



### Investing in Intelligence: AI's Transformative Impact

What if you could invest in a technology that has the potential to revolutionize every industry, from healthcare to finance, transportation to manufacturing? That technology is Artificial Intelligence (AI), and it is rapidly transforming the world as we know it. AI is the ability of machines to think and learn like humans, making decisions and taking actions autonomously based on data and patterns they've been trained to interpret and understand. We like to think of AI as a super-powered assistant that can learn, adapt, and perform tasks at an unprecedented level. Just like a human assistant who becomes more skilled and efficient over time through experience and training, AI systems can continuously improve their capabilities by ingesting vast amounts of data and learning from it.



Now, this sounds very impressive, but how exactly can AI be used in practice? While the use cases will inevitably expand over time, AI can currently be employed to help automate routine tasks, enhance data analysis, accelerate medical discovery, assist with writing and content generation, predict maintenance needs in manufacturing, streamline call center efficiency, improve bank fraud detections, and more. For example, the National Bureau of Economic Research found that call center agents utilizing AI saw on average a 14% increase in issues resolved per hour while lower-skilled workers saw a dramatic 34% improvement. Many more studies like this illustrate the immense capabilities that AI can bring to workers across different industries.

Companies are currently racing to build the necessary infrastructure needed to power AI, and we are still early in the timeline of that buildout. This involves upgrading data centers, expanding cloud capabilities, and developing new AI software and tools. There are some questions about when, if ever, companies will earn a profit from AI products and services, as thus far the benefits have accrued to a select few companies. This will be crucial for the technology's longevity and is something we are monitoring very closely.

Concerns have been raised that AI will lead to substantial job losses as computers take the place of humans. We believe that AI will serve in the form of human augmentation where computers work with humans, leading to massive productivity gains. During the Industrial Revolution, the introduction of factories and machines to replace manual labor initially sparked concerns about widespread job losses but ultimately led to the creation of new industries and roles, such as machine operation and management, and the overall economy grew, generating new job opportunities. The advent of personal computers and software was predicted to make many office jobs obsolete, but it ultimately led to the creation of entirely new industries and job categories in technology, programming, and digital services. As AI continues to transform industries and revolutionize the way we work, it's clear that the future is bright – and human. By embracing AI as a tool to augment our capabilities, we can unlock new levels of productivity, innovation, and growth.

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