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NAVIGATING
CHANGE

The Power of “I Don’t Know”

James Bennett

2026

MEET +HE
Managers





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CHANGE

A GUIDE TO INVESTING IN AI

James Bennett
Global Equity Analyst

THREE OPTIONS FOR EVERY QUESTION

Is AI a bubble?

YES

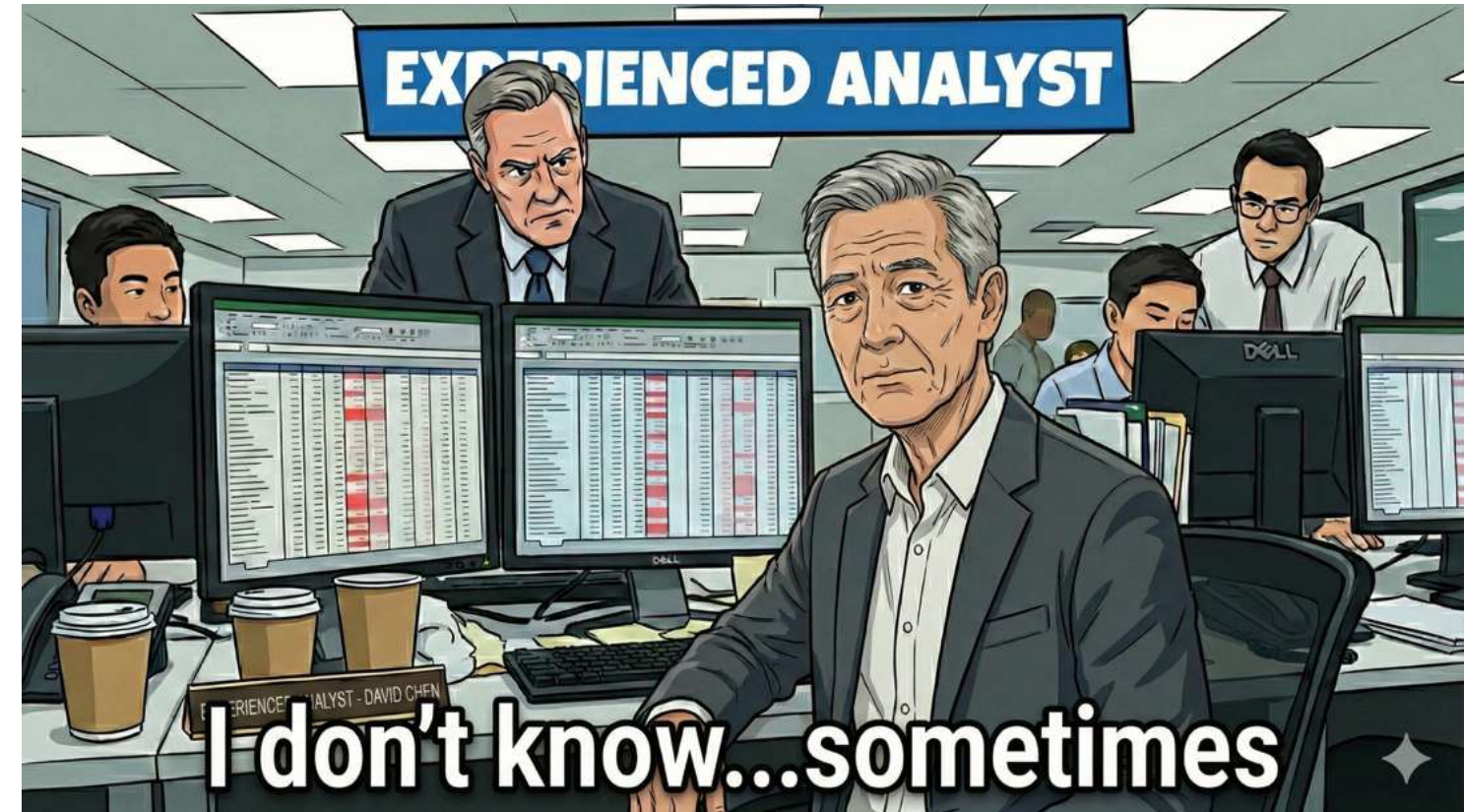
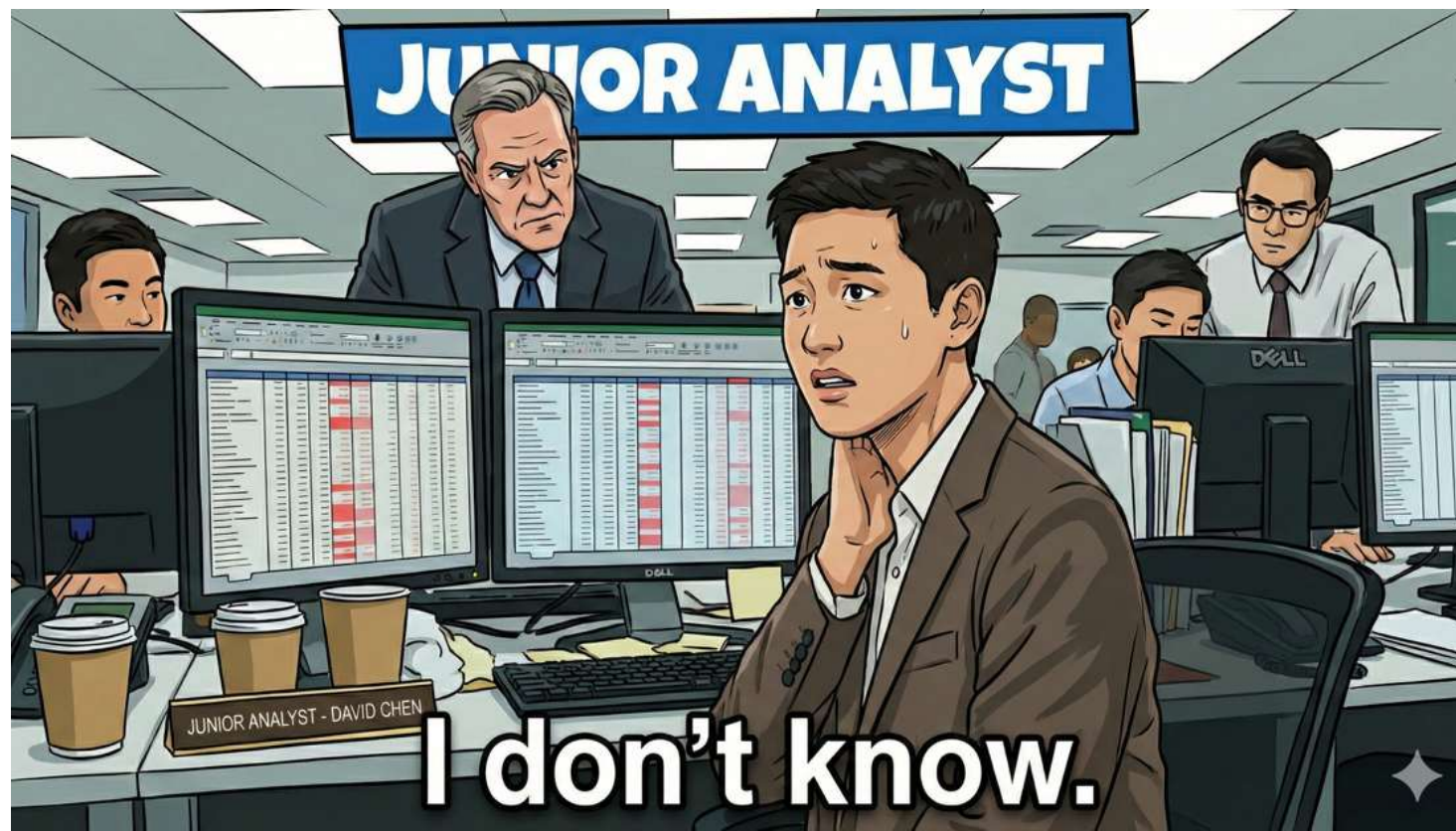
NO

I DON'T KNOW

JANUARY 1991: EVE OF THE US-IRAQ GULF WAR



A COMPLETE CIRCLE



WHAT IS AN EXPERT AFTER ALL?

“An expert is one who knows more and more about less and less until he knows absolutely everything about nothing.”

IMPOSTER SYNDROME – A TERM COINED IN THE LATE 1970S



Ironically, the more you know about a topic, especially a complex one, the more likely you are to experience imposter syndrome.

Research shows that as many as 70% of people will experience it at some point in their lives. It is also more prevalent in high-performance fields like technology and medicine.

IS AI A BUBBLE? I DON'T KNOW!

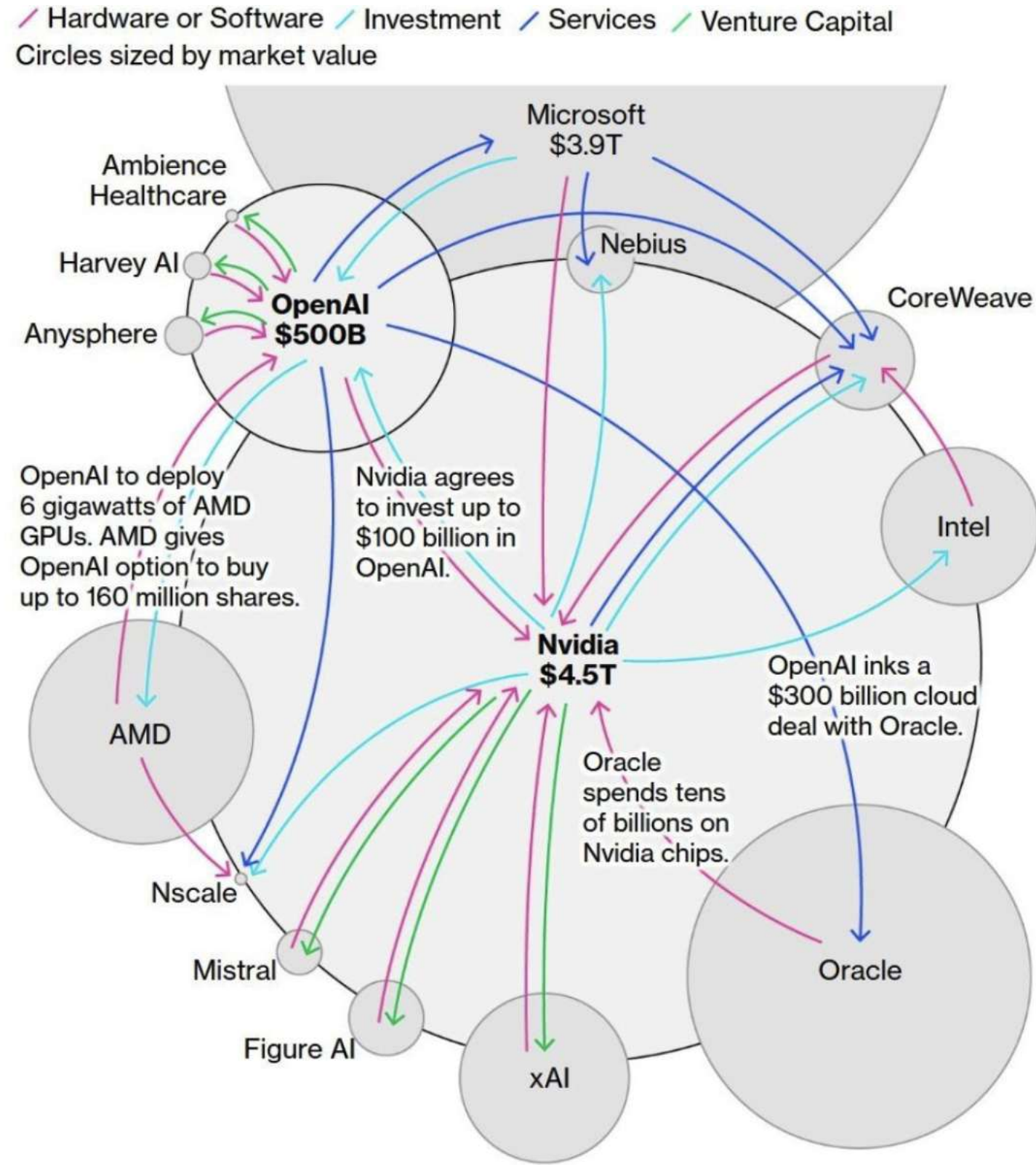
- Business and social media are flooded with AI bubble talk.
- The AI bears seem more confident that they are correct than the AI bulls.
- “The AI Bubble” is broadly given as a statement of fact.
- THIS IS NOT USUALLY HOW BUBBLES FORM!
- The overwhelming scepticism about AI is actually good in that it makes a meaningful bubble far less likely to occur.



