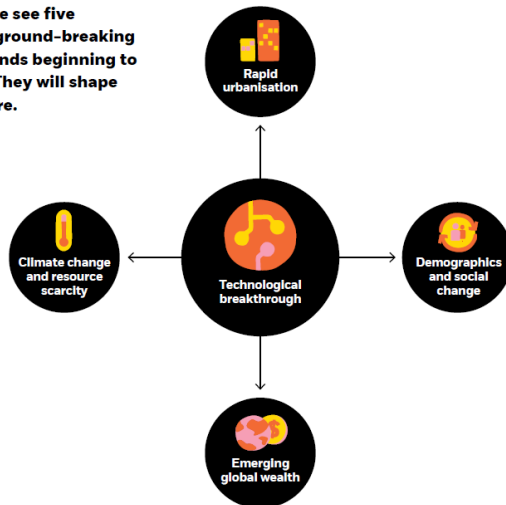


Mock-up sales pitch: Pitching a 'technology' strategy

Imagine you are preparing for a client pitch on this technology fund. The information that you could gather is as below. What would you highlight to the client to entice him into the fund?

Megatrends drive change in the world

Today, we see five equally ground-breaking megatrends beginning to unfold. They will shape our future.



BlackRock, "Megatrends: A Research Study", July 2018 – Based on original research in partnership with PWC, 2015.

What are megatrends and why are they relevant to investors?

Megatrends are powerful, transformative forces that can change the trajectory of the global economy by shifting the priorities of societies, driving innovation and redefining business models. They can have a meaningful impact not just on how we live and how we spend money, but also on government policies and corporate strategies.

Identifying the potential for structural change and investing in expected transformations early can be a key driver of successful investing. This may be an opportunity for investors to position their portfolios for long-term growth potential. In other words, investing in the future is key to securing their future.

Megatrends are long-term structural forces and we expect them to evolve over time. For instance, in 2016, the 'emerging global wealth' megatrend primarily focused on China's rise. But since then, it has broadened to incorporate the emerging middle class in India, southeast Asia and other developing economies. 'Rapid urbanisation' has similarly incorporated the advent of smart cities and on-demand business models along with infrastructure needed to support emerging megacities.

Technological breakthrough



New technologies lie at the heart of resolving or accelerating the five megatrends. Breakthrough innovation is necessary to address large-scale challenges (e.g. ageing economies, climate change), while new solutions are also targeting relatively minor problems (e.g. payments, streaming). This backdrop has created a fertile ground for disruptive innovation and Thematic investing.

Where do we expect innovation?

Disruptive innovation is most likely to emerge in two scenarios; either (1) new solutions are developed to resolve a significant constraint or challenge or (2) new competitors are attracted to industries with large profit pools and high returns. Consider the advent of electric vehicles, e-commerce, solar panels, robotics, blockchain, cloud computing, streaming, smart grids and many other modern-day innovations. In each case, engineers and entrepreneurs are aiming to capitalise on the need for a new solution or a better alternative in existing markets.

The future is getting here. Faster.

Breakthrough innovations have become more powerful in recent years thanks to globalisation and the ubiquity of technology. Together, they have lowered entry barriers for new competitors and accelerated the adoption of new technologies around the world, thereby unleashing a wave of disruptive threats across industries and economies.

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EQUITY

[Fact Sheet](#) [Prospectus](#) [Product Highlights Sheet](#) [Download Sheet](#)

BGF World Technology Fund

A2 (USD)

NAV as of 30-Apr-2020

USD 44.79

52 WK: 33.64 - 47.93

1 Day NAV Change as of 30-Apr-2020

▲ 0.49 (1.11%)

Morningstar Rating

★★★★★ ⓘ



Performance

Chart

Since Incept.



[View full chart](#)

Returns

Annualised

Cumulative

	1y	3y	5y	10y	Incept.
Total Return (%) ⓘ as of 31-Mar-2020	7.76	20.15	16.14	12.73	5.66
Benchmark (%) ⓘ as of 31-Mar-2020	6.72	14.42	13.79	13.01	9.93

Performance of the Fund is calculated on NAV to NAV basis on the assumption that all dividends and distributions are reinvested, taking into account all charges which would have been payable upon such reinvestment.

Mock-up sales pitch: Pitching a 'technology' strategy

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Holdings

Top			
as of 31-Mar-2020			
Name	Weight (%)	Name	Weight (%)
MICROSOFT CORP	4.37	ALPHABET INC CLASS A	2.67
APPLE INC	3.50	SALESFORCE.COM INC	2.05
AMAZON COM INC	3.05	ADVANCED MICRO DEVICES INC	1.60
ALIBABA GROUP HOLDING ADR REPRESENTATIVE	2.93	ADOBE INC	1.56
TENCENT HOLDINGS LTD	2.88	PAYPAL HOLDINGS INC	1.56

For more information, you can visit

<https://www.blackrock.com/sg/en/literature/whitepaper/megatrend-hk-sg-whitepaper.pdf>