

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

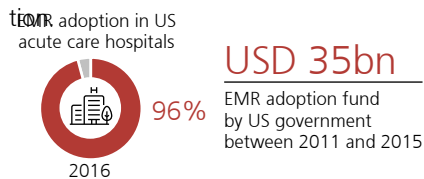
Healthcare expenses are rising: OECD countries alone spent USD 6.5 trillion on healthcare in 2016.



Source: Organisation for Economic Co-operation and Development

Electronic medical records

EMR are 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.



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

One estimate on the average cost

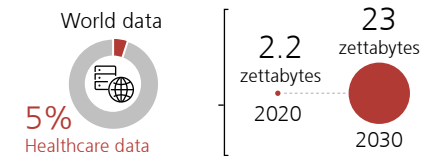
The average cost of a telehealth consultation in the US is USD 40, compared to a USD 125 in-person consultation.



Source: Citi

Healthcare data

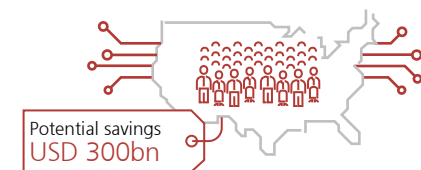
Healthcare generates 5% of all the data in the world. Healthcare data is estimated to reach 2.2 zettabytes by 2020 and 23 zettabytes by 2030.



Source: UBS, as of June 2018

Machine learning savings

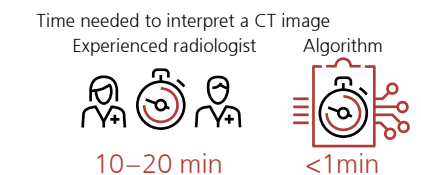
One study identified up to USD 300bn in potential savings in the US alone by integrating machine learning tools into population health forecasting.



Source: McKinsey Global Institute

Technology developments

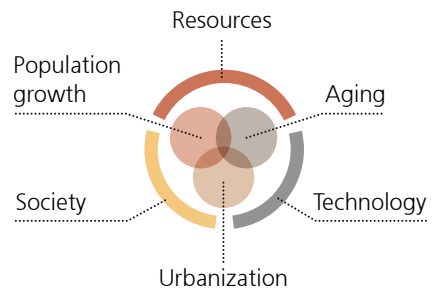
A CT image may take an experienced radiologist 10-20 minutes to read and interpret, but could be analyzed in under a minute by an algorithm.



Source: BAML



HealthTech investment properties



○ Influencer ⊗ Key drivers



Near-term drivers

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



Sustainable investing impact

- Access to healthcare
- Telemedicine



Impact investing (UN SDGs)

- SDG 3: Good health and well-being

