

HealthTech

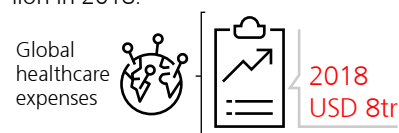
Longer Term Investments (LTI)

Healthcare is still one of the least digitized of the major global industries, but there are growing signs that healthcare providers, insurers, and even drug companies now recognize the potential for digital technology to improve efficiency and help check the relentless growth of healthcare spending around the world. HealthTech aims to make healthcare more efficient by improving outcomes while saving costs.

Projections and opportunities

Healthcare expenses

Healthcare expenses are rising: Global healthcare expense reached USD 8.0 trillion in 2018.

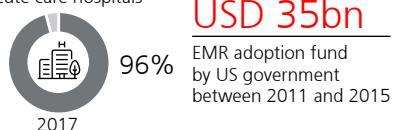


Source: WHO, UBS

Electronic medical records (EMR)

EMR is now used in 96% of US acute care hospitals. From 2011 to 2015, the US government provided total funding of over USD 35bn to fund EMR adoption.

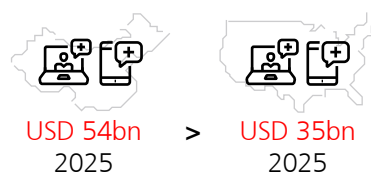
EMR adoption in US acute care hospitals



Source: Office of the National Co-ordinator of Healthcare Technology, UBS

Telemedicine market growth

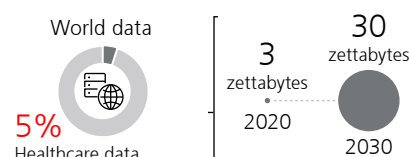
The Chinese telemedicine market is expected to surpass the US market by 2023.



Source: Frost & Sullivan, Statista, Bloomberg Intelligence, UBS

Healthcare data

Healthcare generates 5% of all the data in the world. Healthcare data is estimated at 3 zettabytes by 2020 and over 30 zettabytes by 2030.



Source: UBS, as of June 2020

Healthcare is wasteful

According to one academic study, between USD 760 billion and USD 935 billion are wasted on unnecessary or low-value care in the US.



Source: Jama Network, 2020

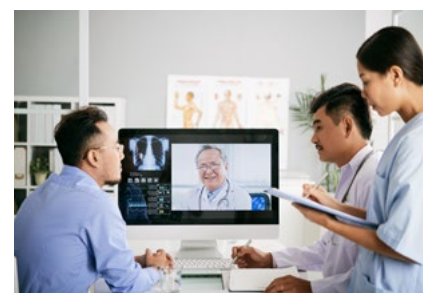
Technology developments

A CT image may take an experienced radiologist 10–20 minutes to read and interpret, but could be analyzed in under a minute by an algorithm.

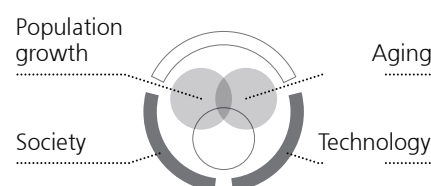
Time needed to interpret a CT image



Source: Bank of America, UBS



HealthTech investment properties



○ Influencer ⊗ Key drivers



Near-term drivers

- Evolving use cases for technology in healthcare
- Regulatory progress
- Innovation



Sustainable investing

- SDG 1: No poverty
- SDG 3: Good health and well-being

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