
From: Paul Barrett <[REDACTED]>
Sent: Tuesday, September 11, 2018 9:47 PM
To: jeffrey E.
Cc: Richard Kahn
Subject: GOOG and MSFT

Jeffrey

1. We own \$3.5MM of GOOG at an average price of \$1078. Stock is at \$1177= down 7% from August 30th. I think we should top up to \$MM.

* YouTube The Nielsen DCR data (Digital Content Ratings)=shows an ongoing shift in favour of Google sites. Google accounts for 33% =f all time spent on digital media and of all digital consumption in the U.=. YouTube accounts for 18% of all time spent. Google seems to have gained some 500bps of share over the last=year and Facebook has lost 300bps. YouTube's growth and Facebook's decline means that more time=is now spent on YouTube alone compared to all of Facebook properties combi=ed (Facebook, Instagram Messenger, WhatsApp).

Most of the street is overweight with ~\$125 px targets=which I don't love as it is the consensus view however I still think=the Azure story is compelling

* Lastly he said the 100% tax deductibility of capex is =resulting in a significant increase in IT capex vs plant/factory spending

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