

Legendary Investors

George Soros' Picks

Filtered by risk

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Investment strategy and key holdings

- George Soros is the Chairman of Soros Fund Management, which manages around \$7.3 bn
- Soros had formerly managed the Quantum Fund, which generated an average annual return of 30% over a 30-year period from 1970 to 2000.
- He famously made a \$1 billion profit in a single day in 1992 by short selling the British pound.
- He focuses on a theory of "reflexivity," which is based on the premise that individual investor biases affect market transactions and the economy
- Opportunities can be found by carefully studying misalignment of value and the market prices of assets.

Company Name	% of Portfolio	Value	Average Buy Price
Horizon Therapeutics Pub	5.54%	\$ 325.30M	\$87.85 (+26.1%)
Rivian Automotive Inc	4.50%	\$ 264.38M	\$81.51 (-76.7%)
Ishares Tr	4.34%	\$ 254.95M	\$103.94 (+1.8%)
First Horizon Corporation	3.56%	\$ 209.13M	\$23.7 (+4.9%)
Alphabet Inc	2.64%	\$ 154.99M	\$83.66 (+9.6%)
Aramark	2.38%	\$ 139.99M	\$31.29 (+20.0%)
Altra Indl Motion Corp	2.03%	\$ 119.50M	\$46.69 (+31.8%)
Bowlero Corp	1.87%	\$ 109.92M	\$9.07 (+69.1%)
Liberty Broadband Corp	1.80%	\$ 106.01M	\$58.99 (+52.3%)
Salesforce Inc	1.45%	\$ 85.40M	\$206.13 (-20.7%)
Signify Health Inc	1.38%	\$ 80.98M	\$28.91 (+0.2%)
Amazon Com Inc	1.29%	\$ 75.72M	\$154.04 (-37.8%)

Source:
SEC 13F
filing

Alphabet

Consensus target
\$129 (+44%)

Portfolio weight: 2.64%

Market price: \$89.13

Investment : \$155 mn

Soros' fund average cost: \$83.66

Profile: Alphabet owns Google, the world's leading internet search provider (90% market share) and the largest internet advertising revenue (YouTube, Google network). Google Cloud competes with Amazon AWS and Microsoft Azure. YouTube, Google Cloud and Pixel devices are growth drivers for Alphabet while its core search advertising revenue is somewhat slowing. YouTube and Google Cloud account for 10% and 9% of its overall sales currently.

Fundamentals		Outlook
Mcap	\$1,175 bn	Google Cloud is expected to maintain its growth momentum in the next few years and should report a positive operating income by 2024. YouTube is expanding into paid subscriptions and a separate pricing for premium content to grow its revenue.
P/E (2023E)	18.1x	
Year end	December	
EPS 2024E	\$6.09	Alphabet reported a 10% YoY growth in revenue in 2022 (14% in constant currency) while operating profit dropped 5% YoY as operating margin reduced to 26% from 31%. The company has responded to the current environment by laying off around 12,000 employees and keeping 2023 capex under check.
EPS 2023E	\$5.07	
Next earnings day	Apr 24, 2023	
Div yield (Excl. withholding tax)	0%	
ROE	24%	Google has announced its new AI chatbot, Bard which will be rolled out shortly. The popularity of Microsoft's ChatGPT has increased pressure on Google to expedite its AI tools rollout for Search, Maps etc. Regulatory risks pose a major risk for Google on its search engine's dominance but the company's strong financial position can provide some cushion.
Institutional holding	64%	

Walt Disney

Consensus target
\$127 (+25%)

Portfolio weight: 0.28%

Market price: \$101.68

Investment :\$16 mn

Soros' fund average cost: \$130.26

Profile: Walt Disney has key operations in theme parks, pay TV , sports broadcasting, movies and direct-to-consumer (Disney+, ESPN+, Hulu). Its parks and experiences segment accounted for 65% of its 2022 total operating income but only 34% of its overall revenue. The reopening of parks post the pandemic is likely to be a major growth driver in FY23.

