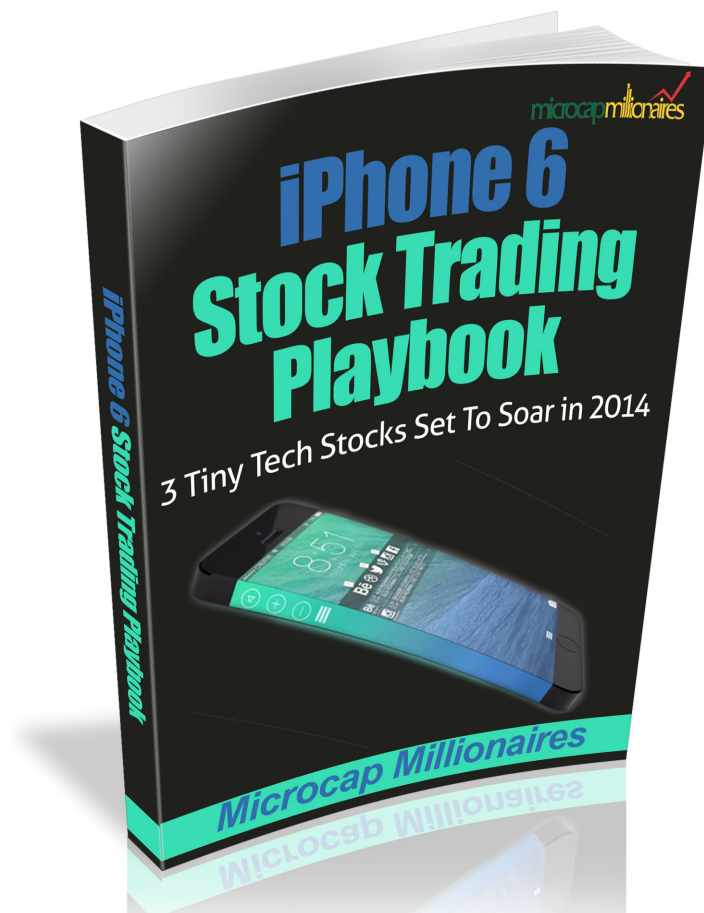


# microcapmillionaires

Presents:

## “The iPhone 6 Playbook”



\*Disclaimer: This report highlights stocks that contain a high level of speculative risk. The information herein should be considered as entertainment value and not official investment advice of any sort. By reading this report, you agree to assume all risk involved with any stock mentioned in this report.

## **Intro...**

If you hadn't already heard, the release of the new iPhone 6 is just around the corner, and as ever, the rumor mill is hard at work, speculating on what new features we will see this time around.

So far, most of the rumors have centered around screen size, and with a number of competing models also coming to market (think the Samsung Galaxy S5, the Sony Xperia Z2 and HTC One M8), it's thought that the new iPhone screen will need to get bigger if it is stand up against those models. There is speculation that the screen could double to a 2272x1280 display, however, a 1600x900 display would probably be more likely considering the expected margins involved.

**Research link:** <http://www.dailymail.co.uk/sciencetech/article-2594537/The-iPhone-6-Claims-manufacturing-start-Apples-new-big-screen-handset.html>

There's also talk of improved performance and some are expecting Apple to take the processor up a notch from 1.3ghz to 1.6ghz as well as increasing RAM to 2GB.

Whatever new features the iPhone 6 brings, there are bound to be winners and losers. The new iPhone 6 could be the most important iPhone yet and those companies that Apple chooses to work with, to make the new iPhone a reality, stand to be the biggest winners of all.

## Stock #1: GT Advanced Technologies (GTAT)



One company that stands to gain from the new iPhone 6 is GT Advanced Technologies (GTAT). GT struck a deal with Apple last November to supply the next generation of iPhone with its man-made sapphire cover screens. Sapphire screens are potentially revolutionary; they have the benefits of standard screens but are harder to scratch and harder to break. When combined with another couple of layers of glass, the screens are made even

more appealing and it's possible that Apple could have the winning formula for its next few models.

Research link: <http://www.techradar.com/news/phone-and-communications/mobile-phones/more-hints-that-the-iphone-6-screen-will-be-tough-as-nails-1238728>

As expected, GT will benefit hugely from this and CEO Tom Gutierrez says the company expects revenue to ramp up to \$600 - \$800 million in 2014, with 80% of revenues coming from Sapphire.

Unsurprisingly, GTAT stock has been a hot performer ever since the announcement and the stock has gone from \$8 in November 2013 to \$18 today. However, with more to come from this company, and now with more rumors flying around – this time concerning GT's solar cell technology – the stock could climb higher still.

Indeed, a patent filed by Apple in 2013 that shows interest in solar technology, could be of real significance to GTAT investors, particularly since GT are also experts at the so called process of 'scribing'. Scribing denotes placing ultra-thin films of solar cells onto glass and could be used in smart phones as a means of increasing battery life.

This "wrinkle" could be huge...can you imagine barely having to charge your phone since the sapphire glass may be able to act as a solar charging panel? It's a game changer, and although it's not confirmed to be a feature in the upcoming iPhone, the mere

speculation of this feature could give some more fuel to any rally in GTAT shares.

