



Six key AI themes that you missed while you were at the beach

#PositiveImpact

Even hype needs a summer break – and the frenzy around Artificial Intelligence was no exception. But six important themes began to emerge as a revolution-in-waiting takes shape.

1. AI was the elephant in the earnings room

AI made an appearance on almost every earnings call over the summer, even if it did not show up in the numbers. The focus was on the pace of innovation and monetisation. S&P 500 companies have mentioned "Generative AI" more than 750 times on earnings calls this quarter – compared with almost never a year earlier.

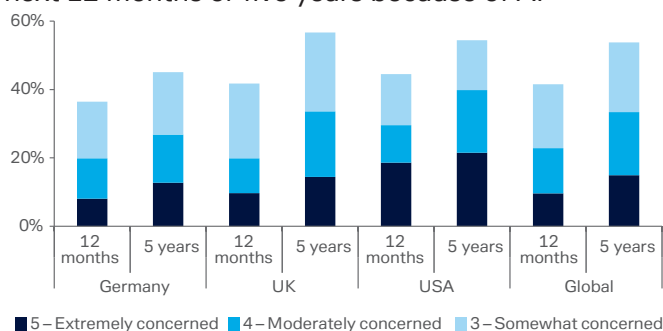
2. Another day, another launch

The past couple of months have seen a gradual professionalisation of ChatGPT, with new applications allowing third-party developers and companies to make the most of it. The field of competitors also widened. Perhaps most importantly, Meta unveiled Llama 2, an open-source large language model freely available for almost anyone to customise.

3. Your job is safe... for now

Concern about AI continued to rise, playing a starring role in the Hollywood writers strike. Our exclusive dbDIG survey found that one fifth of Americans are extremely concerned that AI will force them to look for a new job within the next 12 months. However, the International Labour Organization said AI is likely to augment rather than replace most white-collar jobs, with the notable exception of clerical work.

Share of respondents concerned that they will need to look for a new job within the next 12 months or five years because of AI



Source: dbDIG, Deutsche Bank

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4. Policymakers are catching up on AI threats

Policymakers and regulators are beginning to focus more intently on understanding AI and how to curtail threats such as misinformation. US lawmakers held the first of a series of expert forums this month with a view to proposing bipartisan legislation. The current US approach of using existing laws to oversee AI contrasts with the more prescriptive approach of the EU, whose AI Act is set to pass by year-end.

5. It's a bull market for contrarians

Critics of AI jumped on the news that ChatGPT's performance was slipping and that its visitors fell for a third month after peaking at 1.8 billion in May. However, ChatGPT is most popular with students who are now back from their summer break. And its 1.4 billion visitors in August still make it the 28th most popular website in the world, according to Similarweb – not bad for a site that didn't exist a year ago.

6. No AI is an island in today's geopolitics

AI became increasingly entangled in the great decoupling between the US and China. The US announced restrictions on exports of the most sophisticated processing chips to China, citing national security concerns. China responded by stepping up investment in its own alternatives, while a number of Chinese companies launched their own chatbots.

What does this all mean? AI is being forced to grow up fast – and how it develops in the next few months will set the tone for years or even decades to come.

Clients of Deutsche Bank Research can access the full report [here](#).