



Evolve Cloud Computing Index Fund

DATA invests primarily in equity securities of companies located domestically or internationally that have business operations in the field of cloud computing.

Investment Thesis:

Cloud computing is revolutionizing every industry. Data is our most precious resource - the new oil.

Cloud computing advantages include:

- Cost reduction / time to market
- Global accessibility
- Easy to implement and upgrade
- Centralized security
- Saves energy

Cloud computing services include:

- Infrastructure as a Service (IaaS)
- Software as a Service (SaaS)
- Platform as a Service (PaaS)
- Games as a Service (GaaS)

MACROECONOMIC HIGHLIGHTS:

The current technological transformation will fundamentally reshape our future. IDC predicts that the investment in **direct digital transformation** will approach **\$6.8 trillion by 2023** as more companies go digital. A key driver of this digital shift is **cloud migrations**, which is both reducing companies IT spend and the number of related issues. The **intersection of the cloud and real-time data** is another key theme that is underpinning this technological change.

Biden's proposed infrastructure plan includes \$100 billion for digital infrastructure, with a focus on providing internet access across hard-to-reach parts of the country. In August, Forbes published that demand for cloud computing platforms continues to surge at **22.3% CAGR from \$229 billion in 2019 to \$500 billion in 2023.**

Cloud-based applications are allowing firms in all industries to **quickly launch products and innovate.** Firms can start viewing technology as a variable expense rather than a fixed one and can scale it up and down as needed.

Recent industries featured in cloud related articles:

• **Space:** In July, Satellite communications company LEOcloud announced it will partner with supercomputer company Ramon.Space to build satellite cloud computing devices for commercial and military customers. The technology will enable satellites to move, process and store data in orbit.

• **U.S broker dealers:** The transition to the cloud is changing the way broker dealers operate, by increasing efficiency, personalizing customer experiences, and analyzing large sets of data faster.

• **Healthcare:** In August, GoogleCloud published research that COVID-19 has rapidly accelerated the entire healthcare industry's digital transformation. GoogleCloud's tools and solutions aim to create real time data that can streamline operations and improve the quality of care of patients.



COVID-19 had fundamentally reshaped how physicians use technology day to day



90%

now use telehealth, compared to 32% pre pandemic.

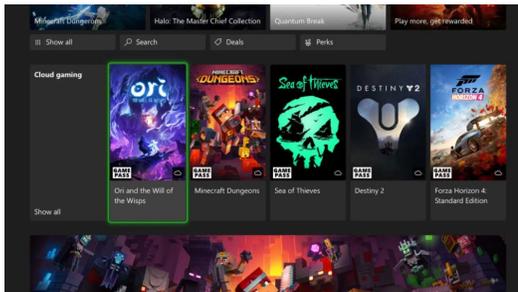


62%

say the pandemic has forced their healthcare organizations to make technology upgrades that normally would have taken years.

Company Specific News:

Microsoft: At the beginning of August, Microsoft launched its new cloud PC Windows 365 service and after only 1 day of signups had to pause free trials due to demand. The new windows 365 lets you rent a cloud PC and stream Windows 10 or 11 on a web browser. Also this month, Microsoft announced it will bring its cloud gaming services to Xbox consoles later this year. This will let players stream games instead



of having to download them onto a device. The company plans to eventually launch cloud gaming on TVs as cloud gaming is becoming a large part of Microsoft's strategy. On August 26th, Microsoft announced Charlie Bell, one of Amazon's veteran cloud executives, would be joining the firm. His role is still unclear, but the announcement comes as Microsoft Azure has been closing the gap with market leader AWS.

Salesforce: At the end of July, Salesforce closed the \$27.7 billion acquisition of Slack. In August, the company revealed the first integrations with Slack and SalesCloud. The acquisition will enable the company to better compete in the 'work-from-anywhere' space.



SOURCES:

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- <https://techcrunch.com/2021/08/17/after-spending-28b-salesforce-announces-first-direct-integrations-with-slack/>
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