

# Our insights on investing in artificial intelligence

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*Investors have been looking for investment opportunities in artificial intelligence. Which companies may succeed? Our experts weigh in.*

## Our insights on investing in **artificial intelligence**



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### Our insights on artificial intelligence investing


We sat down with three of our technology experts to get their thoughts on the opportunities in artificial intelligence (AI). Panel participants include:



**Paul H. Welch**  
CIO, Global Investments,  
Equity Team Lead, Technology



**Rajiv Dering**  
Senior Advisor,  
Technology



**Rahul Sharma**  
Senior Portfolio Manager,  
Technology

**AI has become top of mind for investors and the market more broadly. What has been the driver of this narrative shift?**

**Rajiv Dering:** People have been trying to model human intelligence in computer systems for 30-plus years. We're interested now in the combination of combining direct connectivity and storage—more like the fundamental trading stocks. On the compute side, we want both silicon, to tens of millions, to hundreds of millions, to billions of operations. So compute power has increased exponentially. We're talking about connectivity, we're now shipping switches that are capable of supporting 20.8 terabits per second (one terabit is a trillion bits per second). And now we're going to start shipping 32.2 terabit switches. And then you've had a coincident increase in memory capacity.

This combination allows you to run the calculations required for AI. If you don't do it, AI doesn't do just billions and billions of calculations, just simple logic, simple multiplication. But you need to do many times and then you need to bring that back. The calculation isn't complex. It's just the number of nodes needed to process it is massive.

**Rahul Sharma:** Artificial intelligence has been topical for several years, but the inflection started to happen last year when companies like OpenAI demonstrated they had the computing power and the data to harness more performance from deep neural networks. OpenAI released ChatGPT in late November for public use, which received widespread media coverage and investor interest.

**Paul Welch:** ChatGPT is ChatGPT was the opening salvo. And then it turned out there's a whole lot of other stuff that Microsoft had invested \$10 billion to open a computing cloud in OpenAI, and that opened a lot of eyes.

**Sharma:** I should say that while it seems like AI is a new thing, it's not new to us. It's something we've been researching and investing in for many years with the help of the deep bench of central research analysts at Columbia Threadneedle Investments.

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