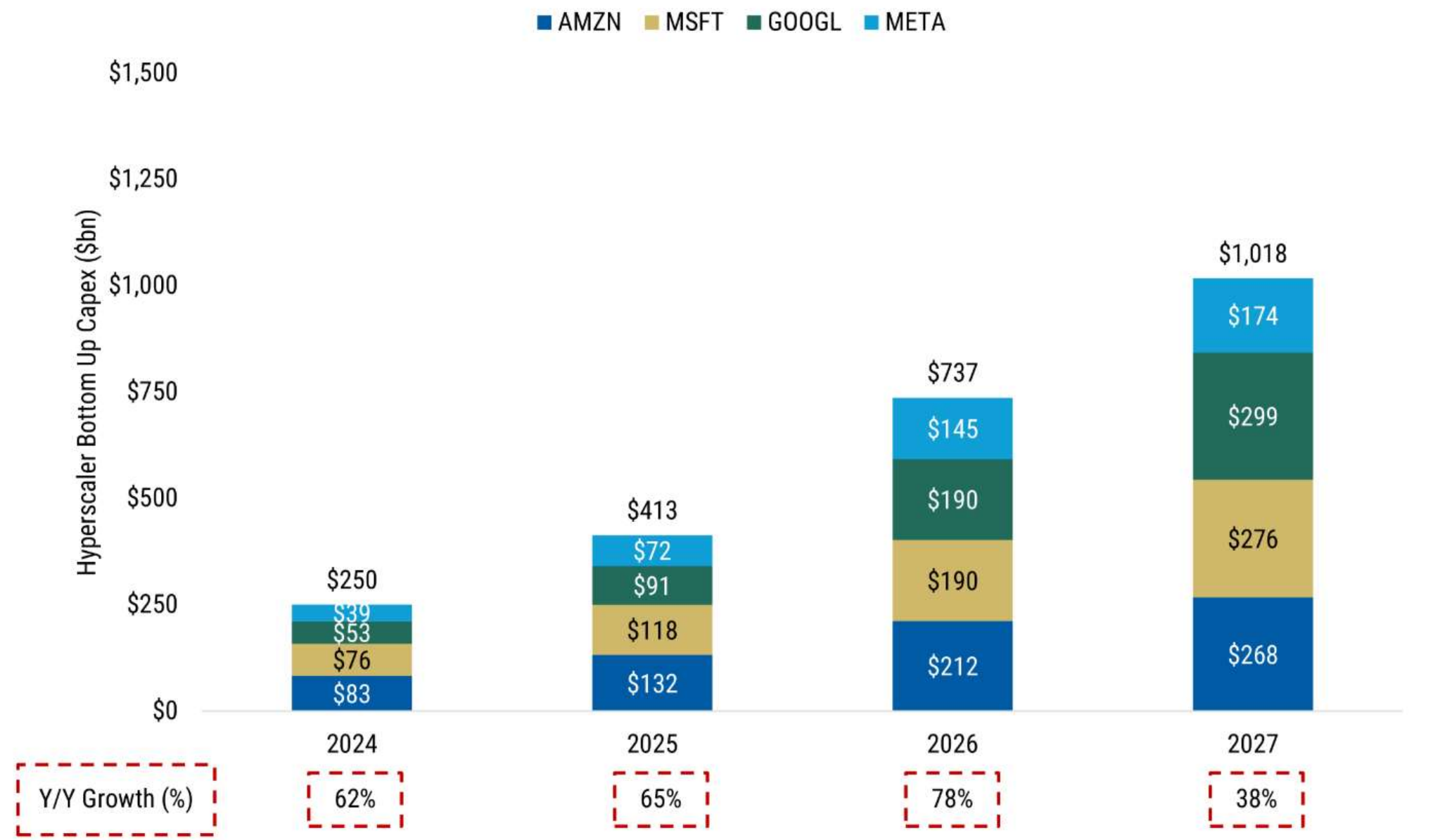
AI bubble fears take hold of stock markets and bitcoin

Financial analysts say some risk is being taken off the table following months of new record values being set as the market ponders a series of uncertainties, not just AI's growth prospects.

SAME BEARISH ARGUMENTS ARE BEING REHASHED BY THE BEARS



We See Hyperscaler Capex Reaching ~\$1tr in '27, With Over \$2tr Invested Since '24

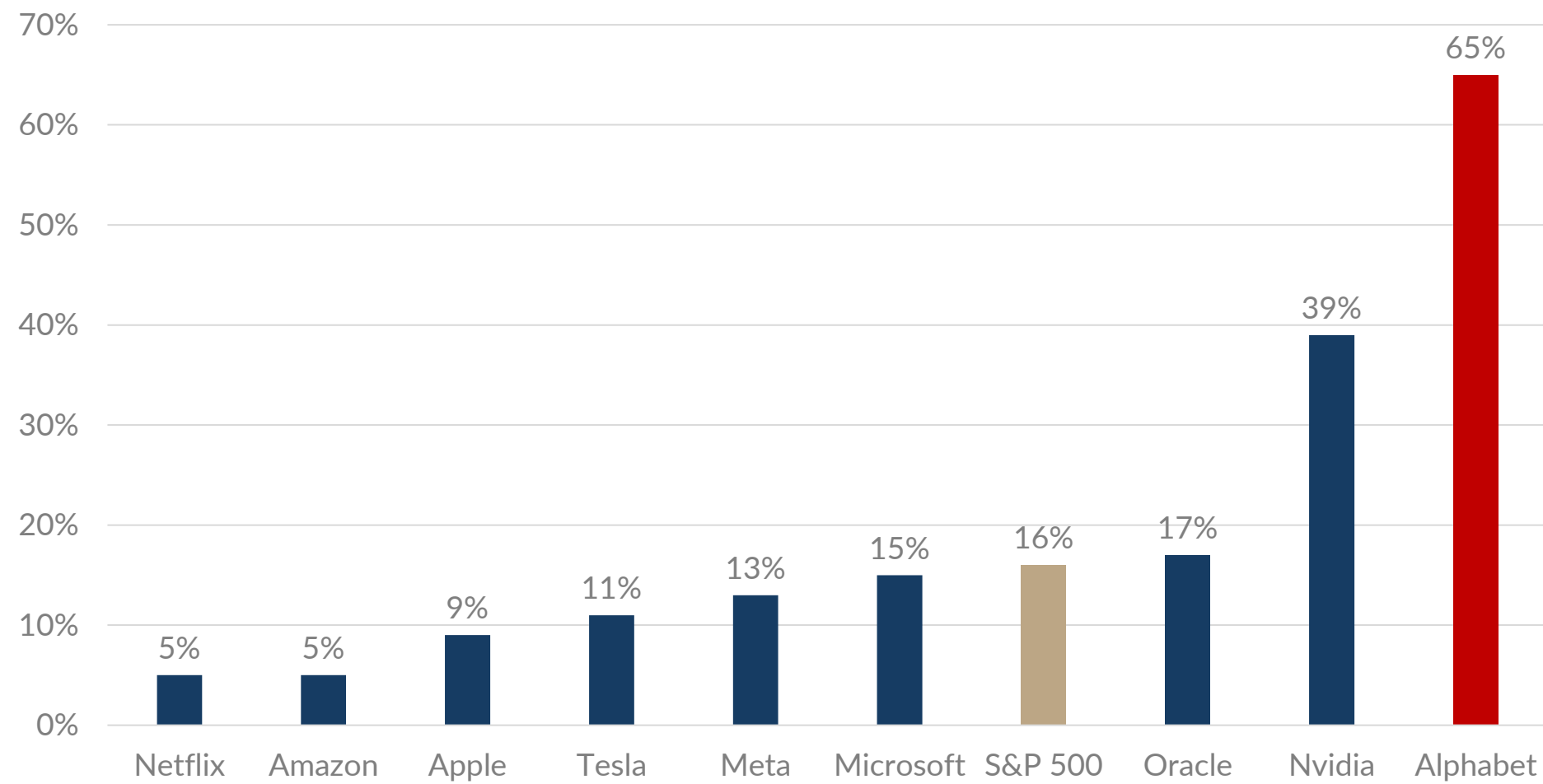


Source: Company data, Morgan Stanley Research Estimates; Note: AMZN = Total Company Capex excluding proceeds from property and equipment sales and incentives

ALPHABET 2025

A NARRATIVE TURNAROUND FOR THE AGES

Big Tech 2025



AI BUBBLE TALK – TWO CALLS TO GET RIGHT

Amazon share price since IPO – US\$ (Log plot)



The tech bears in 1996 to 1999 were lone voices out on the fringes, unlike today, where the AI bubble view is widely held.

Eventually, the tech bears were proved right starting 10 March 2000, but so many then missed the generational opportunity to buy depressed tech companies in 2001/2002 and hold them for the next two decades.

David Gardner (The Motley Fool co-founder) bought his Amazon shares in Sep 1997 at US\$16 (split adjusted) and has never sold a share.

HOW TO PLAY THE AI THEME IF YOU DON'T KNOW

Keep a balanced view



Hold onto your views loosely



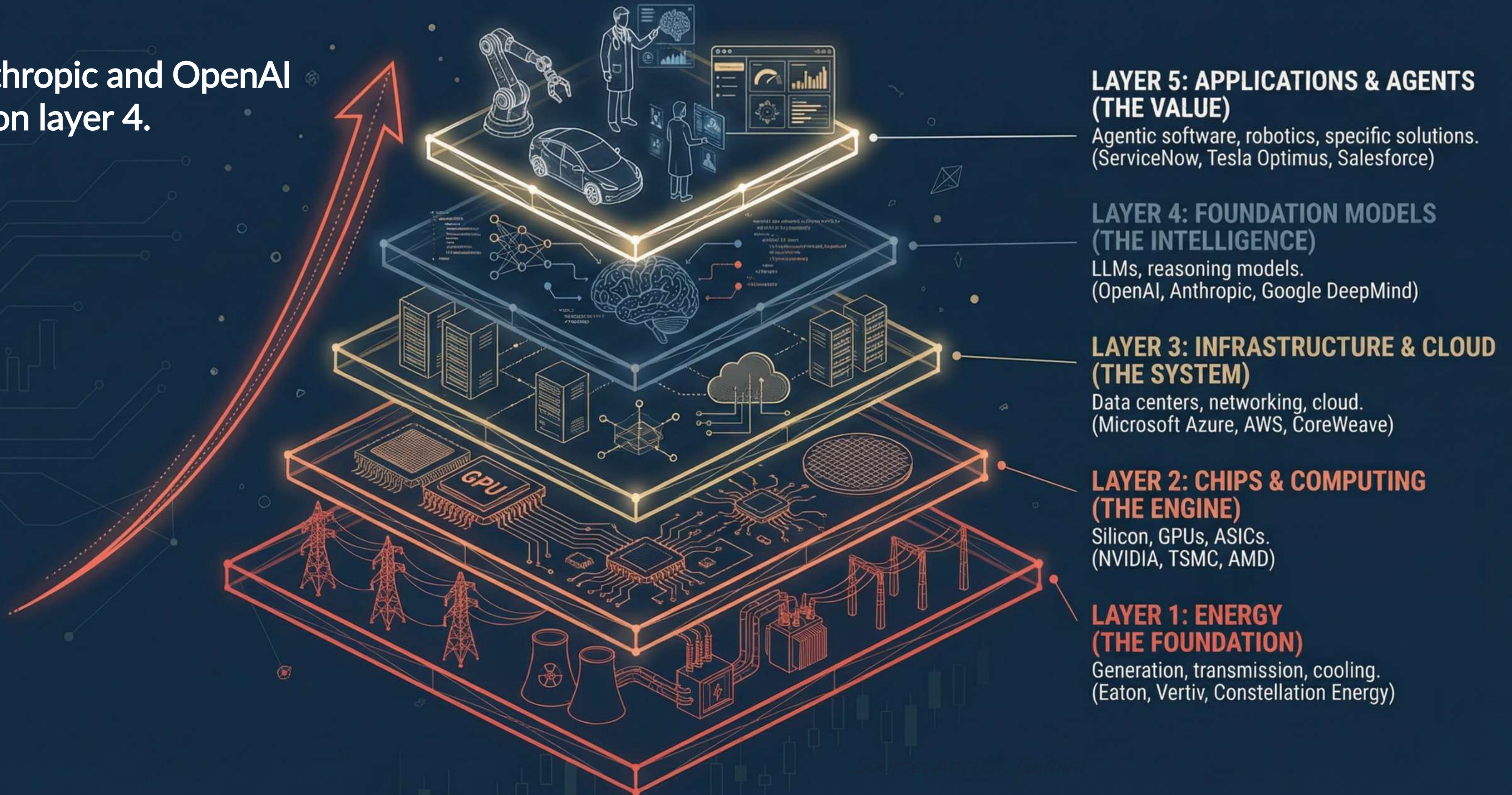
“Everything is a poison, what matters is the dose.”

Paracelsus (1493-1541), Swiss physician, alchemist, and philosopher



JENSEN HUANG'S "FIVE-LAYER CAKE" OF AI

Anthropic and OpenAI sit on layer 4.



