Chief Investment Office GWM
Investment Research
July 2022

Aging in comfort

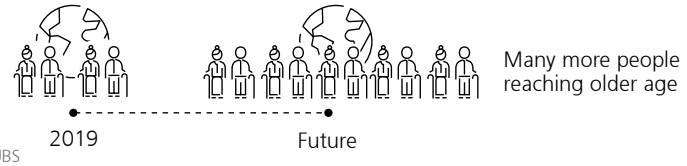
Longer Term Investments (LTI)

A growing share of the population is living in retirement for longer, which presents specific market opportunities. Sustaining a high quality of life for as long as possible will be the central demand motive for those entering their proverbial golden years. We think companies in the financial, consumer, healthcare and retirement home sectors will benefit from this theme.

Projections and opportunities

Living longer and better

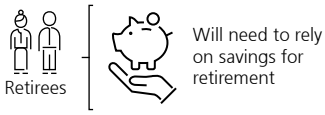
People are living longer across the world. As they reach old age, this cohort will also want to live better.



Source: UBS

Increasing savings gap

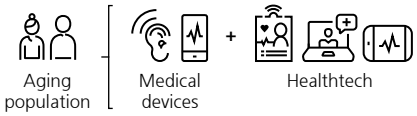
With strained public finances, retirees will need to rely increasingly on their own savings for retirement. However, the difference between what is saved and what is needed to finance old age, in particular given higher longevity, remains a concern.



Source: UBS

Innovation

The elderly should benefit from innovations in healthtech and medical devices.



Source: UBS

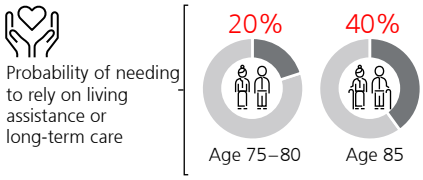
Consumer companies

Companies that focus on healthy nutrition and the personal care needs of aging consumers can help people to live better.

Source: Barclays, UBS

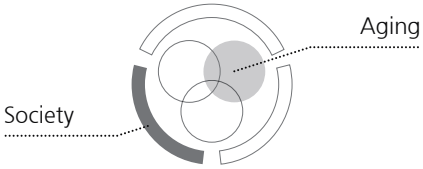
As we age, we need care

The probability of needing to rely on living assistance or even long-term full care rises sharply as people age—from 20% between ages 75 and 80 to 40% at the age of 85.



Source: OECD

Aging in comfort investment properties



Influencer Key drivers

Near-term drivers

- Financial market conditions
- Accelerating demographic demand growth
- Hedged inflation risks

Sustainable investing

- SDG 1: No poverty
- SDG 3: Good health and well-being
- SDG 11: Sustainable cities and communities

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