

# Fintech

## Longer Term Investments (LTI)

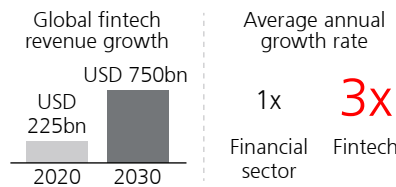
Driven by rapid urbanization, strong demand from millennials, and favorable regulations, the global fintech industry is at an inflection point and set to drive a major digital transformation in the financial services industry. We expect global fintech revenues to grow from USD 225bn in 2020 to 750bn in 2030, implying an average annual growth rate about three times faster than the broader financial sector's.



### Projections and opportunities

#### Global fintech revenue growth

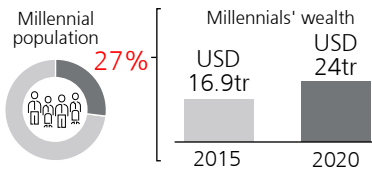
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Source: UBS, as of 2021

#### Millennials

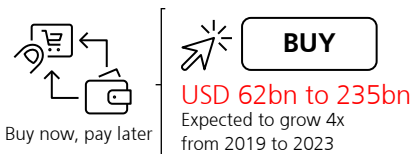
Accounting for 27% of the global population, millennials held USD 16.9tr of the world's private wealth in 2015; by 2020, that could rise as high as USD 24tr—roughly 1.5 times the US national output in 2015.



Source: UBS, as of June 2017

#### Buy now, pay later

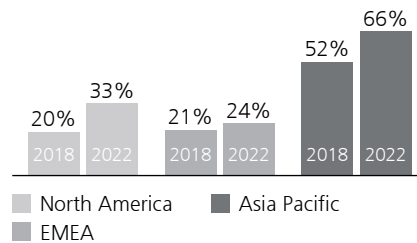
"Buy now, pay later" transaction value in the e-commerce market should grow almost 4x between 2019 and 2023, from USD 62bn to USD 235bn, according to Bloomberg Intelligence.



Source: Bloomberg Intelligence, UBS, as of April 2021

#### E-wallet payment penetration

Asia is leading e-wallet payment penetration used for e-commerce.



Source: Global Payments Report, Bloomberg Intelligence, UBS, as of November 2018

#### Venture capital

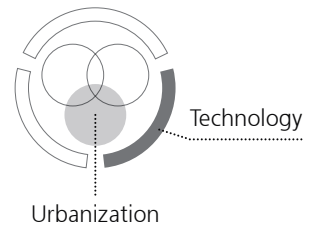
Fintech attracted around USD 180bn of venture capital over the past five years, making it one of the fastest-growing funding segments.



Source: CB Insights, UBS, as of April 2021



#### Fintech investment properties



○ Influencer    ⊗ Key drivers

#### Near-term drivers

- Urbanization
- Favorable regulation
- Millennials

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