Fundamentals		Outlook
Mcap	\$186 bn	<p>Disney's board has brought back Bob Iger for a second time as CEO in Nov 22 and Bob has announced a \$5.5 bn annual cost savings plan by FY24 in order to enhance its profitability. The company is likely to reinstate a dividend by the end of 2023.</p> <p>US Parks & experiences continues to be the major growth driver for Disney reporting a 27% YoY growth in Q1FY23 while segment operating income rose 31% yoy. These numbers were achieved despite US parks capacity was kept 20% below their pre-pandemic level.</p> <p>The reopening of China should help in improving its international park performance in the quarters ahead.</p> <p>Direct to consumer is a weak area for the company due to losses at Disney+ and Hulu due to their high production costs while subscribers and ARPU need to be ramped up higher</p>
P/E (2023E)	24.6x	
Year end	September	
EPS 2024E	\$5.52	
EPS 2023E	\$4.15	
Next earnings day	May 09, 2023	
Div yield (Excl. withholding tax)	0%	
ROE	4%	
Institutional holding	62%	

Accenture

Consensus target
\$301 (+11%)

Portfolio weight: 0.44%

Market price: \$270

Investment :\$26 mn

Soros' fund average cost: \$321

Profile: Accenture is a leading global system integrator (GSI) that provides consultancy, technology, and outsourcing services. Digital transformation by companies continues to be a strong global trend and Accenture is a top-of-the class company in all of the five segments that it operates around the world.

Fundamentals		Outlook
Mcap	\$170 bn	<p>Accenture is a blue-chip stock that has a track record of consistent returns to its shareholders over several years. Its ROIC has been consistently around 30% and is also a cash rich company.</p> <p>Despite slowing global client spending due to rising rates, the company reported a robust Q1 FY23 numbers delivering a double-digit revenue growth in North America, Europe and growth markets and an 11% EPS growth.</p> <p>It has returned \$2.1 bn to shareholders in Q1 FY23 through share buyback and dividend. New bookings at the end of Q1 were \$16.2 bn as it has a strong competitive edge and scale across tech, consulting and managed services</p> <p>The company is expected to deliver a strong double digit revenue growth in Technology (cloud, security) and operations in the near-term.</p>
P/E (2023E)	23x	
Year end	August	
EPS 2024E	\$12.62	
EPS 2023E	\$11.49	
Next earnings day	Mar 23, 2023	
Div yield (Excl. withholding tax)	1.5%	
ROE	32%	
Institutional holding	77%	

Union Pacific

Consensus target
\$222 (+16%)

Portfolio weight: 0.25%

Market price: \$191.38

Investment :\$15 mn

Soros' fund average cost: \$203.44

Profile: Union Pacific operates the second largest U.S. railroad network. The U.S. rail industry is an oligopoly with roughly 90% of revenue generated by the four largest railroads: CSX and Norfolk Southern competing in the eastern states; Union Pacific and Burlington Northern Santa Fe (BNSF, 100% owned by Berkshire Hathaway) in the west.

Fundamentals		Outlook
Mcap	\$117 bn	Union Pacific is a strong cash generating business that has rewarded its shareholders with buybacks and dividends. Cash from operations increased 3.6% YoY to \$9.36 bn in 2022 and the company has returned \$9.44 bn to shareholders
P/E (2023E)	16.5x	
Year end	December	The company's 2022 revenue increased 14% yoy on 2% volume growth as it has a good pricing power due to a duopoly in Western US railroads. Net income rose 7% YoY as higher fuel prices increased its operating expense significantly.
EPS 2024E	\$12.66	
EPS 2023E	\$11.57	
Next earnings day	Apr 19, 2023	The company has guided an improvement in operating ratio in 2023 and return of cash to shareholders.
Div yield (Excl. withholding tax)	1.6%	Risks include a drop in consumer and industrial goods demand due to rising rates.
ROE	53%	
Institutional holding	78%	