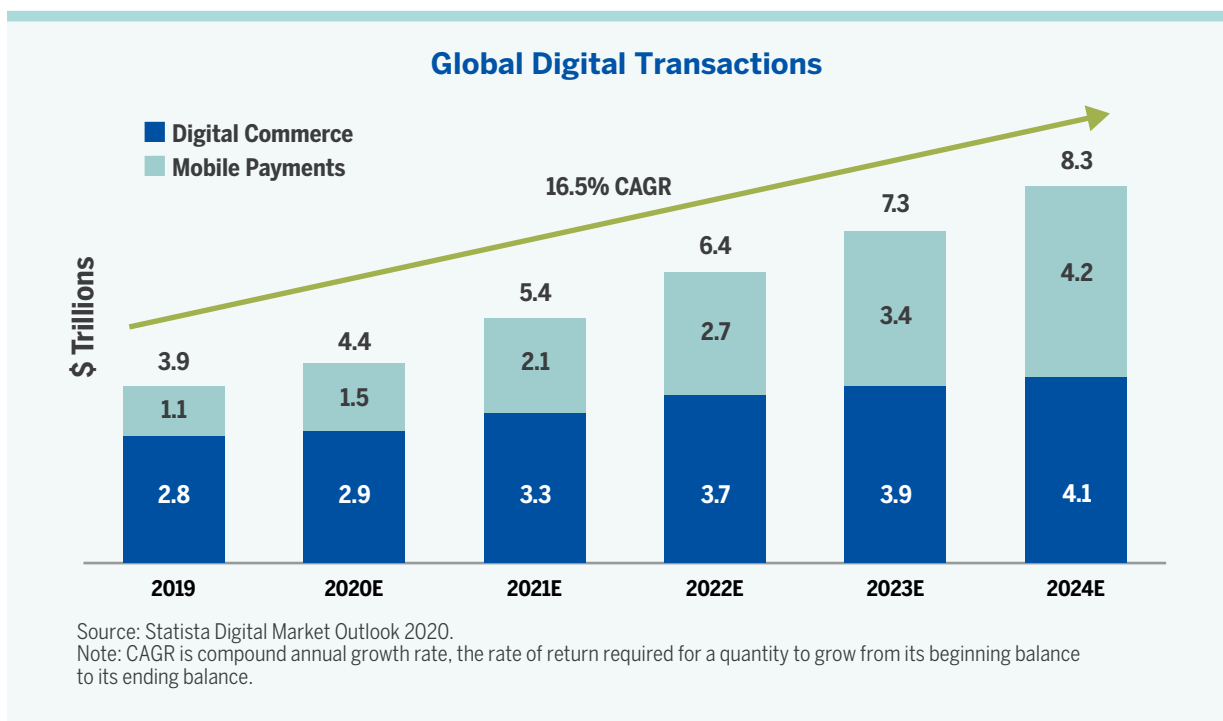


Digital Payments Soar

The multitrillion dollar payments market is changing rapidly, providing growth for companies, convenience for consumers and opportunities for investors. As digital payments gain penetration, driven by greater e-commerce and mobile usage, how should investors be positioned?



- Digital payments comprise digital commerce, i.e., buying goods or services via the internet, and mobile payments, i.e., smartphones used to process transactions using wireless communication or scan QR barcodes. Both operations are expected to proliferate over the next few years, increasing at a compound annual growth rate of 16.5% through 2024.
- Currently China has the largest volume of digital payments and its lead is expected to widen, driven by mobile payments. Already, mobile payments have penetrated 28% of the market in China compared to only 13% in the U.S.
- We believe this trend will grow beyond the next few years because of its ease and convenience. Companies that may potentially capitalize on digital payments include payment networks such as Visa or Mastercard, payment processors, the businesses that help complete each transaction on the back-end, hardware companies that make the devices or chips to facilitate digital transactions, and software companies that create the interfaces to accept payments



The following positions represented the noted percentage of assets managed by Fred Alger Management, LLC as of September 30, 2020: Visa Inc., 3.0%; Mastercard Incorporated, 0.0%.

The views expressed are the views of Fred Alger Management, LLC ("FAM") and its affiliates as of October 2020. These views are subject to change at any time and may not represent the views of all portfolio management teams. These views should not be interpreted as a guarantee of the future performance of the markets, any security or any funds managed by FAM. These views are not meant to provide investment advice and should not be considered a recommendation to purchase or sell securities.

Important Disclosures: This document is directed at investment professionals and qualified investors (as defined by MiFID/FCA regulations). It is for information purposes only and has been prepared and is made available for the benefit of investors. This document does not constitute an offer or solicitation to any person in any jurisdiction in which it is not authorised or permitted, or to anyone who would be an unlawful recipient, and is only intended for use by original recipients and addressees. The original recipient is solely responsible for any actions in further distributing this document and should be satisfied in doing so that there is no breach of local legislation or regulation. This document is not for distribution in the United States.

Data, models and other statistics are sourced from our own records, unless otherwise stated herein. We caution that the value of investments in discretionary accounts, and the income derived, may fluctuate and it is possible that an investor may incur losses, including a loss of the principal invested. Investors should ensure that they fully understand the risks associated with investing and should consider their own investment objectives and risk tolerance levels. **Past performance is not indicative of future performance.** Investors whose reference currency differs from that in which the underlying assets are invested may be subject to exchange rate movements that alter the value of their investments.

Certain products may be subject to restrictions with regard to certain persons or in certain countries under national regulations applicable to such persons or countries. NOTABLY, THIS MATERIAL IS EXCLUSIVELY INTENDED FOR PERSONS WHO ARE NOT U.S. PERSONS, AS SUCH TERM IS DEFINED IN REGULATIONS OF THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT) AND WHO ARE NOT PHYSICALLY PRESENT IN THE UNITED STATES.

Risk Disclosure: Investing in the stock market involves certain risks, including the potential loss of principal. Growth stocks may be more volatile than other stocks as their prices tend to be higher in relation to their companies' earnings and may be more sensitive to market, political, and economic developments. Technology companies may be significantly affected by competition, innovation, regulation, and product obsolescence, and may be more volatile than the securities of other companies.

Important Information for All Investors: Alger Management, Ltd. (company house number 8634056, domiciled at 78 Brook Street, London W1K 5EF, UK) is authorised and regulated by the Financial Conduct Authority, for the distribution of regulated financial products and services. FAM and/or Weatherbie Capital, LLC, U.S. registered investment advisors, serve as sub-portfolio manager to financial products distributed by Alger Management, Ltd.

Alger Group Holdings, LLC (parent company of FAM), is not an authorized person for the purposes of the Financial Services and Markets Act 2000 of the United Kingdom ("FSMA") and this material has not been approved by an authorized person for the purposes of Section 21(2)(b) of the FSMA.

Important information for Investors in Israel: This material is provided in Israel only to investors of the type listed in the first schedule of the Securities Law, 1968 (the "Securities Law") and the Regulation of Investment Advice, Investment Marketing and Investment Portfolio Management Law, 1995. The Fund units will not be sold to investors who are not of the type listed in the first schedule of the Securities Law.