
From: Richard Kahn <[REDACTED]>
Sent: Monday, June 5, 2017 11:51 PM
To: Jeffrey Epstein
Subject: Fwd: Apple, Inc.: WWDC Highlights Expansion into AI and AR

Richard Kahn
HBRK Associates Inc.
575 Lexington Avenue, 4th Floor
New York, NY 10022
[REDACTED]

Begin forwarded message:

From: "/b>"Morgan Stanley" <ms-wmir@morganstanley.com>
Subject: "/b>Apple, Inc.: WWDC Highlights Expansion into AI and AR
Date: "/b>June 5, 2017 at 7:50:44 PM EDT
To: "/b>[REDACTED]
Reply-To: "/b><mswmir-cie-feedback@morganstanley.com>

<<http://www.morganstanley.com/img/cs/spacer.gif>>
<<http://www.morganstanley.com/img/cs/spacer.gif>>
<<http://www.morganstanley.com/img/cs/spacer.gif>>
<<http://www.morganstanley.com/img/cs/spacer.gif>> <<http://www.morganstanley.com/>>
Wealth Management

<<http://www.morganstanley.com/img/cs/spacer.gif>>
Apple, Inc.: WWDC Highlights Expansion into AI and AR

June 5, =017 11:45 PM GMT

Apple's WWDC Keynote focused =n expanding and enhancing AI/ML and AR/VR capabilities which can become =iller apps across the Apple ecosystem, in our view. Key to HomePod =doption will be AI capabilities vs. peers. We remain bullish ahead of =he iPhone Supercycle in FY18.

Machine learning and AR =ntegration key to OS updates. Apple announced updates to tvOS, watchOS =WatchOS 4), MacOS (High Sierra) and iOS (iOS 11) during the WWDC =eynote and the key to many of the software updates was increased AI/ML =ntegration and AR/VR functionality. For example, with WatchOS 4, Apple =ntroduced the Siri Watch Face, which Apple refers to as the =Intelligent Proactive Assistant" and features AI capabilities that =utomatically display data that is most relevant to the user. With MacOS =igh Sierra, Apple has integrated improved AI capabilities in the Photos =pp to improve facial recognition and selective color modification. And =astly, in iOS 11, Apple introduced a new Siri visual interface and =pdated SiriKit, which uses on-device learning to understand the context =or the apps you use and suggest future use cases or topics that might =e of interest to you, and then syncs these findings across all of your =pple devices. Ultimately, Apple wants to make these (and other) AI/ML =apabilities easy to incorporate into new apps, and therefore introduced =ore ML, which is a machine learning framework that app developers will =e able to use to enhance other AI/ML capabilities in iOS 11. On the AR =ront, Apple introduced and gave live demos of the new ARKit, a tool =hat will give app developers the capability to create new AR/VR-focused =pps in the future. Ultimately, we believe the heightened AI/ML and =R/VR focus of the new operating systems will help the 16M strong =eveloper community drive greater app development ahead of the =nticipated 10th anniversary iPhone, which will expand iPhone user =pend, improve customer stickiness and drive the 19% Y/Y services growth =equired to hit the

This alert is sent from:

Andrew Atlas, Andrew.Atlas@morganstanley.com

You received this because you requested =hat you receive content and reports from:
APPLE =NC.

Please contact your FA if you want to unsubscribe from the =lerts.

<<http://www.morganstanley.com/img/cs/spacer.gif>>

<<http://www.morganstanley.com/img/cs/spacer.gif>>

<<http://www.morganstanley.com/img/cs/spacer.gif>>

<<http://www.morganstanley.com/img/cs/spacer.gif>>

Disclosures:

Please see =he full report for risks, disclosures and other important =nformation.

Important disclosures regarding the =elationship between the companies that are referenced in Morgan Stanley =esearch and Morgan Stanley Wealth Management research are available on =he Morgan Stanley Wealth Management disclosure website at <https://www.morganstanley.com/online/researchdisclosures>.

Morgan Stanley Wealth Management Not Acting as Municipal =dvisor Morgan Stanley Wealth Management is not acting as a municipal =dvisor to any municipal entity or obligated person within the meaning =f Section 15B of the Securities Exchange Act (the "Municipal Advisor =ule") and the opinions or views contained herein are not intended to =e, and do not constitute, advice within the meaning of the Municipal =dvisor Rule.

Copyright

The copyright in materials provided by Morgan Stanley is owned by Morgan Stanley & Co. LLC. Morgan Stanley Wealth Management is the trade name of Morgan Stanley Smith Barney LLC, a registered broker-dealer in the United States.

© 2017 Morgan Stanley Smith Barney LLC. Member SIPC.

[<http://www.morganstanley.com/img/cs/spacer.gif>](http://www.morganstanley.com/img/cs/spacer.gif)

[<http://www.morganstanley.com/img/cs/spacer.gif>](http://www.morganstanley.com/img/cs/spacer.gif)

[<http://www.morganstanley.com/img/cs/spacer.gif>](http://www.morganstanley.com/img/cs/spacer.gif)

[<http://www.morganstanley.com/img/cs/spacer.gif>](http://www.morganstanley.com/img/cs/spacer.gif)

[<http://www.morganstanley.com/img/cs/spacer.gif>](http://www.morganstanley.com/img/cs/spacer.gif)

[<http://www.morganstanley.com/img/cs/spacer.gif>](http://www.morganstanley.com/img/cs/spacer.gif)

[<http://www.morganstanley.com/img/cs/spacer.gif>](http://www.morganstanley.com/img/cs/spacer.gif)

=