OPENAI REVIEW

CANARY IN THE COAL MINE FOR THE AI TRADE



Founded in 2015 by a consortium including Sam Altman, Elon Musk, Peter Thiel and Greg Brockman. Based in San Francisco

Mission: "To ensure that artificial general intelligence (AGI)—by which we mean highly autonomous systems that outperform humans at most economically valuable work—benefits all of humanity"

Private valuation of c. US\$852bn. Would be about 14th in the S&P 500 Index

IPO set for 2026/2027

OpenAI's name originates from the original intention for its models to be open source

OpenAI models are available in >180 countries and 95 languages. About 7,200 employees and 1 billion weekly active users

ANTHROPIC - THE ADULT IN THE AI ROOM

ANTHROPIC

Founded in 2021 by siblings Dario Amodei (CEO) and Daniela Amodei (President), ex OpenAI. Based in San Francisco

Mission: “Anthropic is an AI safety and research company. We build reliable, interpretable, and steerable AI systems”

Private valuation of c. US\$965bn. Would be about 12th in the S&P 500 Index

IPO set for 2026/2027

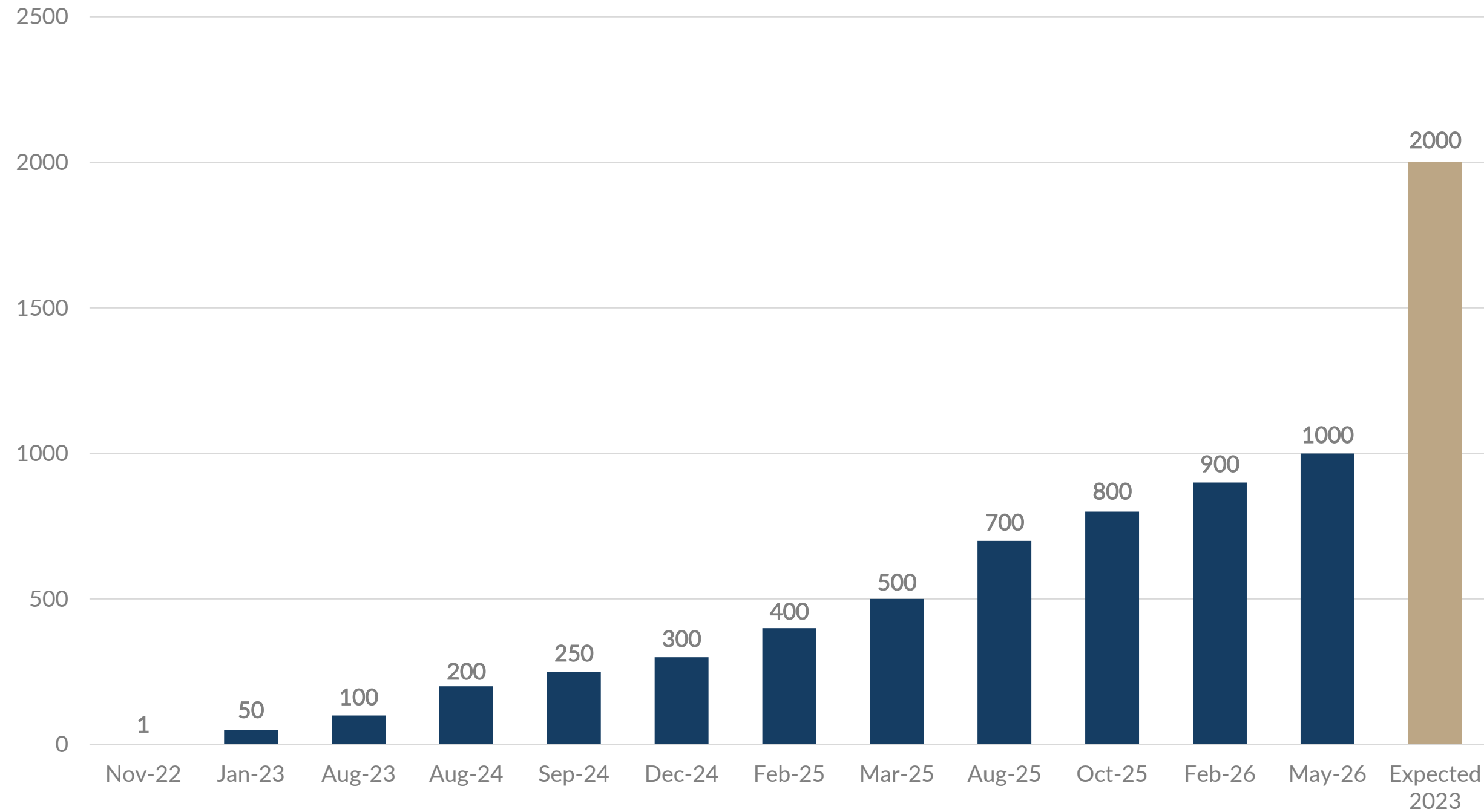
Anthropic from the Greek word “Anthropos” (meaning “human”), due to the company’s “human-centred” approach to AI safety

Approximately 5,000 employees (as of April 2026) and about 30mn monthly active users. Focused mostly on Enterprise customers



OPENAI RUNAWAY USER GROWTH

OpenAI weekly active users – WAU (millions)



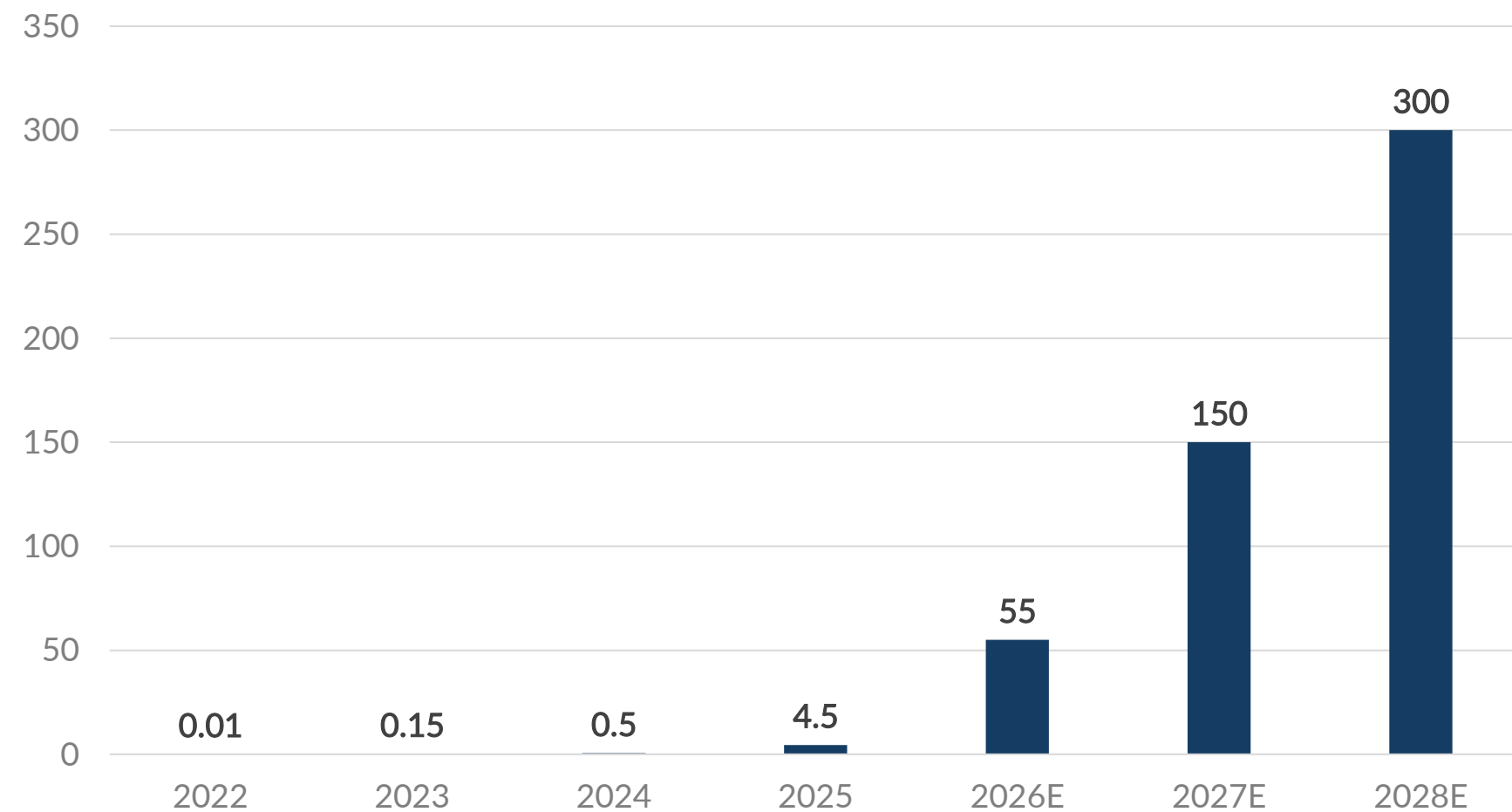
OpenAI targeting 2bn users by 2030.

c.6% of WAU are on a paid tier.

Could be c.28% of highly engaged, daily active users are on a paid tier.

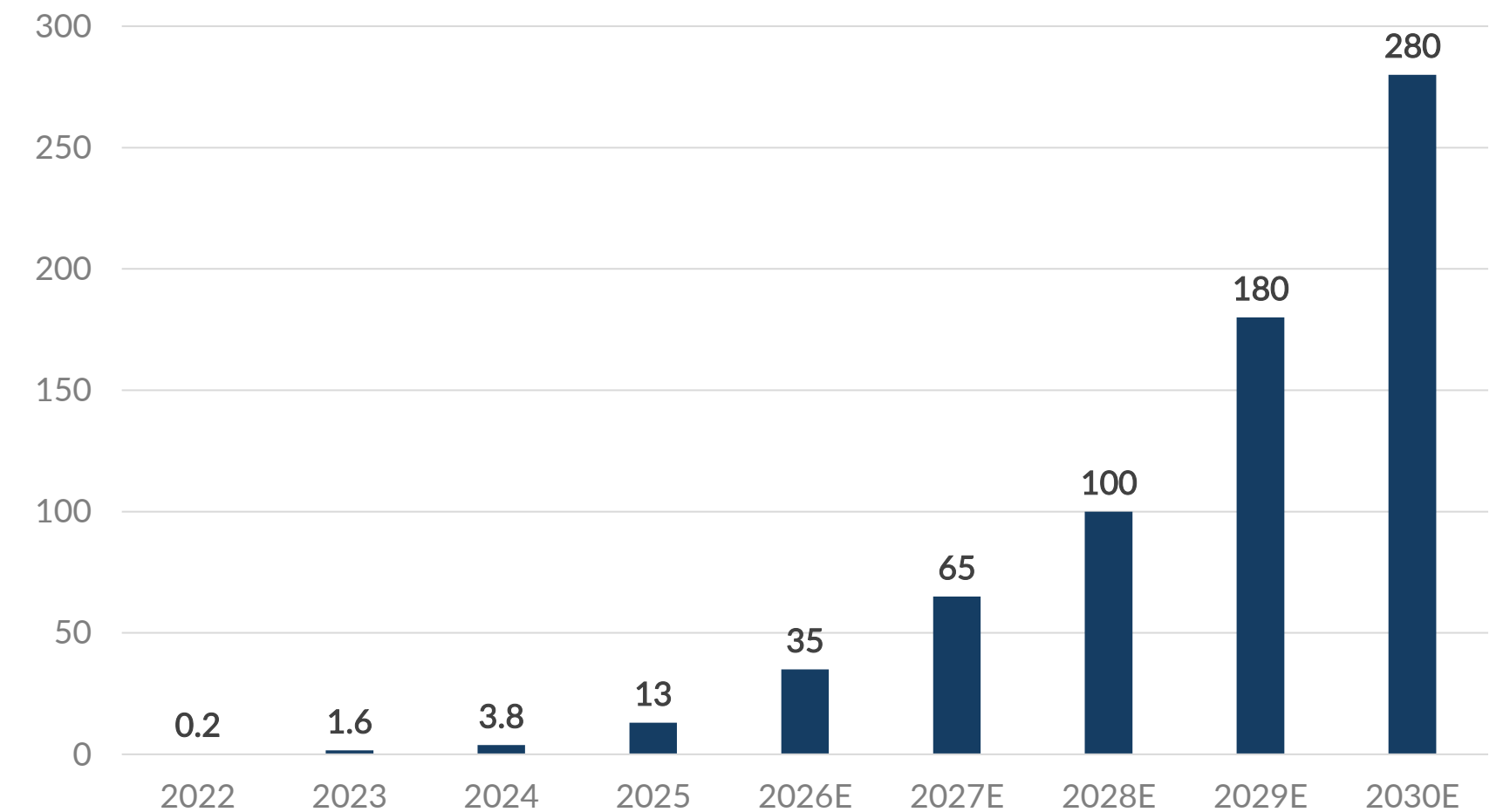
REVENUE GROWTH LIKE THE WORLD HAS NEVER SEEN BEFORE

Anthropic Revenue (US\$bn)



Source: Anthropic, The Information, Anchor Capital

OpenAI Revenue (US\$bn)



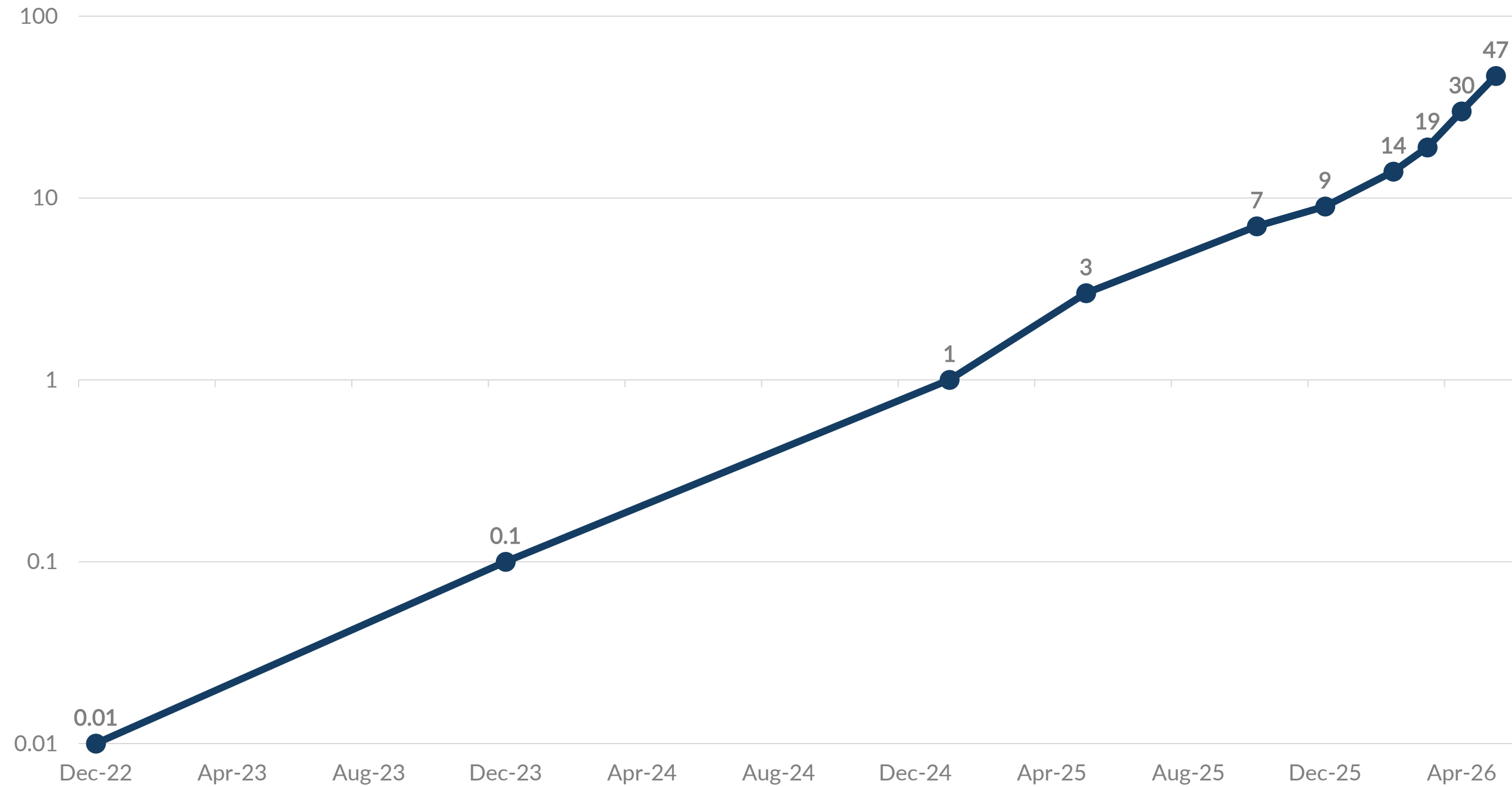
Source: OpenAI, The Information, Anchor Capital

CrowdStrike, one of the fastest growing software companies of all time, has taken c. 15 years to achieve c. US\$5bn of annual revenue. Anthropic has gone from almost nothing to c. US\$47bn (May 2026 annualised) in 4 years, while OpenAI is running at US\$27bn (May 2026 annualised).



