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

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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.

Is Elon Musk turning Twitter's eagle into a turkey?

written by Stephen Lautens | April 26, 2023

With his takeover of Twitter, Musk has proven himself to be more of an agent of chaos than a disrupter. Disrupters have been celebrated as the innovators and drivers of the new economy, blazing new trails and finding new markets, but as Twitter users, employees and advertisers have discovered in the last few weeks there is a big difference between disruption and wholesale carnage.

Since his takeover of Twitter for $44 billion Musk has forgotten the cardinal rule of takeovers and senior management changes – don’t do anything for a few months. Unless there is an absolute crisis, the best thing new management can do is nothing at all. In a buy-out, this is the time to learn about your new toy and reassure your clients and employees that all is well. From this base of stability and knowledge, changes and innovations can be slowly introduced without destroying the company.

This is not, however, Elon Musk’s way. On day one he posted a tweet of himself walking into Twitter HQ carrying a kitchen sink, saying: “Entering Twitter HQ – let that sink in!” He immediately began making untested changes to the platform, making major policy announcements in real time via tweet and then immediately reversing himself, firing and rehiring key staff, and generally trolling Twitter users and the world from his new platform. He fired CEO Parag Agrawal, CFO Ned Segal, and policy chief Vijaya Gadde in the first couple of weeks.

The result has been a rush for the door, both in long-time users and advertisers. Twitter has (or had) roughly 450 million monthly active users. In FY 2021 advertising services generated USD $4.5 billion for Twitter, or about 89% of its revenue. As a result of the chaos and criticism of Twitter’s rudderlessness, advertisers have canceled or “put on pause” their ad buys. To date these include General Mills, the Volkswagen Group, General Motors, Pfizer, United Airlines, Audi, Farvel, and Carlsberg. Their concerns are not just about a drop in Twitter users, but also “concerns about a rise in misinformation, hate speech, and other distasteful content under his watch.”

This is also a major concern for thousands of marketing specialists, investor relations professionals, journalists, media and others who support and report on the small to medium cap public markets. In a few years Twitter has become a cornerstone for companies getting their stories out to a wider audience through press releases, corporate updates, CEO interviews and presentations. Facebook and LinkedIn are also part of the social media ecosystem, but reach and serve different markets.

It is also not just about audience size. According to its public filings, Twitter:

"…creates tailored advertising opportunities by using an algorithm to make sure promoted products make it into the right users' timelines, search results, profile pages, and Tweet conversations. Advertisers have the ability to target an audience based on multiple criteria. Twitter provides ways for advertisers to build and grow an audience interested in the products or services they are offering. Advertisers also have the option to pay for ads that will appear at the top of the trending-topics list or timeline."

If Twitter crashes and burns companies and investor relations professionals will be faced with a fragmentation of their social media buys. Facebook has far more users than Twitter (with roughly 2.96 billion monthly active users as of Q3 2022) and uses its own ad targeting algorithms, but reaches a different audience than Twitter. For business, Twitter's value in the space is as an aggregator of users, particularly journalists and media outlets, and no other similar platform comes close to its audience. Mastodon and CounterSocial are popular destinations for people fleeing Twitter, but they are both small, ad-free, appeal to different demographics, and it will be a long while before they accumulate an audience or for companies to re-create their hard-won audience of Twitter followers.

It may well be, in the phrase often attributed to Mark Twain, that reports of Twitter’s death are greatly exaggerated. The brand, the technology and the market are all valuable properties. Maybe not worth $44 billion by the time Musk is finished with his capricious vanity meddling, but a valuable property nonetheless. Musk may have put up a lot of money from the sale of his Tesla shares, but the financiers who put up the rest of the funding for the buyout will have something to say seeing their investment evaporate. Major banks, including Bank of America, Barclays, BNP Paribas, Mizuho, Morgan Stanley, MUFG, and Societe Generale committed to giving Musk $13 billion for the acquisition. Morgan Stanley alone has contributed nearly $3.5 billion for the acquisition. There will be a point when they demand that Musk stop running with scissors.

Companies and their marketers are holding their collective breath as they watch one of their most useful investment relations tools speed towards the cliff, wondering what they will replace it with.

In the words of Elon Musk in a tweet addressed specifically to his “Dear Twitter Advertisers” on October 27th who were jumping ship:

“Fundamentally, Twitter aspires to be the most respected advertising platform in the world that strengthens your brand and grows your enterprise… Let us build something extraordinary together.”

It may still be possible, if he can restrain himself for five minutes in his reckless campaign to tear it down.

Monetizing the Metaverse: Where’s the money?

written by Stephen Lautens | April 26, 2023

Last week some of the major players in the Metaverse joined together to form the Metaverse Standards Forum, which, as the name suggests, aims to set compatibility to make it easier for developers to build across platforms. Standards are important in the early days of tech development to prevent niches and dead-ends (think Betamax and Laserdiscs), which is why Meta (Facebook), Microsoft, Epic Games, Adobe, Nvidia, Sony and others have joined together to create industry standards. Conspicuously absent is Apple, which may yet adhere to the Forum’s standards, or may – as Apple does – choose to go its own way.

