BearBull Global Investments Group

MACRO RESEARCH INSIGHT

CROSS-ASSET ANALYSIS — *ROBOTICS & AI*

October 2026



ROBOTICS: THE FUTURE OF ARTIFICIAL INTELLIGENCE – Part 1

- ✓ China: the largest market and manufacturing hub
- ✓ Humanoids: a nascent market with extraordinary prospects

ROBOTICS: THE FUTURE OF ARTIFICIAL INTELLIGENCE – Part 1

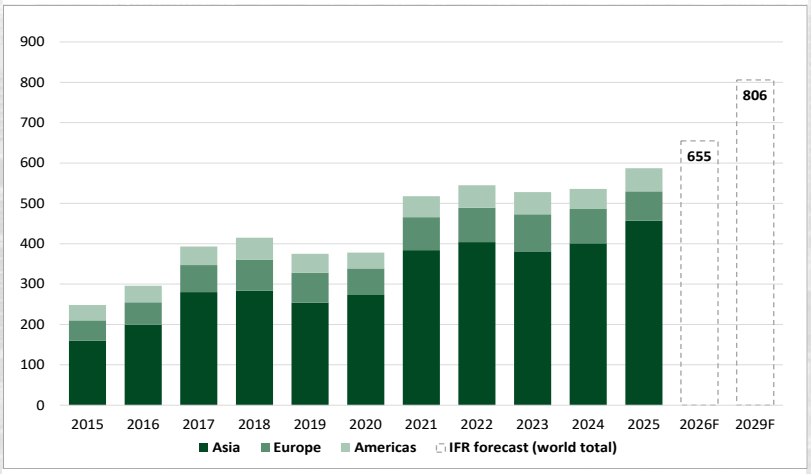
Physical AI Drives Tech Evolution

Generative AI is transitioning from software models to physical AI, embedding algorithms directly into hardware. Current global market installations stand at $18.6 billion, marking an early entry point comparable to cloud computing and semiconductors. As component costs decline, actuator dexterity improves, and autonomous learning advances, robotics is expanding beyond automotive lines into healthcare, logistics, and services. Consequently, pairing software intelligence with physical bodies realizes the physical AI economy. This transformation will fundamentally reshape global industrial automation.

Record Installations Driven by Demand

Global industrial robot installations reached an all-time high of 603,000 units in 2025, an 11% year-over-year surge that ended four years of stagnation and pushed the installed base past 5 million units. Growth was driven by broad manufacturing demand across electronics (142,000 units), automotive (138,000 units), and metalworking sectors (109,000 units). Furthermore, lightweight collaborative robots grew to 66,000 units, expanding automation access for small and medium-sized enterprises. Projections indicate installations will rise to 655,000 units in 2026 and reach 806,000 by 2029, underpinned by aging demographics, labor shortages, and industrial reshoring.

Annual installations of industrial robots ('000 units)



Sources : Bloomberg, BBGI Group

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China Dominates Deployment and Manufacturing Supply Chains

Asia accounts for 76% of global robot installations, led by China, which installed 354,000 units in 2025 (+20%) to capture 59% of the world total. Domestic Chinese manufacturers now command over half of their local market, challenging historical dominance by European and Japanese suppliers. While North American installations grew 12% to 38,400 units due to reshoring initiatives, China maintains a significant density growth runaway with only 166 robots per 10,000 manufacturing workers, compared to South Korea's 1,220. Additionally, China serves as a critical manufacturing hub for humanoid robotics, enabling production costs near $46,000 per unit versus $130,000 without its local supply chain.

Commercial Expansion Past Industrial Bounds

Integrating computer vision, force sensors, digital twins, and foundational AI models allows robots to dynamically navigate and adapt to human-designed environments without requiring facility re-engineering. Major technology and automotive firms, including Tesla, Boston Dynamics, Figure AI, Agility Robotics, UBTech, and Unitree, are actively scaling pilot deployments. While adult-sized humanoid sales reached approximately 7,000 units in 2025, broader professional service robotics expanded 24% to 250,000 units, led by medical surgery (+57%) and logistics (+21%). Consequently, the global robotics technology market is projected to reach $125 billion in 2026 and expand to $223 billion by 2030.

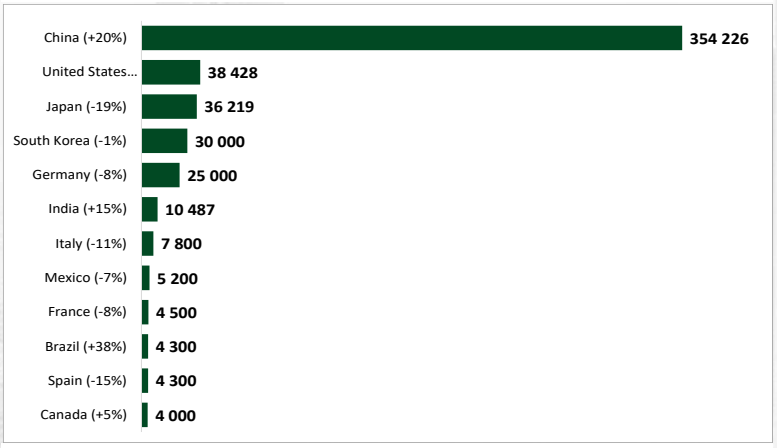
Strategic Capital Targets Humanoid Scale

Long-term addressable market projections for humanoid robotics range from $38 billion by 2035 (Goldman Sachs) to $5,000 billion by 2050 (Morgan Stanley), highlighting the transformative scope of physical automation. In response, global manufacturers are securing early hardware supply and building dedicated manufacturing capacity to achieve commercial scale. For instance, Hyundai is directing 2026 production of its Boston Dynamics Atlas humanoid toward internal manufacturing facilities and Google DeepMind testing, ahead of opening a dedicated production plant in Georgia by 2028. Moving forward, early capital deployment across component supply chains and physical AI models will define competitive positioning in the sector.

Structural Density Supports Future Growth

Despite rapid deployment across major industrial economies, global manufacturing automation density remains structurally low, creating a multi-decade growth runway for physical AI adoption. With even leading industrial markets showing wide disparities in robotic adoption per capita, expanding automation into non-traditional sectors remains in its infancy. As component costs normalize and software intelligence generalizes across complex tasks, adoption curves are expected to accelerate across both industrial and commercial applications. Ultimately, physical AI is positioned to address persistent macroeconomic labor shortages while driving efficiency gains across the global economy.

Installations 2025 by country (units, change y/y)



Sources : Bloomberg, BBGI Group

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