ANTHROPIC – 10X AGAIN IN 2027?

Anthropic's Annualised Revenue (ARR) - \$bn (log scale)

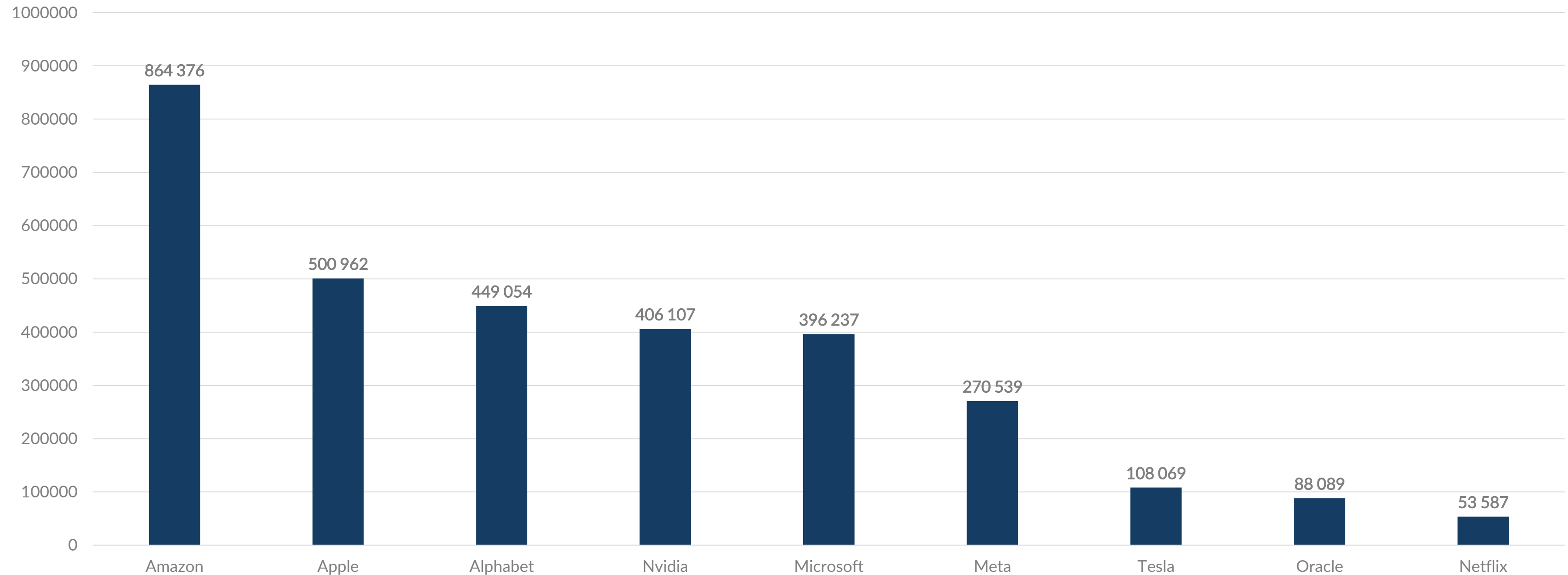


Anthropic have been able to 10x their revenue every year since 2023. \$100bn of ARR at the end of 2026 would continue that 10x trend.

Another 10x in 2027 would put Anthropic at \$1 trillion dollar revenue run rate by end 2027. The world has never seen this before.

WHERE WOULD US\$1TRN REVENUE PLACE ANTHROPIC IN 2027?

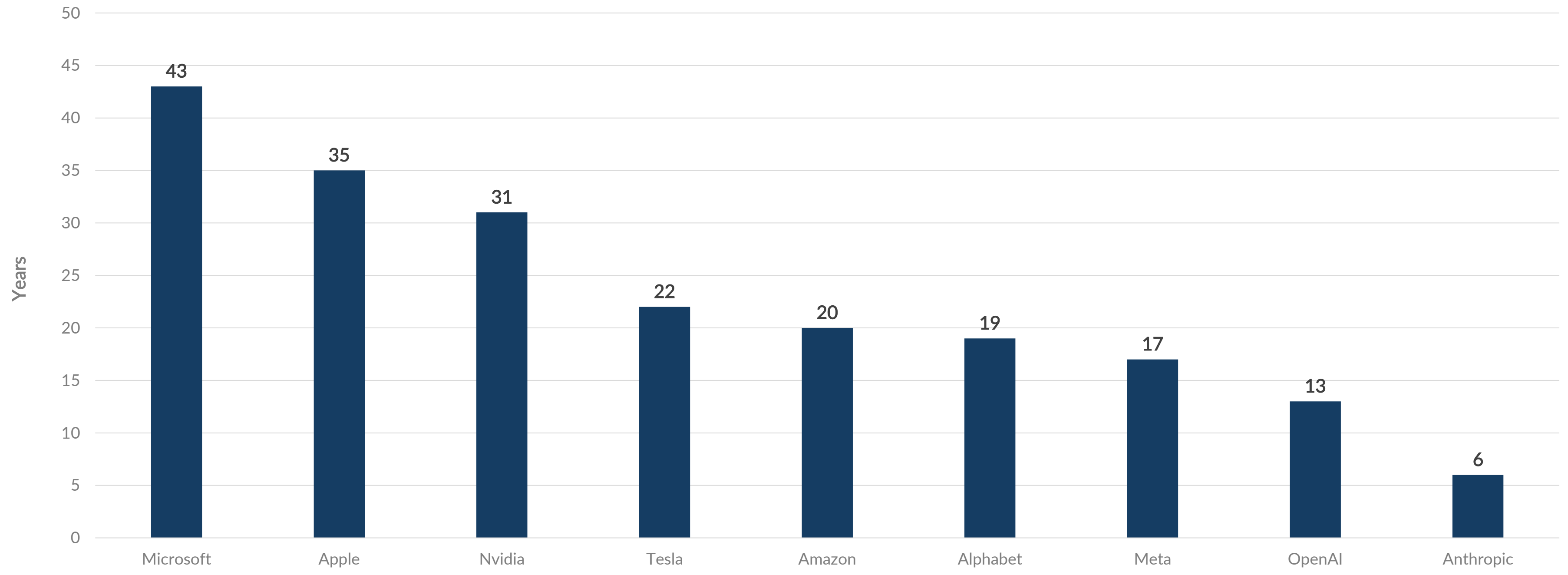
Revenue – 2026 (US\$m) – Big Tech





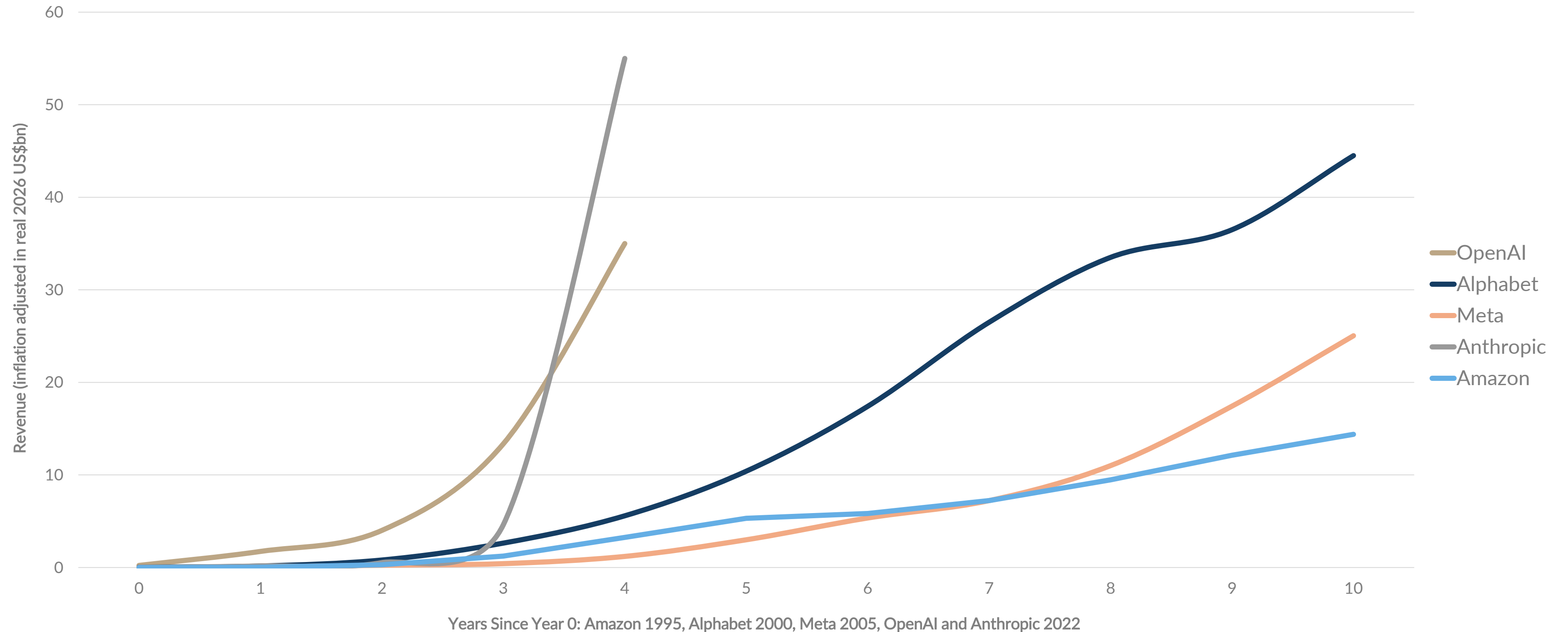
ANTHROPIC LIKELY TO TAKE 6 YEARS TO PASS US\$100BN REVENUE

Years it took Mag 7 since founding to reach \$100bn in Revenue vs. Anthropic and Open AI



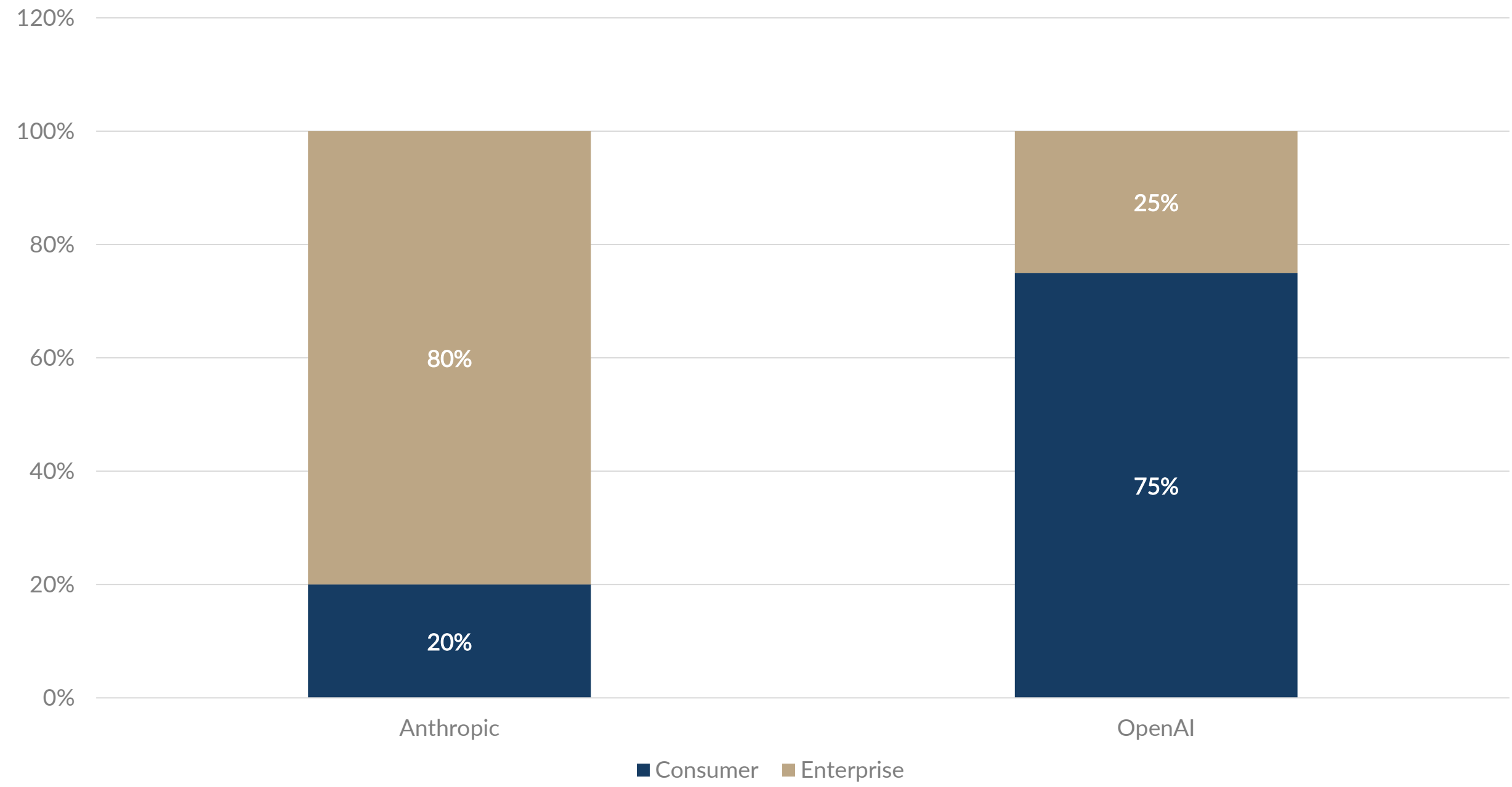
THE WORLD HAS NEVER SEEN THIS BEFORE

OpenAI & Anthropic Revenue Profile vs Alphabet, Meta and Amazon (Inflation Adjusted to real 2026 US\$ terms)



