



PART 1  
**Future  
of Work**



PART 2  
**Digital  
Consumer**



PART 3  
**Food  
Revolution**



PART 4  
**Genomics  
and Telehealth**

## A Year of Transformational Change: the Future of Work

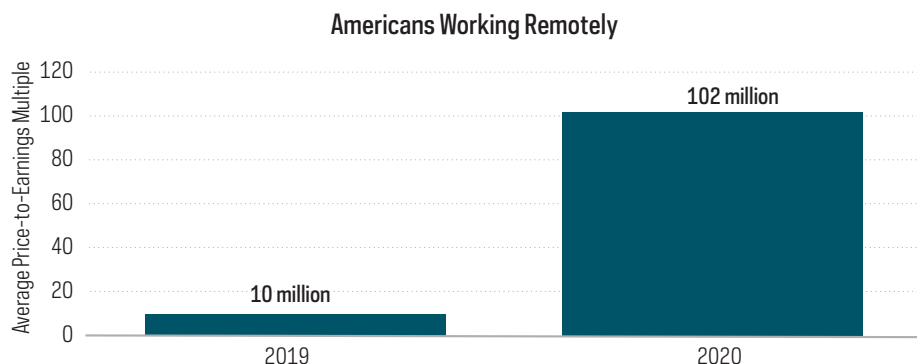
A year has passed since the World Health Organization labeled COVID-19 a global pandemic and some U.S. states implemented lockdown directives. For many, the early days of the coronavirus and stay-at-home orders are etched into collective memory, but the adverse circumstances paved the way for the acceleration of trends affecting how we work, take care of our health, and consume and connect.

We will be looking at these trends and the investment opportunities they could represent in a four-part series titled **A Year of Transformational Change**. Each part will cover one of the four themes captured by the ProShares MSCI Transformational Changes ETF (ANEW).

In this first part, let's explore what happened over the past year and what tomorrow holds for the **Future of Work**.

### Will Home Become the New Office?

With today's technology-based online collaboration tools, many in the workforce have made an effective transition to home as their new office, at least for now.



By April 2020, 62% of American workers had the ability to work remotely, compared to only 7% in 2019.

—Pew Research, March 2020;  
Gallup, April 2020

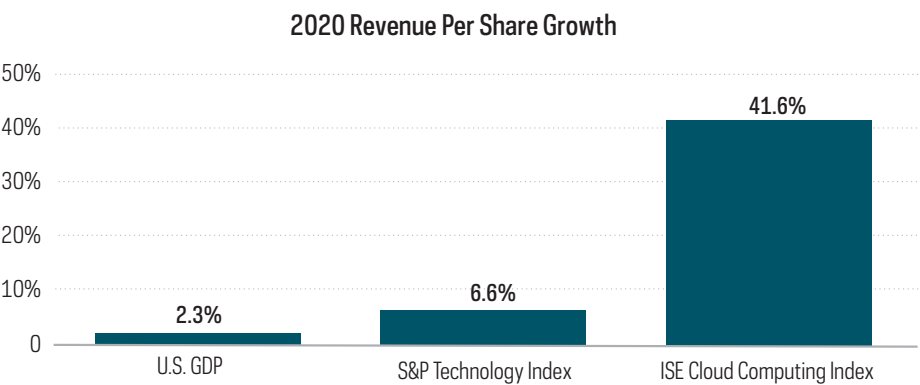
Source: Pew Research, March 2020; Gallup, April 2020

# THE FUTURE OF WORK

Widely available vaccinations could mean a return to the office, but nobody knows for sure. An October 2020 Cisco poll found 53% of global executives are considering reducing office space<sup>1</sup>, which could translate into huge savings especially in big-city markets. One way some companies could reinvest that money is into powerful new technology that could substantially change the way we work in the future.

## Will the Tech that Powered Us Through 2020 Continue to Accelerate?

Embracing technologies facilitating remote and socially distanced work—like video conferencing, cloud computing, robotics and more—shifted from novel exploration in 2019 to essential in 2020.



Sources: BEA.gov, Bloomberg

For instance, videoconferencing took off with Zoom’s daily meeting participation growing approximately 3000%, from 10 million in December 2019 to 300 million by April 2020.<sup>2</sup>

As people became increasingly reliant on digital lifelines for work and school in the past year, cyber intrusions and ransom attacks saw record attempts. As many companies morph into a technology business to remain competitive, the cybersecurity industry becomes increasingly important and companies such as CrowdStrike, CyberArk, and Fortinet could see strong growth.

<sup>1</sup> Cisco Systems, October 2020

<sup>2</sup> Zoom and CNBC, April 2020

Around 75% of employees want to keep the flexibility to work remotely at least two days a week.

—PwC poll, January 2021

75% of Fortune 500 CEOs plan to accelerate the technological transformation of their company.

—Fortune 500 Survey, May 2020

Attempted cyber intrusions and ransom attacks occurred every 39 seconds in 2020.

—Comparitech, February 2021;  
Forbes, March 2021

## THE FUTURE OF WORK

The pandemic brought other business risks, such as the interruption of supply chains in products ranging from meat to semiconductors. Companies needed to become more efficient and technologies such as machine learning, decision support tools, big data analysis, and the Internet of Things (IoT) helped navigate the difficult environment. A KPMG survey on artificial intelligence found that over half of respondents at 950 companies indicated that AI was fully or moderately functional, and the authors believed that growth in AI was a direct result of COVID-19.<sup>3</sup>

Global automation market is estimated to reach \$214B in 2021, up from \$185B in 2019.

—UBS CIO Global Wealth Management, February 2020

### Past Years' Value Adds Seem To Be Taking Greater Roles

The past year has seen some services and technologies once deemed peripheral move into the spotlight and become more central. Peer-to-peer and cashless transactions, such as PayPal's Venmo and Square, gained traction. Away from the limelight of bitcoin and cryptocurrency, blockchain is another technology that could find an array of uses as a secure, decentralized, distributed ledger. Innovative companies are even exploring the use of blockchain as a secure and transparent tool in areas from healthcare data to supply chain management.

In 2020, cashless businesses grew from 8% in March to 31% by April.

—Square, June 2020

In a year marked by turmoil and triumph, certainty has been hard to come by. That said, previous ways of thinking and working are giving way to new paradigms that may define the **Future of Work**. Embracing new work environments, such as cloud, remote and even virtual reality, more resilient services and supply chains, and non-traditional applications of powerful new technologies, is becoming an imperative in today's world of transformational change.

### Invest in Companies Involved with Transformational Changes

ProShares MSCI Transformational Changes ETF (ANEW) invests in companies that may benefit from transformational changes in how we work, take care of our health, and consume and connect—changes accelerated by COVID-19. ANEW tracks the MSCI Global Transformational Changes Index.

<sup>3</sup> Datanami, March 2021; ZDNet, March 2021

## Important information

As of 06/30/2021, ANEW holdings included: Zoom 0.31%, CrowdStrike 0.17%, CyberArk 0.09%, Fortinet 0.13%, Paypal 1.25% and Square 0.36%. Holdings are subject to change

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