



New Normal, New Opportunities series

“Cybersecurity and digital content”

&

“Video streaming: Cord-cutting in the time of COVID-19”

RBC Wealth Management’s Portfolio Advisory Group presents the “New normal, new opportunities” series, examining secular trends in a post-COVID-19 world. The series will cover a range of themes that are emerging as a result of social distancing, the work-from-home imperative, health care developments, corporate implications, and broader societal change. The Portfolio Advisory Group believes identifying these trends and understanding their investment implications will be critical to navigating the road ahead.

Dear clients,

Please see the attached articles along with additional commentary below on the emerging themes of cybersecurity/digital content and cord-cutting (video streaming).

Cybersecurity and Digital Content

With the increasing move toward a digital economy, one of the more important aspects for businesses to consider is their cybersecurity. Any company that operates online has to protect against a variety of threats that exist due to cyberattacks, (access to sensitive information, identity theft, ransomware) as not having proper protocols in place can lead to reputational and monetary damage. With more and more workers working from home these days due to COVID-19, and likely to continue that way for the foreseeable future, processes need to be in place to continue to protect against these types of threats.

One of the largest beneficiaries of “Work 2.0” has been the e-signature business. This trend toward paperless document signing was apparent prior to the pandemic, but has exploded in the last few months as it becomes a near necessity for a lot of businesses. One of the top holdings in your discretionary portfolio is the industry leader in e-signatures: DocuSign (DOCU). We have owned this company for our discretionary clients since mid-2018, and have added to it over time while it was trading in the \$41-57 dollar range. It has become the largest US holding in our model along with Amazon. Yesterday, it closed the day at \$268.80 (up 20% in one day). This business is at the forefront of a major change in how business is done, and is only scratching the surface of the potential market.

Video Streaming/Cord Cutting

The other attached article talks about the phenomenon of “cord-cutting”, which is in reference to people ditching their cable TV subscriptions to get their content through various streaming services

(ie. Netflix). This is another area that has seen some exponential growth since the pandemic started, as the stay-at-home orders have provided excess demand for content to watch.

Along with Netflix, there are other companies in your discretionary portfolio that have streaming services, such as Amazon Prime Video (AMZN), and Apple TV+ (AAPL). The economics of cord-cutting make this trend likely to continue, and there are opportunities for price increases along the way to provide even more income for these companies in the future.

Please take some time to review the following editions of **New normal, new opportunities:**

[Cybersecurity and digital content](#)
[Cord cutting in the time of COVID-19](#)

Best regards,

Ord Private Wealth Management
John, Tim, Liam & Kristen