THE WORLD HAS NEVER SEEN THIS BEFORE

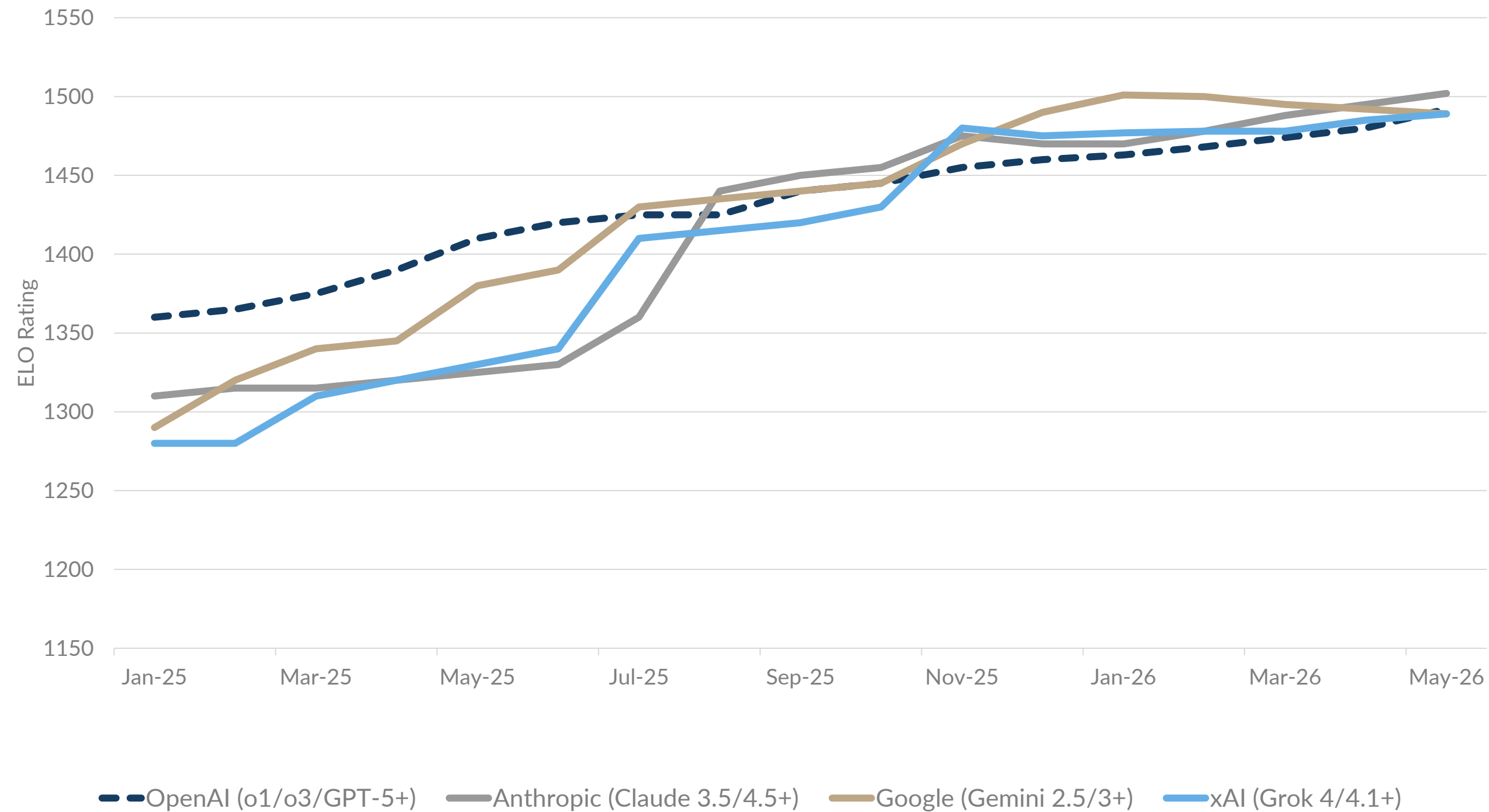
Consumer vs Enterprise Revenue Split – Dec 25



OpenAI initially misread the enterprise coding opportunity but is rapidly pivoting to coding in 2026.

LLM BIG 4 RANKINGS HAVE CONVERGED

Top LLM Performance on LMSYS Chatbot Arena



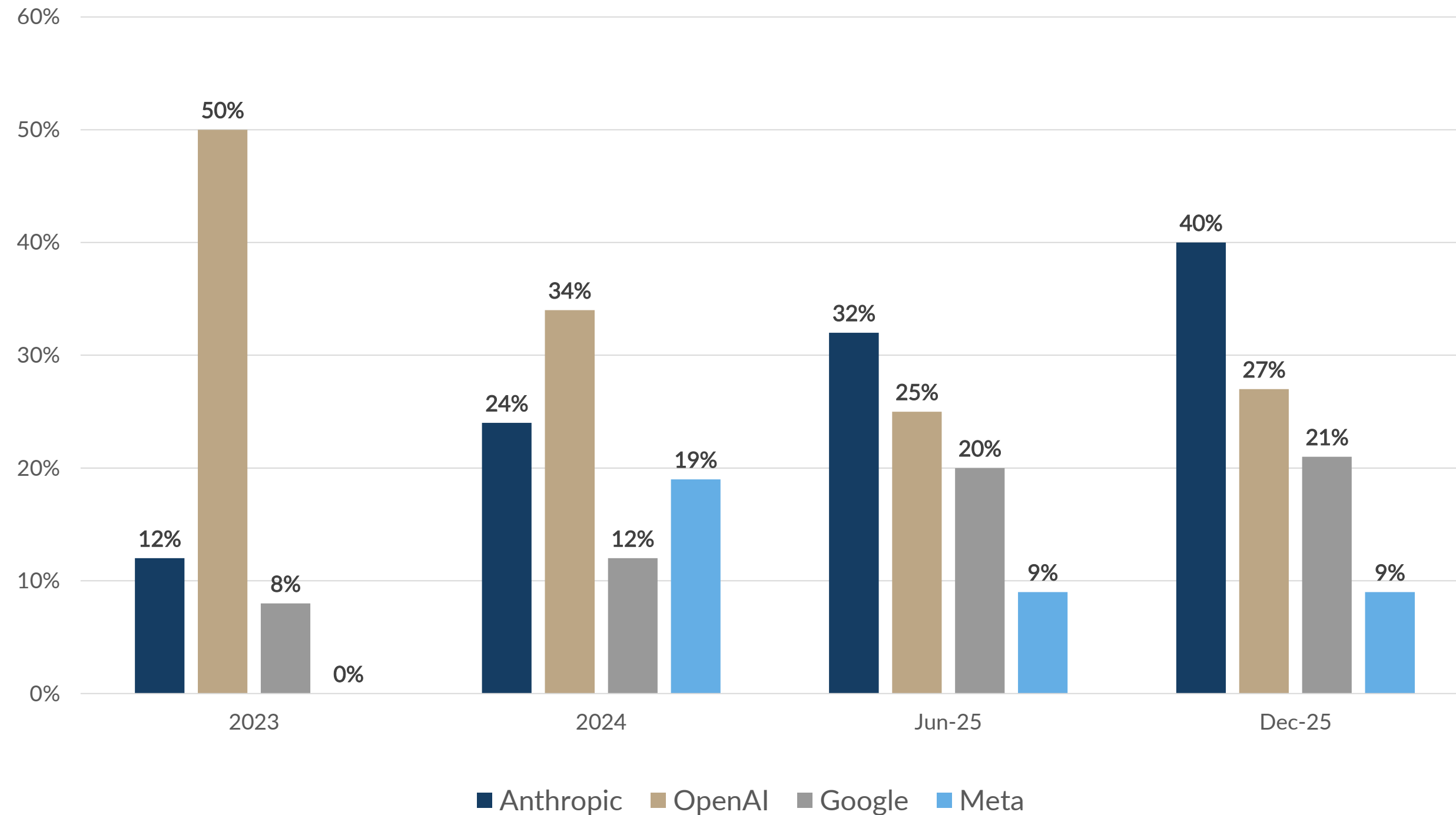
How much of these relative rankings are based on who had access to the best chips when the models were trained?

Versus whether some models are technically superior?



ANTHROPIC LEADING GLOBAL ENTERPRISE CUSTOMER MARKET SHARE

Enterprise API market share (%)



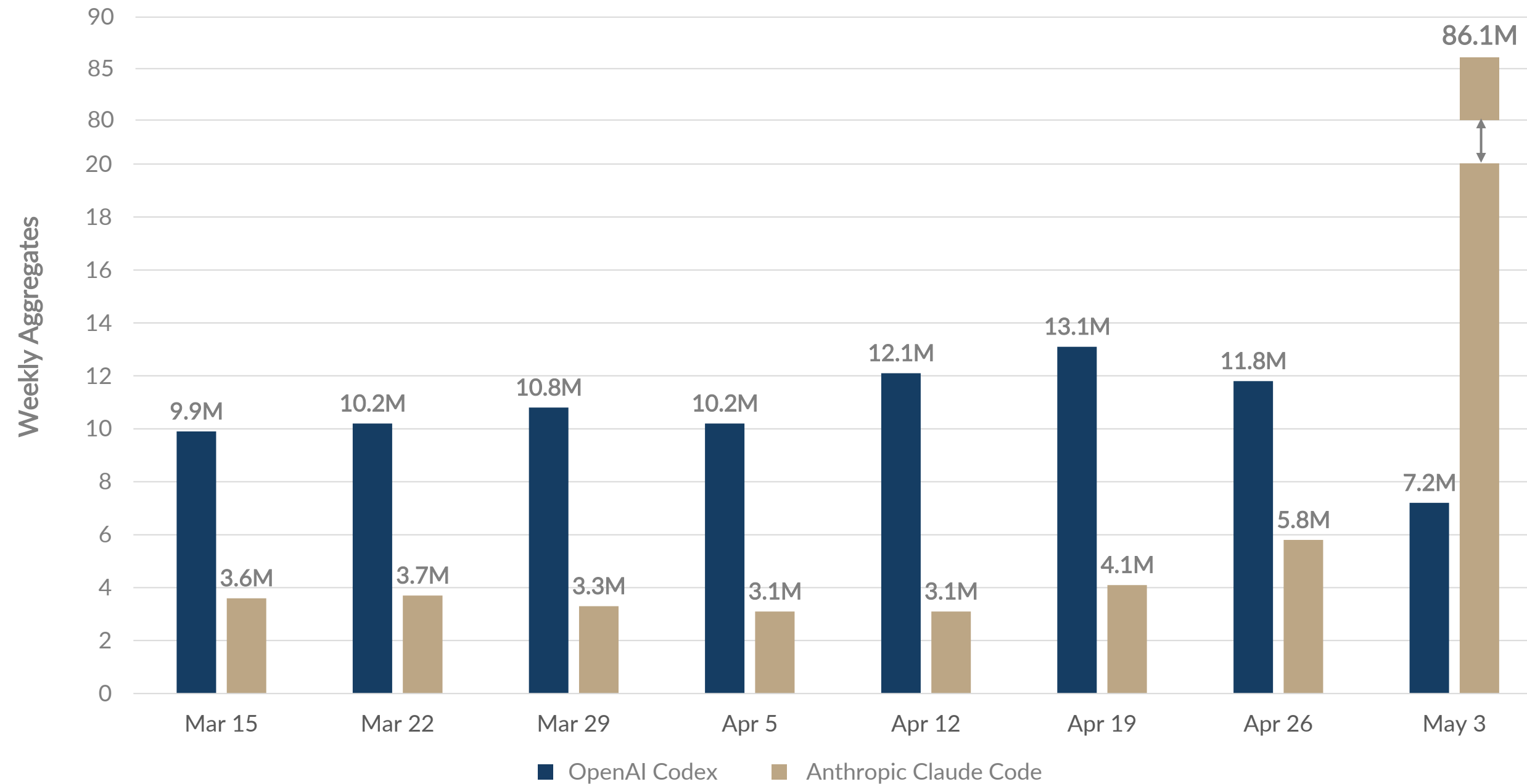
Anthropic is currently the hottest ticket in the Enterprise API market.

