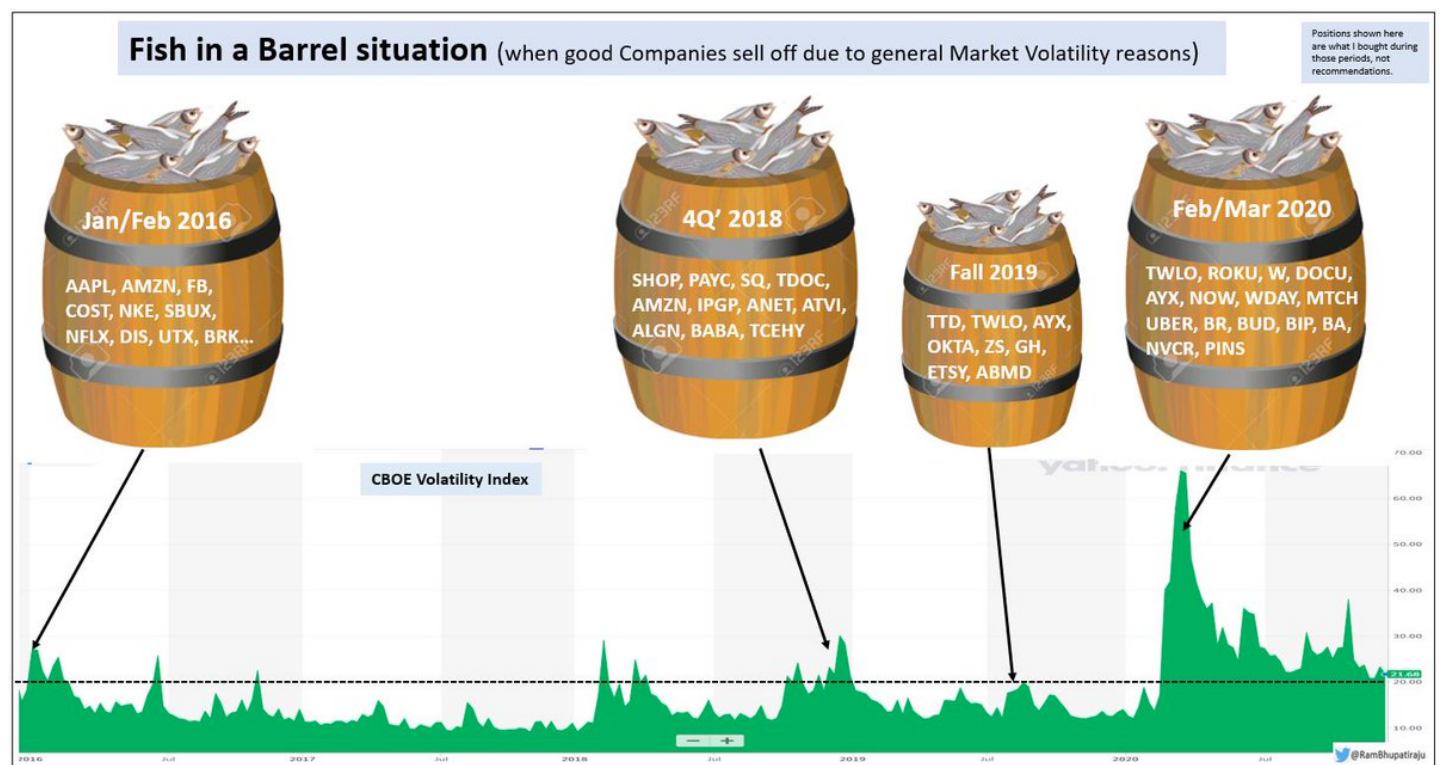
\$MDB (Sep, \$209)

\$FSLY (Sep, \$76)

Updating my favorite investing concept & illustration for high volatility periods.

When good Co.'s are heavily discounted and put for you on a platter, given that you have a Watchlist &

- ✓■ done your research
- ✓■ developed thesis/conviction
- ✓■ not worried about further downside



Every one needs their own toolkit for high volatility periods and bear markets. This is what will

- ✓■ ensure you won't let fear drastically change your long-term plans and strategy
- ✓■ get you thru to the other side
- ✓■ maybe even take advantage of the low prices

Here are few concepts that have helped me in the past high volatility periods.

✓■ Ben Graham's Mr Market: He's mostly pretty smart/stable but high VIX (fear/uncertainty) & extremely low VIX (complacency) are when you need to be little contrarian & take advantage of his behavior.

✓■ "You make a lot of money (by investing in good Co's) during Bear Markets, You just don't realize it at the time" - Shelby Davis.

✓■ When the price of a Stock (in a good Company) falls a lot, it actually becomes less risky (Howard Marks)

✓■ Hyperbolic discounting : Fear causing time horizons to shrink, and Market valuing good Co's with bright future prospects as if they're mature/declining businesses. h/t [@IntrinsicInv](#)

✓■ Cash and Courage during a crash are invaluable (Buffett).

Anyway, this is just a random collection of thoughts about high volatility periods (like March), some results/updates, and some concepts that help during those periods.

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