

# 2020 Risk Radar: Telecommunications Sector

May 2020

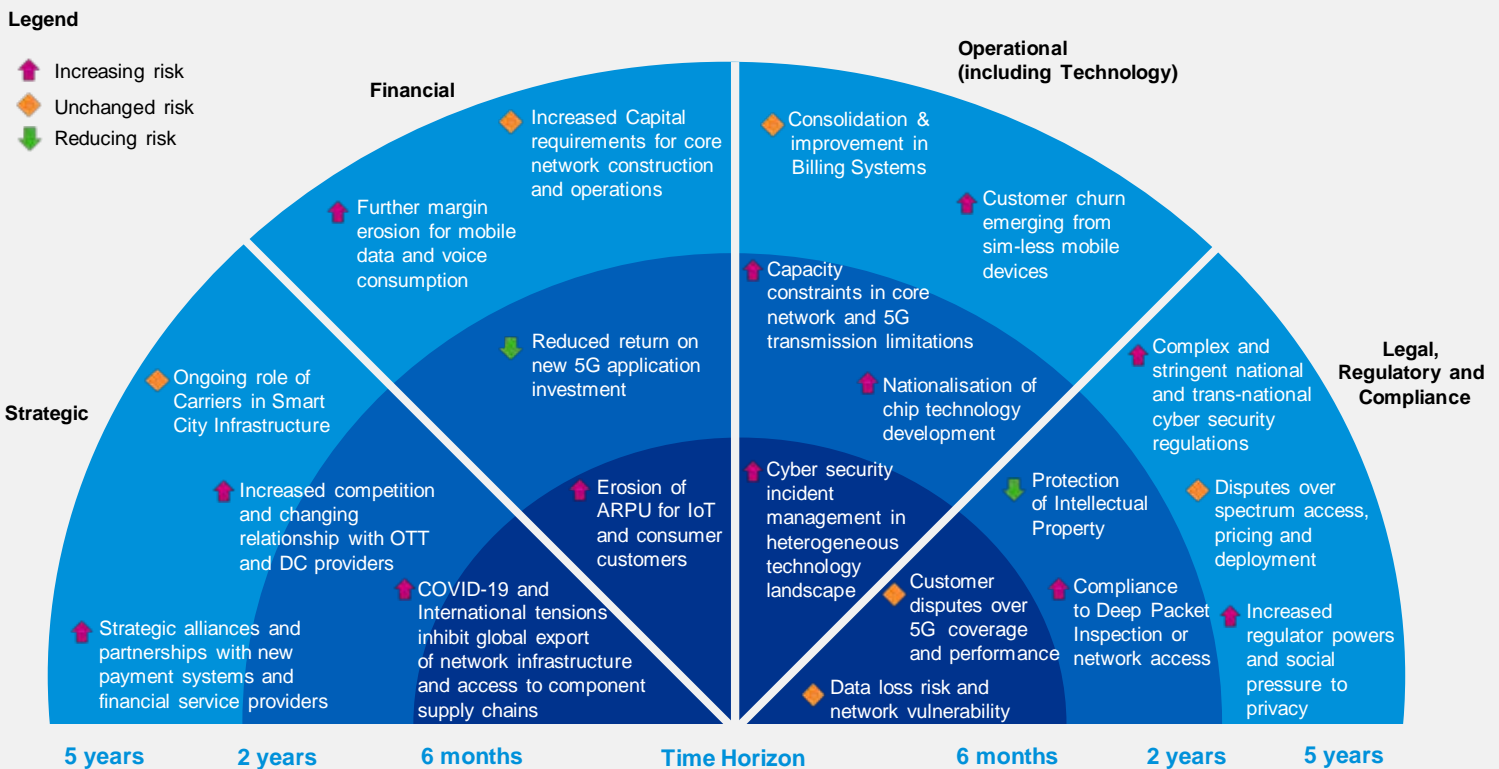
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The rollout of 5G, the US-China trade war and China's commitment to indigenise its chip technology through the Made in China Program – and the geopolitical and economic uncertainties surrounding these factors – continue to bring impact on the telecommunications sector. Despite the impact of COVID-19 to the 5G network construction in China and the Globe; however, the sector has quickly ramped up its production and installation capacity for 5G base stations in China. Key technologies such as big data, AI has also proved to be vital technologies to the monitoring of COVID-19 epidemic.



## Key trends observed in the market impacting the industry in the Greater China region:

- Growth in capital expenditures in 5G network construction and acceleration of production and installation of 5G network infrastructures by China telecom operators in spite of COVID-19 epidemic;
- COVID-19 epidemic increased customers' demand on digital and cloud-based services;
- Increased prospect of regulation and public scrutiny over role of carriers in AI and social media;
- International tension inhibits global export of network infrastructure;
- Increased digitalisation of workplace with remote working and business continuity planning (BCP) capabilities being tested;
- Emergence of digitalisation and a new generation of wireless network technologies; and
- Pressures to safeguard data security and improve regulatory compliance.



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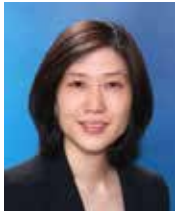
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