

# Enabling technologies

## Longer Term Investments (LTI)

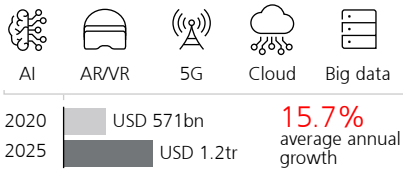
Tech devices and advances have disrupted every aspect of our lives. And over the next decade, spending on the underlying enabling technologies that allow their development and production should remain high as both disrupting and incumbent companies continue to invest to increase or defend market share.



### Projections and opportunities

#### Annual growth

We expect the market for the next five enabling technologies—AI, AR/VR, 5G, cloud, and big data—to grow by an average 15.7% annually, from USD 571bn in 2020 to USD 1.2tr in 2025.



Source: UBS, as of January 2022

#### Big data

Every month, Facebook has roughly 2.9 billion active users, and more than 20 billion messages are exchanged between businesses and users on Facebook Messenger.



Source: Bloomberg Intelligence, UBS, as of January 2022

#### Artificial intelligence

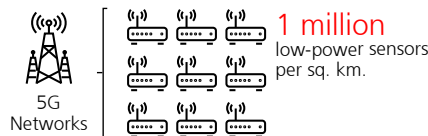
We expect the AI hardware and services market to grow from USD 36bn in 2020 to USD 90bn in 2025.



Source: IDC, Bloomberg Intelligence, UBS, as of January 2022

#### 5G

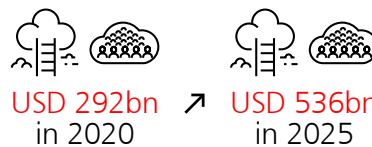
5G networks should support unprecedented capacity as measured in device numbers. Ericsson envisions 5G networks providing connectivity for up to 1 million low-power sensors per square kilometer.



Source: Ericsson, UBS, as of January 2022

#### Cloud

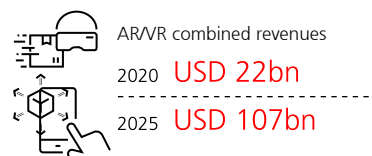
We expect the cloud market to grow from USD 292bn in 2020 to USD 536bn in 2025.



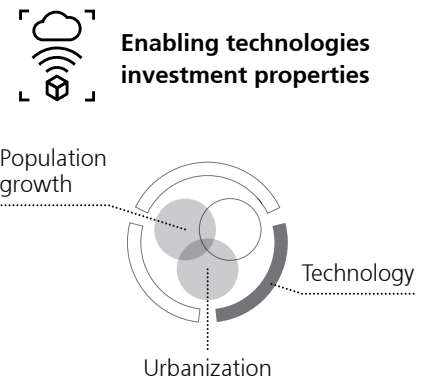
Source: IDC, Bloomberg Intelligence, UBS, as of January 2022

#### AR/VR

We expect the combined revenues of the AR/VR industry to grow from USD 22bn in 2020 to USD 107bn in 2025.



Source: eMarketer, IDC, Goldman Sachs, Bloomberg Intelligence, UBS, as of January 2022



○ Influencer    ⊗ Key drivers

#### Near-term drivers

- Technological disruption
- Urbanization

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