Things can change fast, and it is not clear that anyone has a moat

OPENAI FIGHTING BACK WITH CODEX

Codex Installs Skyrocketed in Early May

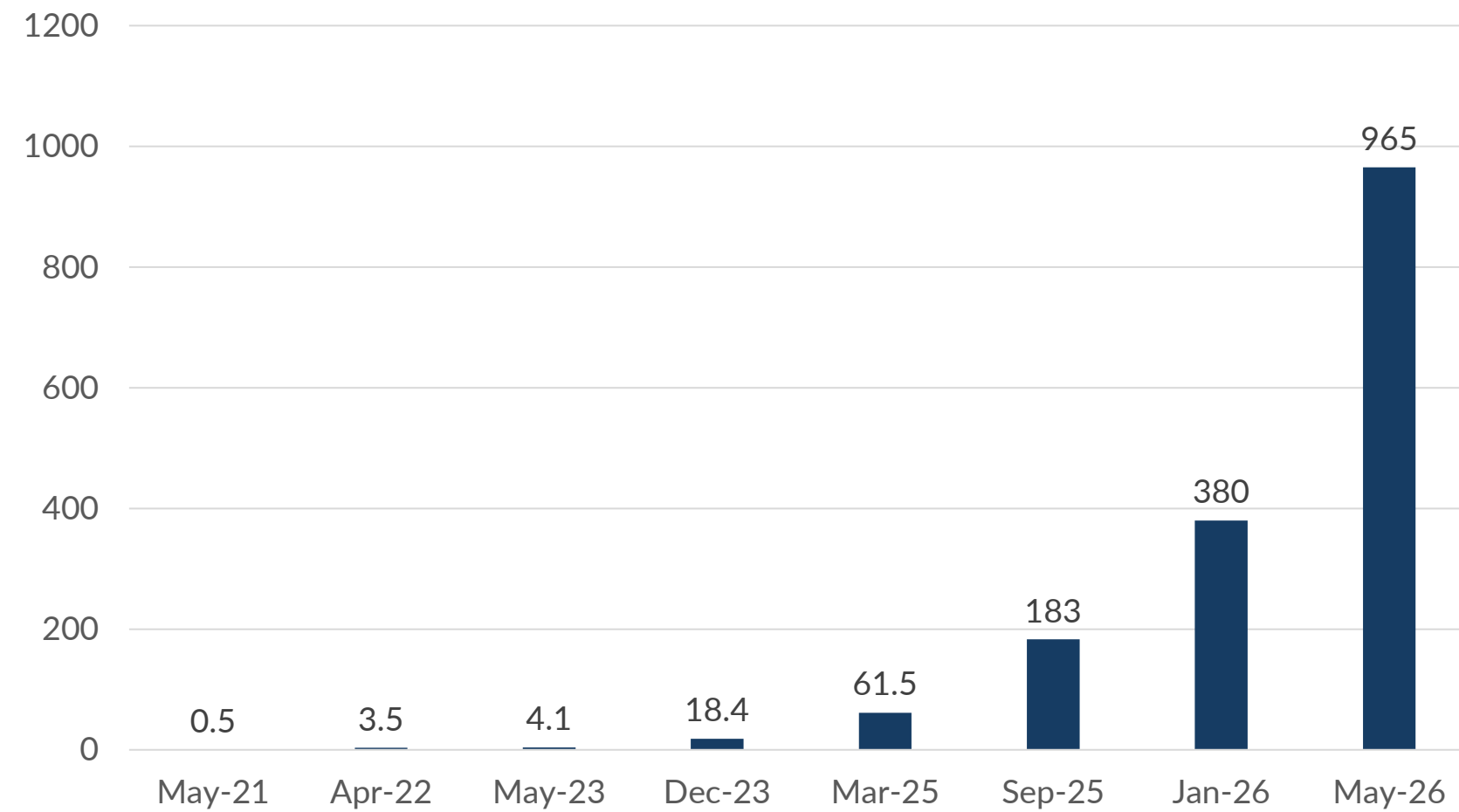
OpenAI Codex vs. Anthropic Claude Code, Weekly aggregate installs



Does Anthropic really have a moat around its models or will the moats for these AI companies ultimately come down to access to compute?

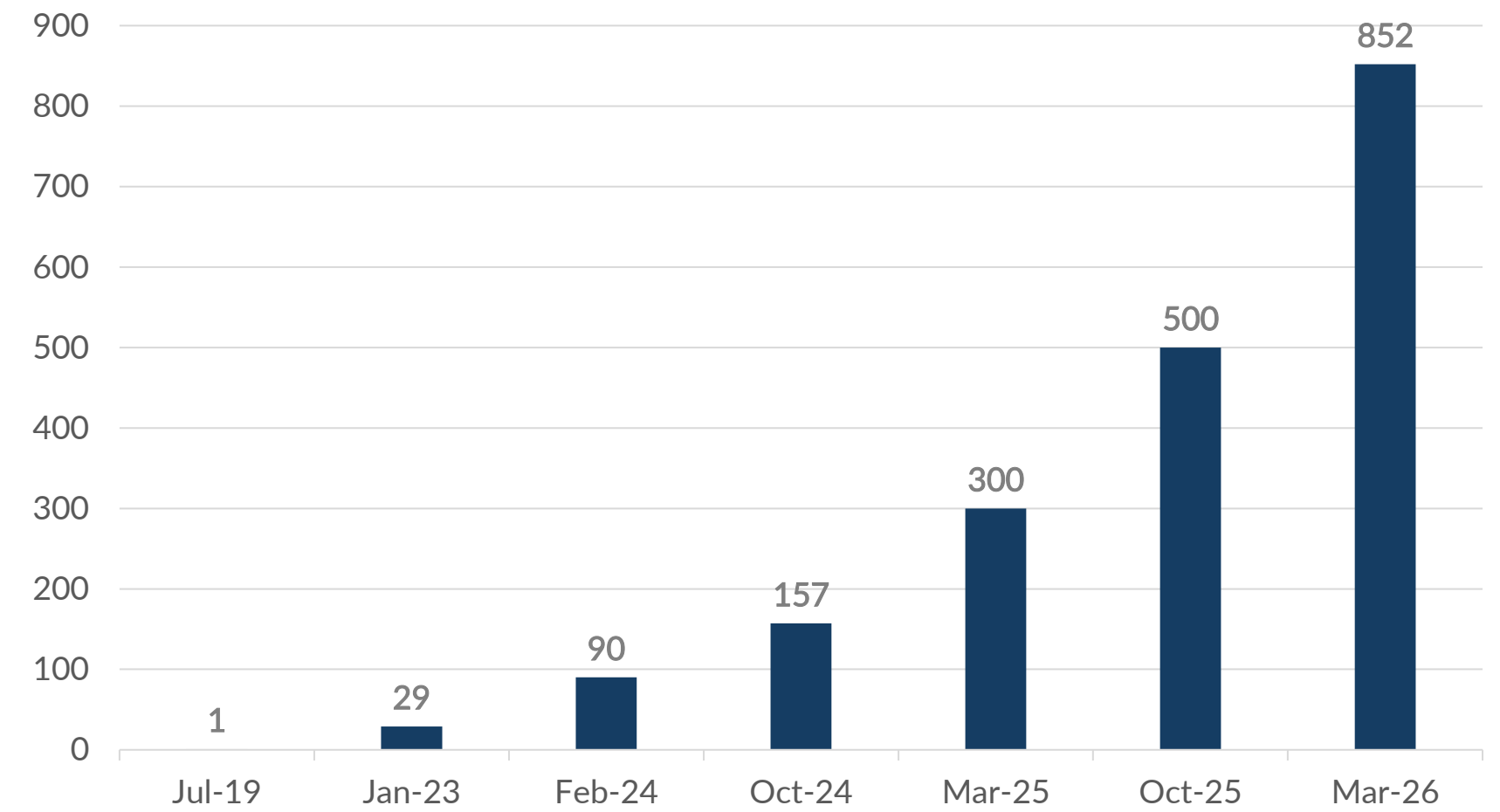
UNLISTED VALUATIONS OVER TIME

Anthropic Valuations (US\$bn)



Anthropic May 2026 funding round raised c.\$65bn cash leading to US\$965bn valuation.

OpenAI Valuation (Based on funding rounds) - US\$bn



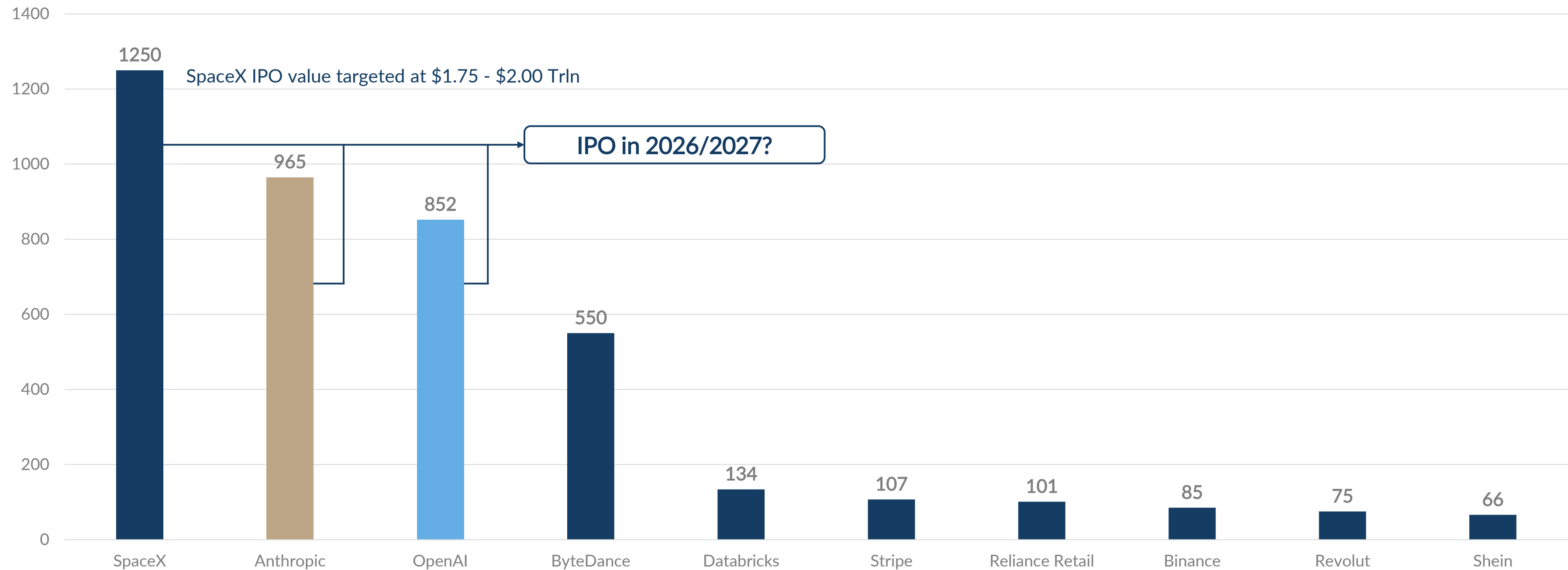
Founders committed c. US\$1bn in 2015.

The latest US\$852bn OpenAI valuation was based on a US\$122bn cash raise. \$50bn raised from Amazon (not all paid in one tranche), \$30bn from Nvidia and \$30bn from SoftBank. Further \$12bn from a diverse list of investors including \$3bn from private individuals for the first time



OPENAI AND ANTHROPIC AMONGST MOST VALUABLE PRIVATE COMPANIES IN THE WORLD

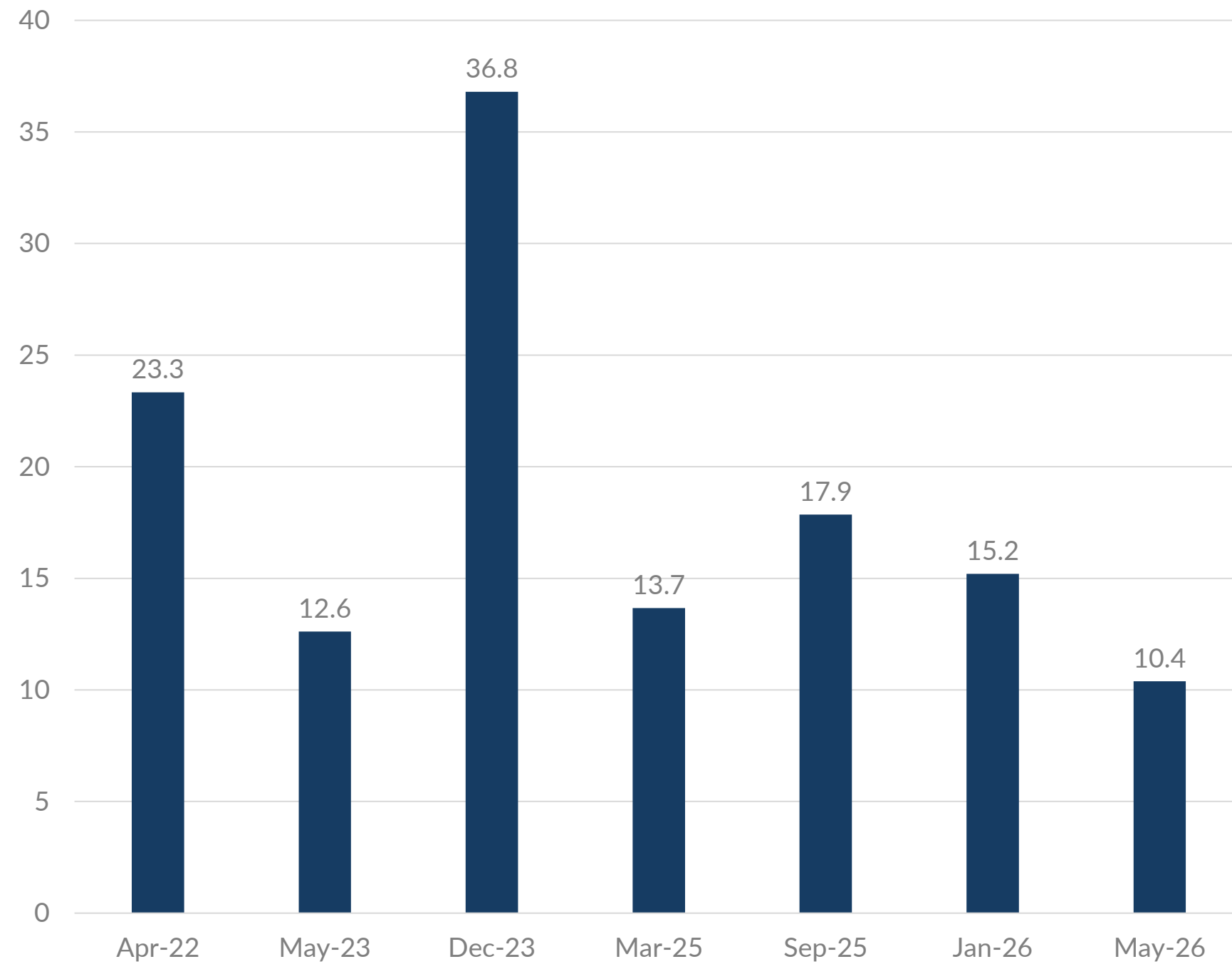
Most valuable private companies in the world (US\$bn)