Nick Clegg, Meta’s President of Global Affairs, wrote last month in a blog post: “Like the internet, the metaverse will be an interconnected system that transcends national borders, so there will need to be a web of public and private standards, norms and rules to allow for it to operate across jurisdictions.”

There are clearly big plans for the Metaverse, but how big is the Metaverse business? There are lots of estimates to choose from. A recent study projected the global Metaverse market to grow from US$100.27 billion in 2022 to US$1,527.55 billion by 2029. If you still think the Metaverse is just a gaming platform or just for kids, keep in mind that the Metaverse Standards Forum founding members Meta, Microsoft, Epic Games, Adobe, Nvidia, and Sony have a combined market cap of over $3 trillion and have invested billions of dollars in Metaverse development and commercialization.

That is a lot of money going into the Metaverse, but how do you get money out of it? Investors can always buy stock in companies that are themselves investing heavily in Metaverse development. At the moment the biggest name is unquestionably Meta Platforms, Inc. (NASDAQ: FB), previously known as Facebook. Another is 3D content creation leader – and Metaverse Standards Forum founder – NVIDIA Corporation (NASDAQ: NVDA) with its own Omniverse Enterprise. Another is Roblox Corporation (NYSE: RBLX), with a $20 billion market cap and its own version of a metaverse platform that has already hosted virtual concerts that have attracted as many as 33 million viewers to Lil Nas X’s show on their platform.

The Metaverse is essentially an event space, whether it is games or concert events. According to Forbes, concerts in the Metaverse are already making artists millions – as much as [$20 million for a single show](). And for those who dismiss “games” as a serious source of revenue, the gaming industry generated almost [US$201 billion in revenue in 2021]() and is anticipated to reach about $435 billion by 2028. Metaverse Standards Forum founder Epic Games just completed a $2 billion fundraising round for games development that included Sony Group and LEGO Group owner Kirkbi.

There are hundreds of companies now selling virtual “real estate”. Much like the millions a good [internet domain name]() can cost, companies are staking out and building Metaverse destinations. In just the month of November 2021 alone, two of the leading digital real estate companies – Sandbox and Decentraland – earned [revenues of about $180 million]() from virtual land sales in the Metaverse.

On a smaller scale, there is a new, growing service sector to support the Metaverse. There are world-builders and studios that create and trade in virtual assets, such as custom Metaverse locations, avatars, wearables, virtual real estate and the now notorious NFTs. NFTs, or non-fungible tokens for unique digital art and assets, seem to have peaked last year and are now on the decline, however in 2020/21 investors reportedly spent US$183 million on the top 10 NFTs, with the most expensive single NFT selling for over $69 million. The era of NFT art as an investment seems to have passed, or at least suffered a sharp decline, leaving many owners wondering what were they thinking.

Notwithstanding the apparent faddishness of NFTs, the Metaverse will require an army of content creators and back-end e-commerce support, much like the early days of web commercialization. It will be an emerging platform for companies to showcase their products, engage shareholders, promote their brands and share news and corporate development. It can be a 24/7 interactive trade show. Like any other promotional asset, it will require updating, new content, and support to keep it fresh and meet changing corporate and stakeholder needs.

Like any new corporate tool, the Metaverse will initially be seen as an annoyance and cost center by many who will reluctantly be forced to adopt it, the way the telephone, fax, email, websites, and recently Zoom, were seen as necessary evils before they became staples of corporate existence.

Will early adopters profit from the Metaverse? Some certainly will, however, like the early days of the internet and e-commerce, it can be hard to pick winners this early in the race. Remember Amazon and Facebook were widely dismissed early on as having no business model and years of unprofitability. The adoption of Metaverse standards will help sharpen the focus for both investors and early adopter companies looking to the future.

Meet You In The Metaverse

written by Stephen Lautens | April 26, 2023

I am admittedly new to the Metaverse. However, the opportunities presented by the metaverse as a powerful corporate tool are already clear to see.

Many companies still struggle with creating and maintaining websites. Some companies, particularly in the mining sector, consider websites a necessary evil and cost centre instead of the important IR tool that they are. A website is still the first point of contact for an investor or shareholder in making an investment decision. And while they are prettier than they were in the year 2000, they still contain the same basic elements of text, pictures and links. The metaverse is poised to change all that.

As Morgan Stanley [explains](), the “metaverse blurs the lines between our physical and digital lives, potentially transforming advertising, e-commerce, entertainment and education.” It is an immersive, interactive experience that creates a virtual environment where visitors can learn, explore, and participate in events and presentations in a whole new way. While the leading users of the metaverse are currently entertainers and gamers (Disney is working on a Metaverse theme park, and Roblox’s Lil Nas X show had a viewership of 33 million), Microsoft, IBM, Facebook, Google and Apple are all investing heavily in the metaverse for a wide variety of applications and users. Brands like Nike, Gucci, Louis Vuitton, and Tommy Hilfiger all have had metaverse-based marketing campaigns, and retailers are making major investments in metaverse ‘real estate'.