The recent opening of a state of the art production facility in Mesa, Arizona, suggests that GT could be on the verge of another big deal.

## Stock #2: Liquidmetal Technologies (LQMT)



While the relationship between GT and Apple has been fairly well documented, Liquidmetal Technologies (LQMT) is a company (with Apple connections) that has flown under the radar.

LQMT first came into being after it was spun off from Caltec in a \$1 billion IPO in 2002. Since then, the stock has performed poorly, mainly due to managerial mishaps, and the stock has drifted to under \$1 a share.

Key For Liquidmetal's future however, is the deal the company struck with Apple back in 2010 whereby Apple paid LQMT a one-off fee of \$20 million.

As it stands, Apple has remained quiet regarding its dealings with LQMT and since the deal was made, there has been very little disclosure from either side.

However, what we do know, is that Apple continues to develop its liquidmetal technology, and recent patent filings suggest that Apple is looking to integrate its sapphire displays with liquidmetal technology.

The deal between LQMT and Apple effectively put the two companies in cooperation and gave commercial rights over to Apple. But, LQMT could still benefit hugely when Apple starts to incorporate the Liquidmetal technology into the new iPhone 6.

Most notably, the company would gather an immense amount of good publicity for its role in the new iPhone and this would help the company commercialise the technology in other areas – of which there will no doubt be many; gadgets, wearables, automobiles and jewellery to name just a few.

Furthermore, if all goes according to plan, Apple may well want to collaborate with LQMT again.

### Stock #3: Micron Technology Inc (MU)



Micron Technology hit the news this week after the company beat on second quarter earnings. The semiconductor has been an impressive performer over the past year and is fairly well watched

by traders, not least because of the company's significant relationships with tech giants Apple and Intel.

It was also revealed last month that renowned hedge fund manager David Einhorn had taken a decent sized position in Micron, causing speculation that there may be promising developments ahead. And more recently, Seth Klarman was also revealed to own a significant stake.

With the new iPhone 6 expected to be unveiled in September time, and with Apple starting up production as soon as May, the rumours are that the new iPhone 6 could contain an improved Micron Technology RAM processor.

Indeed, investigative research indicates that Micron received a mysterious \$250 million payment during the first quarter of 2014. As mentioned in company filings "Operating cash flows in the first quarter of 2014 also benefited by approximately \$250 million of receipts from a customer for product to be supplied through September 2016."

**Research link:** <http://www.margolismatt.com/2014/04/02/apple-is-set-to-showcase-microns-lpddr4-dram-memory-across-their-2014-hardware-portfolio/>

At this point it's worth remembering that Micron now owns a key Apple supplier, in the form of Elpida, which Micron bought last summer for \$2 billion.

Now it's well known that the new iPhone 6 will need improved RAM capability, in order to keep up with the 2-3 GB Android devices, so the question is: could Apple now be dealing directly



with Micron in order to secure supplies of Micron's new LPDDR4 DRAM?

Previous Elpida DRAM had been used by Apple to run the A7 processor, but the new LPDDR4 DRAM is said to double the bandwidth of the previous DRAM, producing better performance and longer battery life.

The deal between Apple and Micron is just one possible conclusion but if it's true, Micron shares will no doubt have more gains ahead.

## \*\*BONUS: Stock #4: MVIS



Microvision Inc. is a stock that may jump if Apple, or any other smartphone manufacturer announces their intent to include Microvision's "picoP" type projectors in their smart phones.

The current version requires people to buy the projector as a separate device, as you can see here:

[http://www.microvision.com/showxplus\\_hdmi/pdfs/ShowWX-Plus-Brochure.pdf](http://www.microvision.com/showxplus_hdmi/pdfs/ShowWX-Plus-Brochure.pdf)

However, if the company can adapt it's current technology into something small enough to embed in a smartphone, the MVIS could see a windfall of revenue

for years to come.

It's not as far fetched as you might imagine, either. In fact, Sony has already partnered with MVIS, and with technological advances continuing at a rapid pace, they may be able to make a version that does indeed fit into a smartphone.

### **Conclusion:**

All of the stocks mentioned in this report have the potential to move higher in the next few months. GTAT appears to be the Best bet, as they already have a deal inked with Apple and other companies could come knocking at their door for the sapphire glass.

LQMT is probably the stock with the most upside but is also the most speculative. Also note that this stock trades under \$1 per share so liquidity is strained.

MU has plenty of catalysts other than AAPL working for it but a revelation of MU chips in the new iPhone could send the stock parabolic.

MVIS is a wild card bet, as built in projectors in smartphones are likely a year or 2 away...but it's a stock to be aware and to watch closely as the iPhone 6 launch date nears.

*iPhone 6 launch date will likely be in September 2014, although there is no way to confirm until Apple announces it.*

Thanks for purchasing this report wish you much success in your trading/investing.

\*Note to those of you reading this that may not be active members of Microcapmillionaires stock pick service: If you would like my recommendations as to when to buy and sell each of these stocks as well as many others, you can get a free month of my newsletter with a purchase of my penny stock strategy course by clicking the link below and checking out via the secure order form:

→ <http://www.microcapmillionaires.com/step1checkout/>

Matt Morris  
Microcapmillionaires.com  
MM Publishing Inc.



© 2014