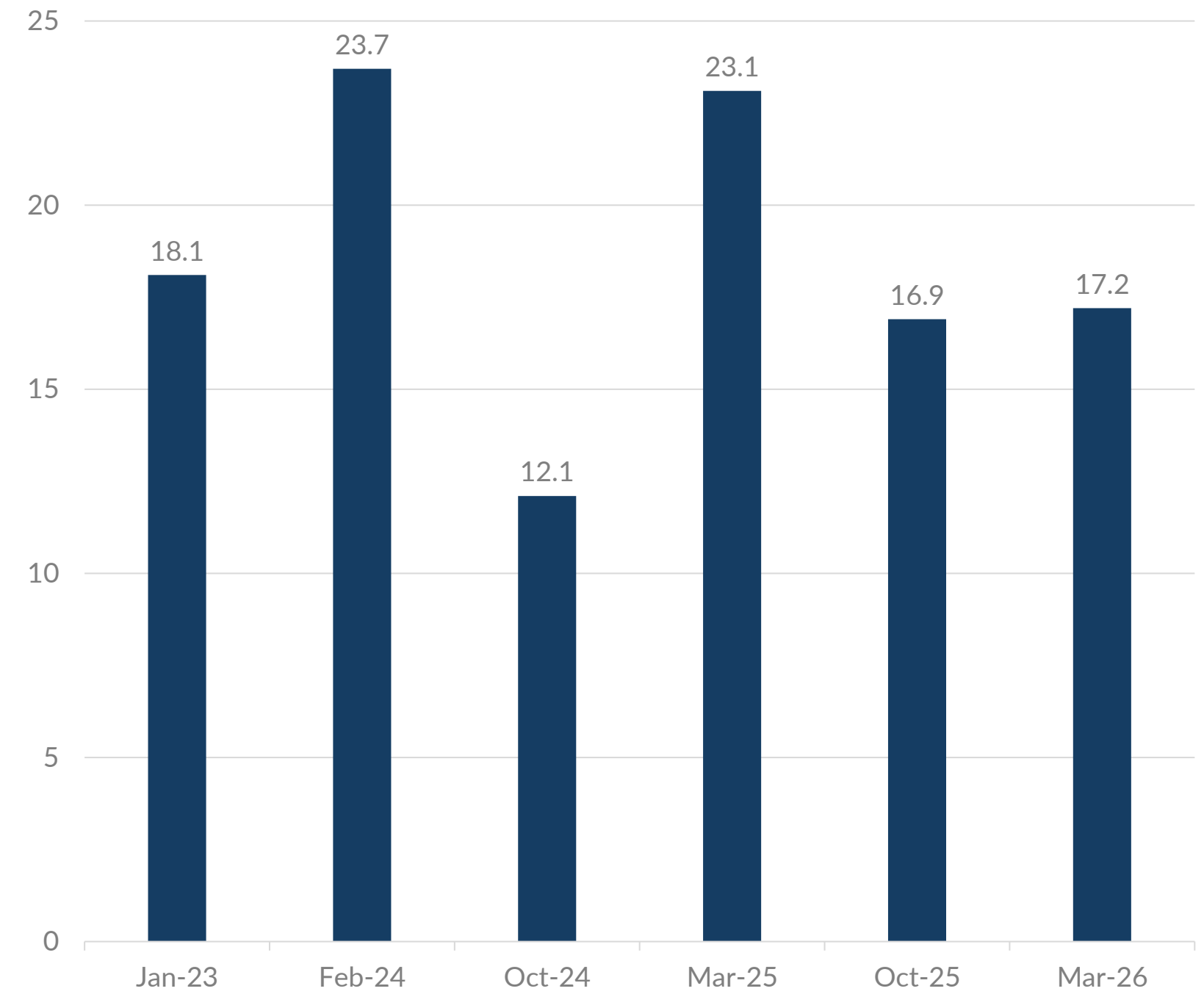


EV/ONE-YEAR FORWARD SALES MULTIPLES

Anthropic EV/one-year forward sales funding multiple



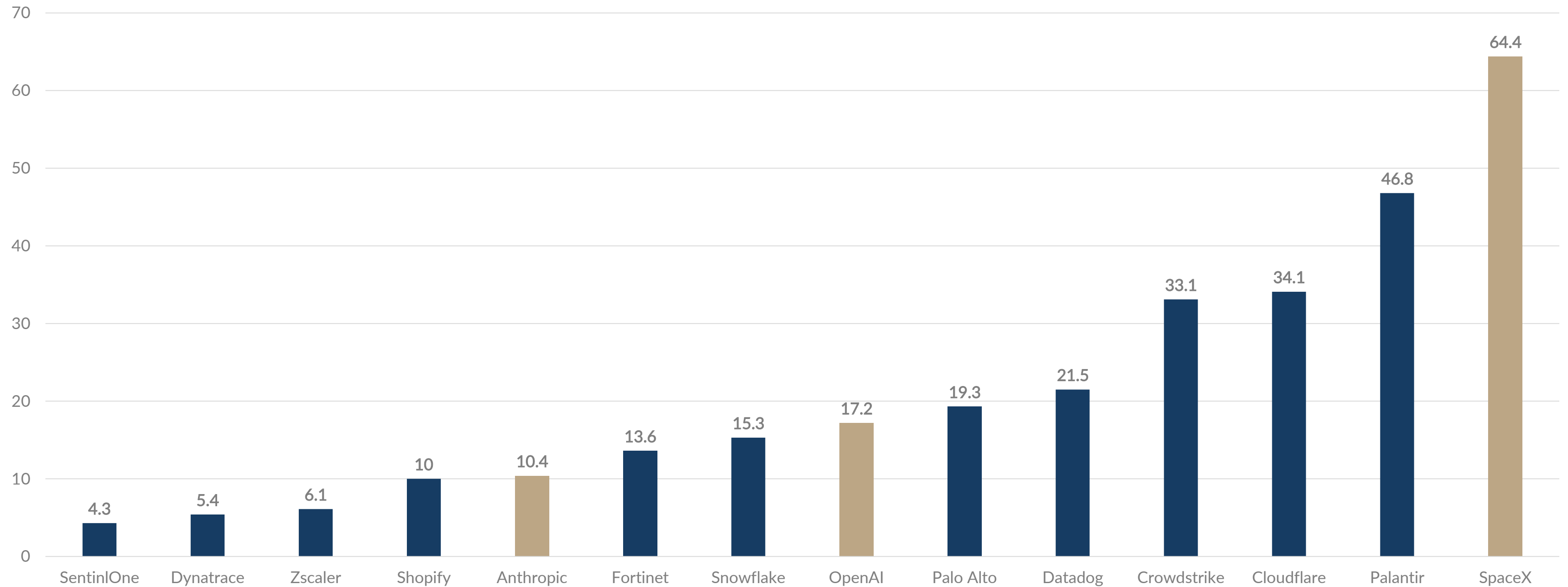
OpenAI EV/one-year forward sales funding multiple





ANTHROPIC/OPENAI VALUED SIMILARLY TO LEADING SOFTWARE COMPANIES

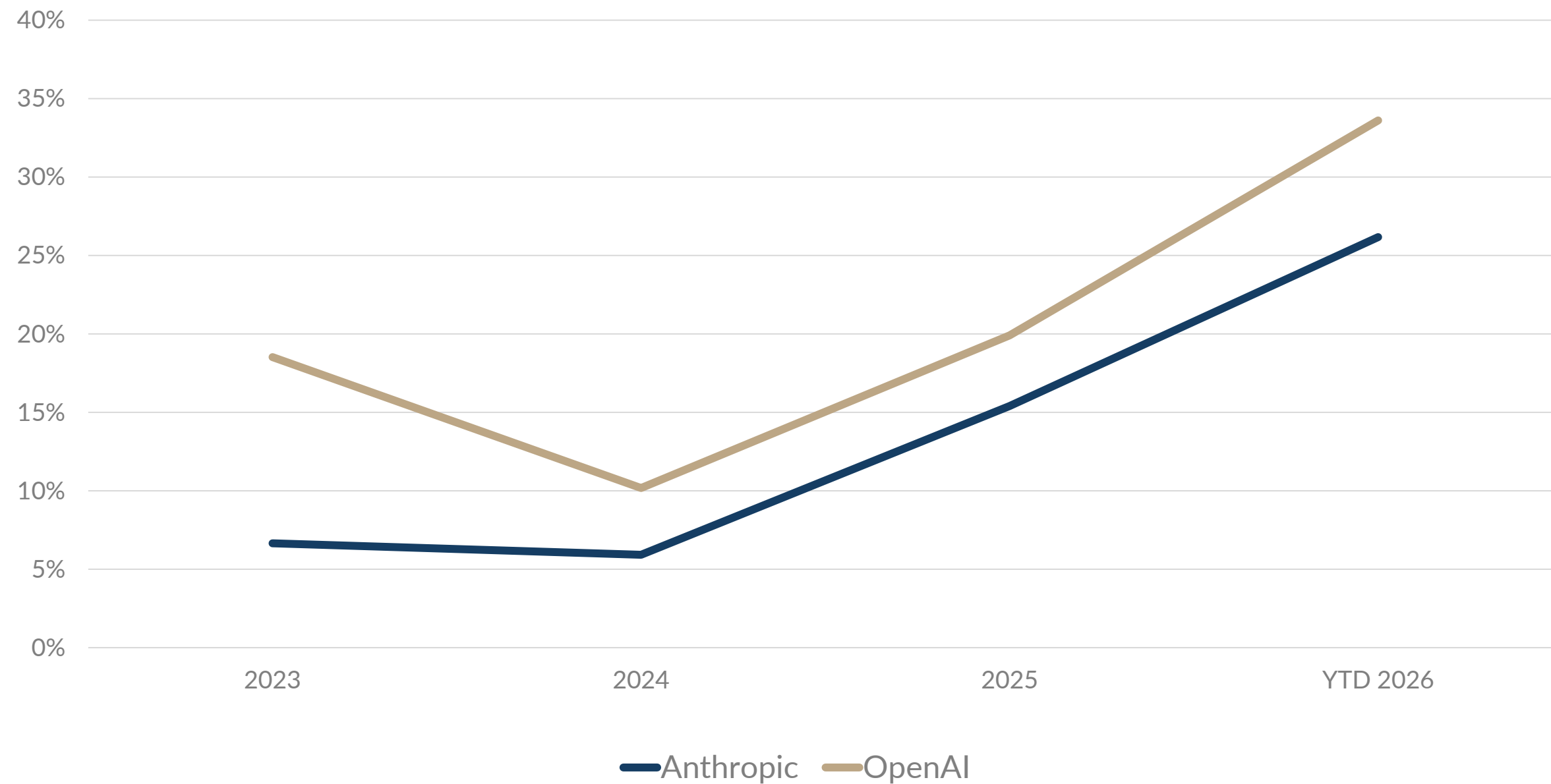
EV to one-year forward sales





ANTHROPIC AND OPENAI SHARE OF PRIVATE AI CAPITAL RAISE

OpenAI and Anthropic fund raisings as % of total private AI



Estimates vary by source, but it seems OpenAI has raised c.US\$188bn in capital since its 2015 founding, whereas Anthropic has raised c.US\$138bn (including US\$65bn in current funding round).

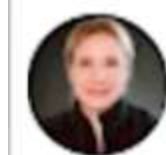
From 2023 to current 2026, c. 25% of all private AI capital raised went to OpenAI and c. 19% went to Anthropic. Therefore, 44% in total has gone to these two combined.

CLAUDE COWORK RELEASE (JAN 26) HAMMERED SOFTWARE STOCKS

Claude Code, released in Feb 2025, targeted “software engineers” only. Viewed as a productivity booster for coders.

Claude Cowork released in Jan 2026 targeted “everyone” in an organisation. The concern is that Claude Cowork will result in organisations employing fewer people and therefore, buying fewer software seats.

Claude AI legal tool released in Feb 2026 triggered another material sell-off in global software stocks across the board.