It is important to think about the metaverse as a platform or infrastructure for future business and entertainment, and not simply a "place". Like the web or internet, it is a vehicle for many different activities, the same way that the internet made possible both e-commerce and the sharing of cat videos. As Bloomberg Intelligence Industry Analysts Matthew Kanterman and Nathan Naidu observed, the "metaverse is the next big technology platform, attracting online game makers, social networks and other technology leaders to capture a slice of what we calculate to be a nearly $800 billion market opportunity." It will get its next big boost as Facebook's Horizon Worlds mobile phone version launches later in 2022, removing the requirement for VR goggles.

The metaverse will also prove disruptive for traditional investor relations and capital markets. It is already being used for presentations and annual meetings. It is a way to explore an interactive trade show that never closes. While there is a novelty that will surely wear off as it becomes more common, its ability to put people face-to-virtual-face, or transport an investor to an interactive factory floor or mine site, will eventually become as common as a corporate website.

A little more than 20 years ago there was a new gold rush for domains and internet technologies that made some companies and individuals very rich. Some of them were people who simply jumped blindly on the dot-com bandwagon, but others saw the business potential of the new platform. While some failed when the greed far outstripped the reality, it also gave birth to the new economy that underpins almost everything businesses do today. It has become the water in which we swim. Like goldfish, sometimes we are not even aware of the medium that surrounds our daily lives as we reach out to the world and each other with our mobile devices. Companies like Amazon and Facebook got their start while traditional economists and analysts questioned their business models and future profitability.

InvestorIntel already has its own metaverse platform in development, joining this bold new frontier as Investor Meta World, bringing capital market companies to this platform. Stay tuned for our ten client pilot projects and our own World at PDAC. Here's a sneak peak – https://youtu.be/iXNrKbcUyg8.

At one time the internet was the playground of kids. Twenty five years later, some of those kids are investing the millions (sometimes billions) they made in the next big thing. Many are betting big on the metaverse, or more specifically, individual projects within the metaverse – whether it is e-sports, online casinos, social media, games, entertainment, advertising or PR, or more traditional business.

See you in the metaverse.

The race to 'borrow' your financial Information is on.

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"That kind of surveillance is basically the business model of most of the tech giants. That Wall Street Journal story is interesting because it shows how Facebook is actively cultivating relationships with traditional banks and hoping to get its hands on your financial information. There are a couple of goals that they have there. Of course, they are not alone;

Google and Amazon are trying to get into that business as well, which is first and foremost to use financial information that has been revealed to them to target ads." States James Slaby, Senior Manager, Product Marketing at Acronis, in an interview with InvestorIntel Corp. CEO Tracy Weslosky.

Tracy Weslosky: Your publicist wrote me a note with; The Wall Street Journal is reporting that there has been a bigger battle between Facebook and financial firms, bigger than the public ever knew. Okay, let us start with that James. What is the big thing that we should all be worried about?

James Slaby: As you all know companies like Facebook and Google are in the business of harvesting information about you that you, kind of, willingly give up in return for the services, like search and the ability to share information with your social networking friends. They take that information about you and sell it to their advertisers who use it to cleverly target ads at you to get you to buy stuff or influence your political views and so forth.

Tracy Weslosky: You know we work in the stock market. There is a lot of websites where I tell people all the time, do not go to information sites where you provide your username and password because they are creating algorithms and what you are in to and what shares you want to buy, what stocks you are interested in. We are big advocates for personal privacy. Can you tell me if I am correct or am I just creating fear where there should not be any?

James Slaby: No, you are absolutely correct. That kind of surveillance is basically the business model of most of the tech giants. That Wall Street Journal story is interesting because it shows how Facebook is actively cultivating relationships with traditional banks and hoping to get its hands on your financial information. There are a couple of goals that they have there. Of course, they are not alone; Google and Amazon are trying to get into that business as well, which is first and foremost to use financial information that has been revealed to them to target ads. Increasingly also they want to get into the traditional banking business and effectively go after things like the payment system, lending, providing financial information to you, fraud alerts, and so forth.

Tracy Weslosky: I will tell you, what you do is fascinating. We could literally have you on once a month. Because I want to jump to one of the rumors we had here at InvestorIntel a couple of months back was, Tracy do not run any stories with cryptocurrency in the title or put any emails to your friends with that you are going to have an audit with your taxes at the end of the year. This is the type of fearmongering that is happening out there. I know you actually can speak to cryptocurrency as well. Can you comment on this for us?

James Slaby: Certainly. There are a couple of things that are fascinating about cryptocurrency. One is that it is making inroads as an alternative to traditional fiat currencies, but if you are not familiar with it, it is basically an online currency that uses blockchain technology. Think about it as very complicated cryptographic mathematics to be able to verify the financial exchanges…to access the complete interview, click here