

# Future Stocks: Our best ideas in Asia

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**Investment specialist Qian Zhang highlights three Asian companies at the forefront of global structural trends: Samsung, Delhivery and Bank Rakyat. Demonstrating why Asia is growing faster than anywhere else.**

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**Qian Zhang:** Asia is growing faster than the rest of the world. A lot of these Asian companies are at the forefront of deep structural global trends. Whether it is technology hardware produced by Asian companies, or natural resources that are found in Asia but are essential for global green transition, all of these are great growth opportunities for long-term investors to explore.

## **Samsung Electronics: South Korean multinational electronics corporation**

Samsung is a Korean technology conglomerate. What is in common among a smartphone, a personal laptop, electric vehicle and a computer datacentre? All of them could have Samsung products in them. One of the very key themes for the next decade is the promise of AI. The story is gradually shifting from what we call a computing AI to what we call consumer AI. That means getting your devices ready for AI, getting the chips and the applications installed, and that could lift a whole upgrade cycle for consumer electronics. It could be more significant than the first introduction of the smartphones themselves 15 years ago.

## **Delhivery: Indian public logistics and supply chain company**

Delhi Delivery, it's a quite unique name. It is a logistics operator for ecommerce business in India. India now delivers four billion parcels a year. China delivers 140 billion a year. So, the potential future addressable market is immense. India has also leapfrogged from a country with one of the

poorest mobile internet coverages to one of the best and one of the cheapest in the world. Delhivery is building the largest, the broadest, and also the most modern logistics infrastructure in the country. Now they are the cheapest and the fastest way to deliver a parcel in India. That means they could, potentially, grow faster than most of their peers in an already very fast-growing industry.

### **Bank Rakyat Indonesia: The oldest bank in Indonesia**

Bank Rakyat is one of the largest banks in Indonesia. It is making small loans to small to medium-sized enterprises. Typically, these borrowers do not have access to traditional financial services, but these are crucial working capital to survive, and sometimes to thrive as well. As of today, they have built more than 6,000 banking offices, serving more than 30 million small/medium-term enterprises or individuals. Now, that type of outreach is very difficult to replicate by any of the peers. Don't forget that Indonesia is a country made up of more than 10,000 islands. That makes the products and services offered by Bank Rakyat very essential in a very big and young country.

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As of the date of this communication Baillie Gifford held Samsung, Delhivery, and Bank Rakyat. A full list of holdings is available on request and is subject to change.