

# Obesity

## Longer Term Investments (LTI)

Urbanization and rising per capita GDP in emerging markets will contribute to a greater prevalence of obesity globally in the coming decades. Western economies are most associated with the obesity epidemic, but it is no longer just a rich-world problem.

### Projections and opportunities

#### Overweight adults in the world

In 2016 there were more than 1.9 billion overweight adults in the world, of whom 650 million were obese. The obese population has more than doubled since 1980.



Source: WHO

#### High Body Mass Index

An estimated 3.4m people die each year as a result of being overweight or obese, making a high BMI the 5th highest risk factor for mortality globally.



Source: The Lancet, BAML

#### Diabetes and obesity

Type 2 diabetes is closely correlated with obesity. One analysis found that high BMI raises the risk of developing diabetes by a factor of seven for men and a factor of 12 for women.

High BMI raises the risk of developing diabetes by a factor of:



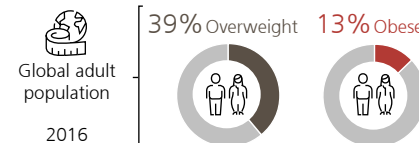
Source: BMC Public Health

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#### Global population

In 2016, 13% of the global adult population was obese and 39% was overweight. Obesity rates are expected to keep rising as per-capita GDP rises in the development world.



Source: Source: WHO

#### The economic cost of obesity

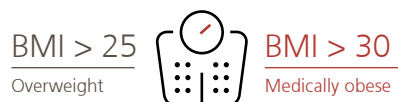
One study estimates the total economic cost of obesity-related conditions at nearly 3% of global GDP, including lost productivity due to disability or death. However, this may still underestimate the total cost since many medical costs that may ultimately stem from obesity are recorded as other problems



Source: McKinsey, 2014, UBS.

#### Body Mass Index (BMI)

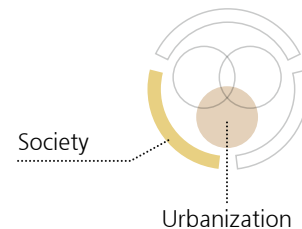
BMI is calculated as a patient's weight (in kg) divided by the square of the person's height (in m). Patients with BMI > 25 are considered overweight and those with BMI > 30 are defined as medically obese.



Source: American Diabetes Association



#### Obesity investment properties



○ Influencer    ⦿ Key drivers



#### Near-term drivers

- Pipeline of new diabetes drugs
- Focus on healthy consumption
- Low beta, defensive theme



#### Sustainable investing impact

- Consumer: healthy food, fitness & sportswear
- Healthcare: treatment of obesity & related diseases)



#### Impact investing (UN SDGs)

- SDG No.3: Good health and well-being

To learn more contact your financial advisor or go to:  
[ubs.com/lti](https://ubs.com/lti)



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