

AI Stocks to Watch as Investors Look to Ride the Next Technology Wave

written by InvestorNews | April 26, 2023

Fears of artificial intelligence in androids, massive computer facilities, and other devices taking over the world are not stopping investors from searching for ways to make prudent investments.

From AI and automation to robotics, nearly every industry is undergoing disruption. Over the past few months, the world has witnessed significant advancements in AI technology, such as the release of chatbots and image, art, and music generators for public use.

Generative Artificial Intelligence

Generative Artificial Intelligence (Gen AI) is a branch of artificial intelligence that uses machine learning algorithms to create new and original content, such as computer code, images, music, speech, or text. It works by using a training algorithm and 'learning' on a large dataset of examples, then using that training to generate new content that is similar to the original examples.

Most recently, the chatter around Gen AI has been brought to the forefront by the web-based Chat Generative Pre-trained Transformer, or as it is more widely known, ChatGPT, from [OpenAI, L.L.C.](#) OpenAI is a privately-held company with investors including [Microsoft Corporation](#) (Nasdaq: MSFT), [Khosla Ventures](#), [Y Combinator](#), and Guangzhou Cornerstone Asset Management Co.

It has many applications and benefits for various industries, such as entertainment, education, finance, health care, marketing, media, pharmaceuticals, and security.

Some of the leading public companies by market cap that operate in the broader AI and Gen AI industry are:

Microsoft Corporation (Nasdaq: MSFT) – Market Cap US\$2.20 Trillion

[Microsoft](#) offers cloud computing, software, and hardware products and services, such as Microsoft Azure and Microsoft Cognitive Services. Microsoft's Azure AI is a collection of AI services that offers developers and data scientists the ability to build and deploy their own AI solutions using high-quality vision, speech, language, and decision-making AI models through simple API calls, and create their own machine learning models using familiar tools and open-source frameworks

Alphabet Inc. (Nasdaq: GOOGL) – Market Cap US\$1.32 Trillion

[Alphabet](#), best known for its Google search engine, provides internet-related products and services, such as Google Cloud and Google AI. Google Cloud recently announced generative AI offerings that let developers tap into Google's foundation models, search expertise, and conversational AI technologies to create enterprise-grade generative AI applications. Google also offers its own [Bard chatbot](#).

Amazon.com, Inc. (Nasdaq: AMZN) – Market Cap US\$1.08 Trillion

[Amazon](#) operates e-commerce, cloud computing, and artificial intelligence platforms, such as Amazon Web Services (AWS) and

Amazon Alexa, and offers pre-trained AI Services to integrate into customer applications and workflows.

NVIDIA Corporation (Nasdaq: NVDA) – Market Cap US\$664.7 Billion

[NVIDIA](#) produces graphics processing units (GPUs) and artificial intelligence platforms, such as NVIDIA Omniverse and NVIDIA Clara. According to a report by research firm TrendForce, ChatGPT will require as many as 30,000 NVIDIA GPUs to operate, which costs between \$10,000 and \$15,000 for each GPU. As AI becomes more mainstream, NVIDIA looks to benefit from the GPU demand.

Meta Platforms, Inc. (Nasdaq: META) – Market Cap US\$537.2 Billion

[Meta](#) operates social media platforms and applications, such as Facebook, Instagram, and WhatsApp. It also develops artificial intelligence products and services, such as Facebook AI Research and Facebook Reality Labs.

Adobe Inc. (Nasdaq: ADBE) – Market Cap US\$116.5 Billion

[Adobe](#) provides software products and services for digital media creation and marketing, such as Adobe Creative Cloud and Adobe Sensei. Adobe Sensei is an artificial intelligence and machine learning technology developed by Adobe that powers its Creative Cloud suite of applications and uses AI and machine learning to automate tasks such as organizing, editing, and producing content.

International Business Machines Corporation (NYSE: IBM) – Market Cap US\$114.3 Billion

[IBM](#) provides IT solutions and services, such as IBM Cloud and IBM Watson. It also develops artificial intelligence products and services, such as IBM Project Debater and IBM AutoAI. In 2011, IBM's supercomputer Watson beat competitors on the popular game show Jeopardy!

Final thoughts

The AI field is growing rapidly and has numerous applications in various industries. Major players offer a range of AI products and services, from cloud computing to chatbots and image, art, and music generators. NVIDIA, in particular, is poised to benefit from the increasing demand for GPUs as AI becomes more mainstream. Despite concerns about AI taking over the world, investors are eagerly searching for ways to invest in this space.