

Fintech

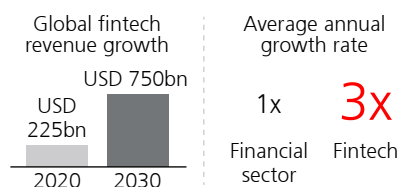
Longer Term Investments (LTI)

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

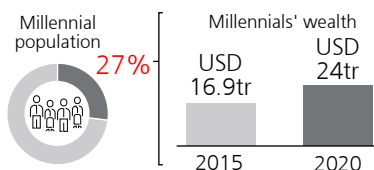
We expect global fintech revenues to grow from USD 225bn in 2020 to USD 750bn in 2030, implying an average annual growth rate about three times faster than the broader financial sector's.



Source: UBS, as of April 2022

Millennials

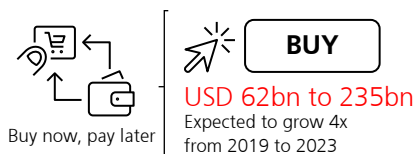
Accounting for 27% of the global population, millennials held USD 16.9tr of the world's private wealth in 2015; by 2020, that could rise as high as USD 24tr—roughly 1.5 times the US national output in 2015.



Source: UBS, as of April 2022

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.

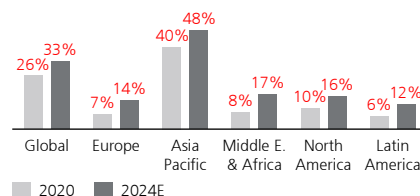


Source: Bloomberg Intelligence, UBS, as of April 2022

E-wallet payment penetration

Asia is leading e-wallet payment penetration used for point-of-sale.

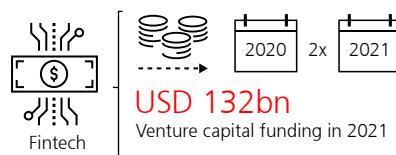
E-wallet payment penetration



Source: FIS WorldPay Global Payments Report 2021, Bloomberg Intelligence, UBS, as of April 2022

Venture capital

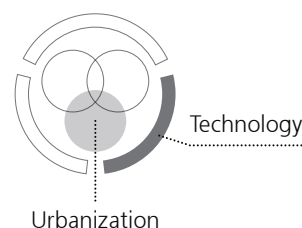
Global fintech funding reached a new record high of USD 132bn in 2021, more than twice as much as the sector collected in 2020.



Source: CB Insights, UBS, as of April 2022



Fintech investment properties



○ Influencer ⊗ Key drivers

Near-term drivers

- Urbanization
- Favorable regulation
- Millennials

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