

Electric performance: road testing BYD

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Watch Claire Shaw, Scottish Mortgage portfolio director, put BYD's Sealion 7 through its paces. Hear her three reasons why the electric vehicle upstart is outpacing competitors.

Claire Shaw: I want to talk to you about the investment case, but also show you one of these cars.

So China is the most ruthlessly competitive EV market in the world. So what gives BYD the right to win in this market?

Well, there's three reasons for us.

The first is technological innovation. BYD employ over 120,000 engineers in their R&D department. which is more than the rest of the industry combined. And that really enables them to be at the forefront of cutting-edge technology in this field.

The second reason is the vertical integration that sits at the heart of the business model. BYD manufactures many of their components, including their battery, in-house. That gives them a cost advantage that they can then pass on to their customers.

And the third reason is they have a founder at the helm, who has what I'd call a healthy degree of radicalism, really pushing the company forward.

And for those three reasons, we think BYD, not just in China, but increasingly overseas in global markets, has a right to win in this very, very competitive industry.