Jaana Dogan ヤナ ドガン ✓
@rakyll

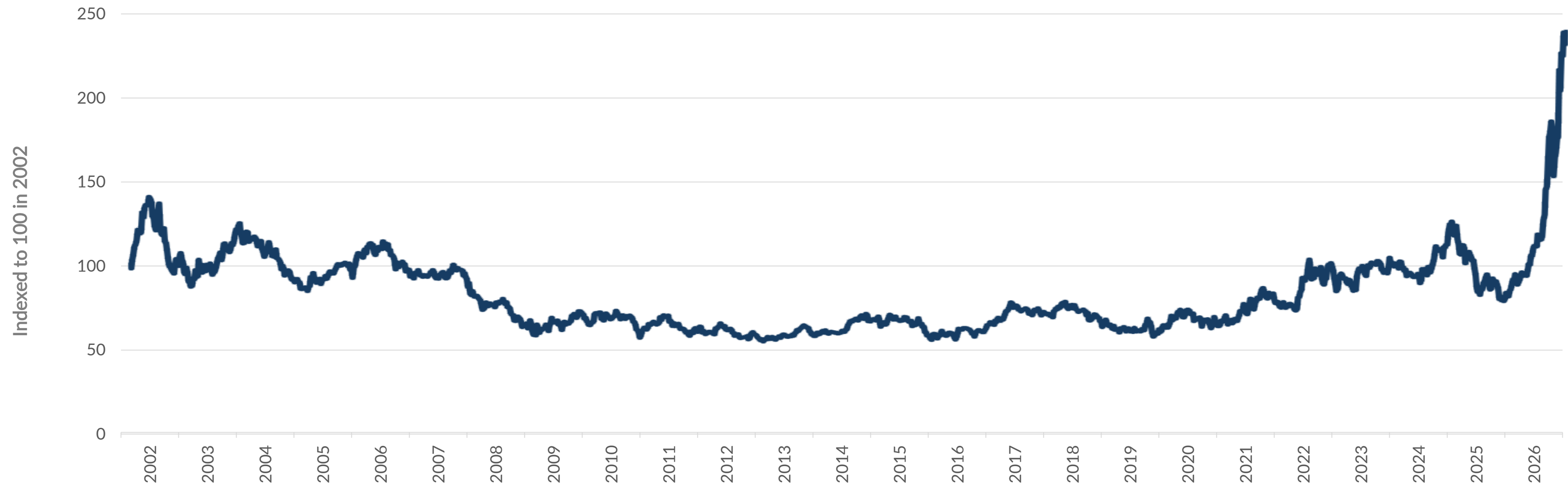
I'm not joking and this isn't funny. We have been trying to build distributed agent orchestrators at Google since last year. There are various options, not everyone is aligned... I gave Claude Code a description of the problem, it generated what we built last year in an hour.

AI BUBBLE TO AI MANIA – A NARRATIVE PIVOT FOR THE AGES



AI HARDWARE HAS OBLITERATED SOFTWARE

Hardware (Semis) vs Software (Indexed to 100 at Jan 2002)



PRO

Hedge funds 'doubling down' on AI are fleeing software stocks: Goldman

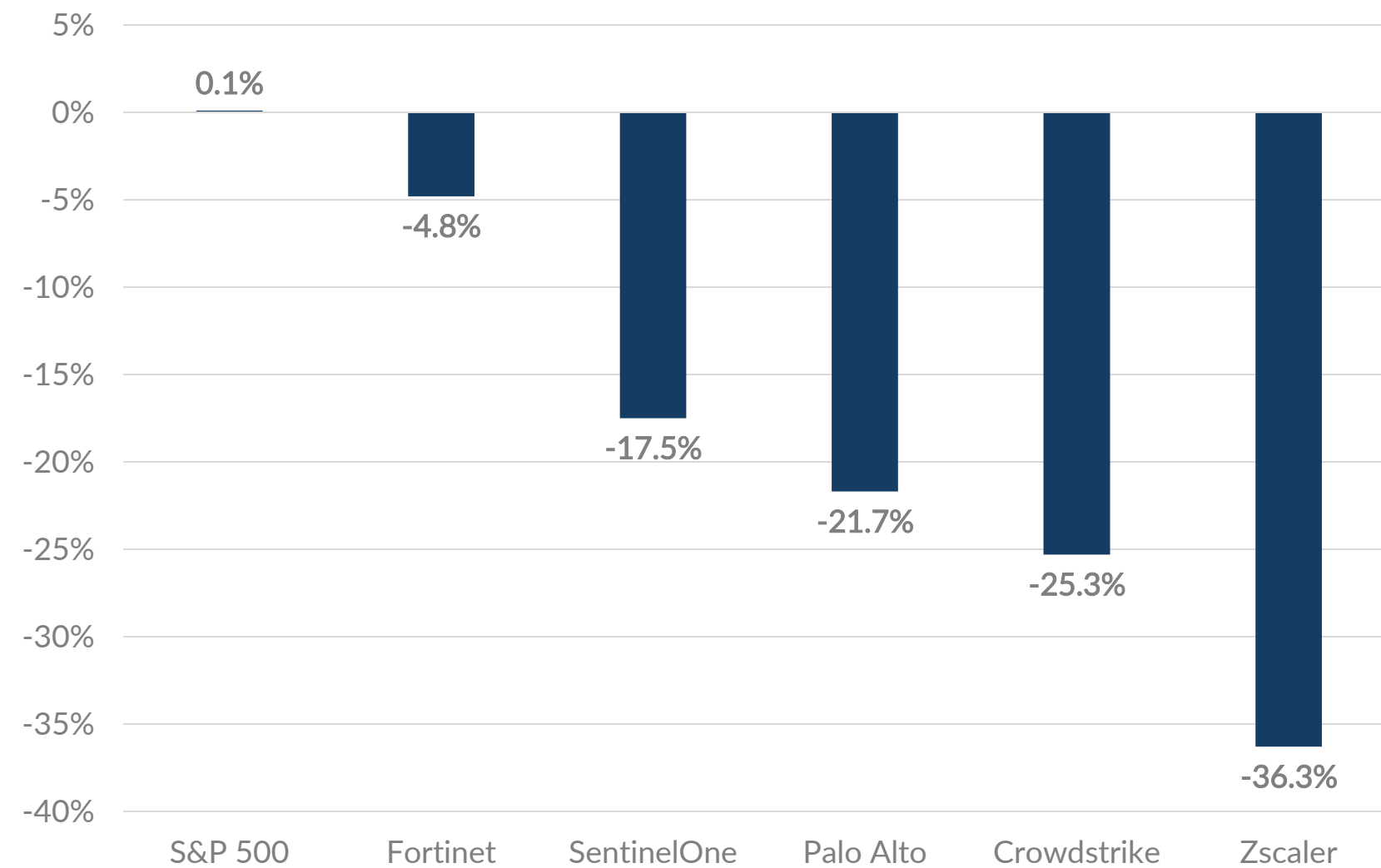
PUBLISHED MON, MAY 25 2026 4:18 AM EDT

Surely this must be presenting opportunities in select software stocks?

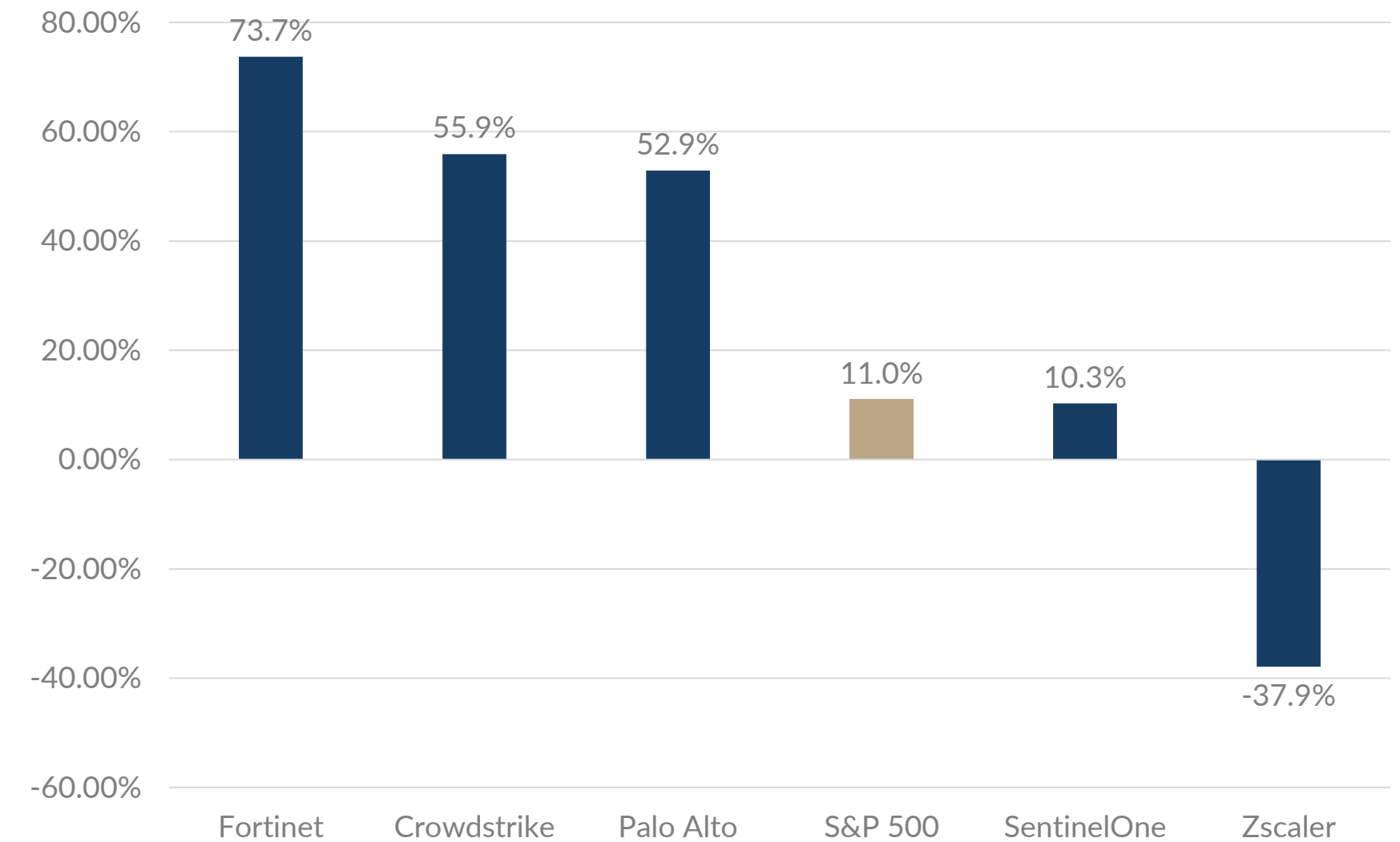


CYBERSECURITY FIRST MAJOR SOFTWARE SECTOR TO FIGHT BACK

Cybersecurity YTD (US\$) - 24 February 2026



Cybersecurity YTD (US\$) - 29 May 2026



May 21, 2026 3:06 PM 3 min read

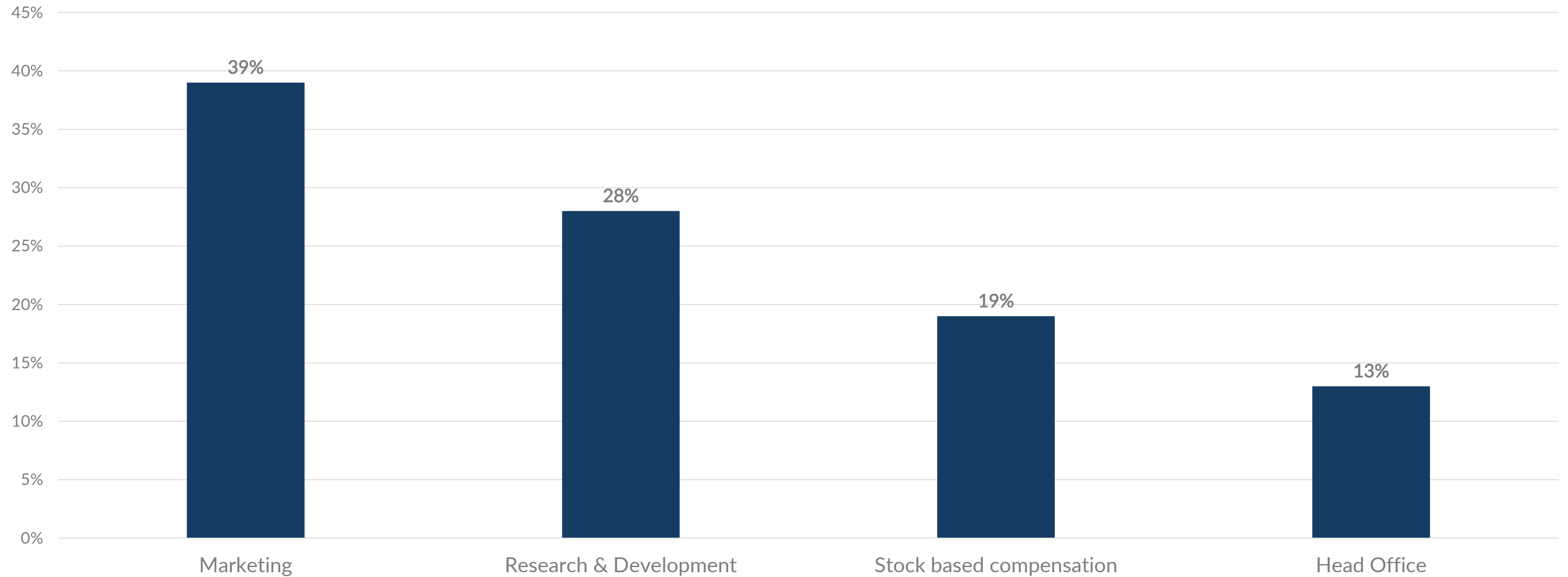
Anthropic's Claude Mythos Was Supposed To End Cybersecurity: It Just Triggered The Sector's Best Rally On Record

by Piero Cingari Benzinga Staff Writer [Follow](#) [X](#)

Source: Anchor Capital, LSEG Data & Analytics

CODING A RELATIVELY SMALL PART OF SOFTWARE COMPANY COSTS

GAAP Operating cost breakdown of global software companies (weighted by market cap)



SOFTWARE PRESENTING OPPORTUNITIES – FOUR GUIDELINES TO FOLLOW

1) Management



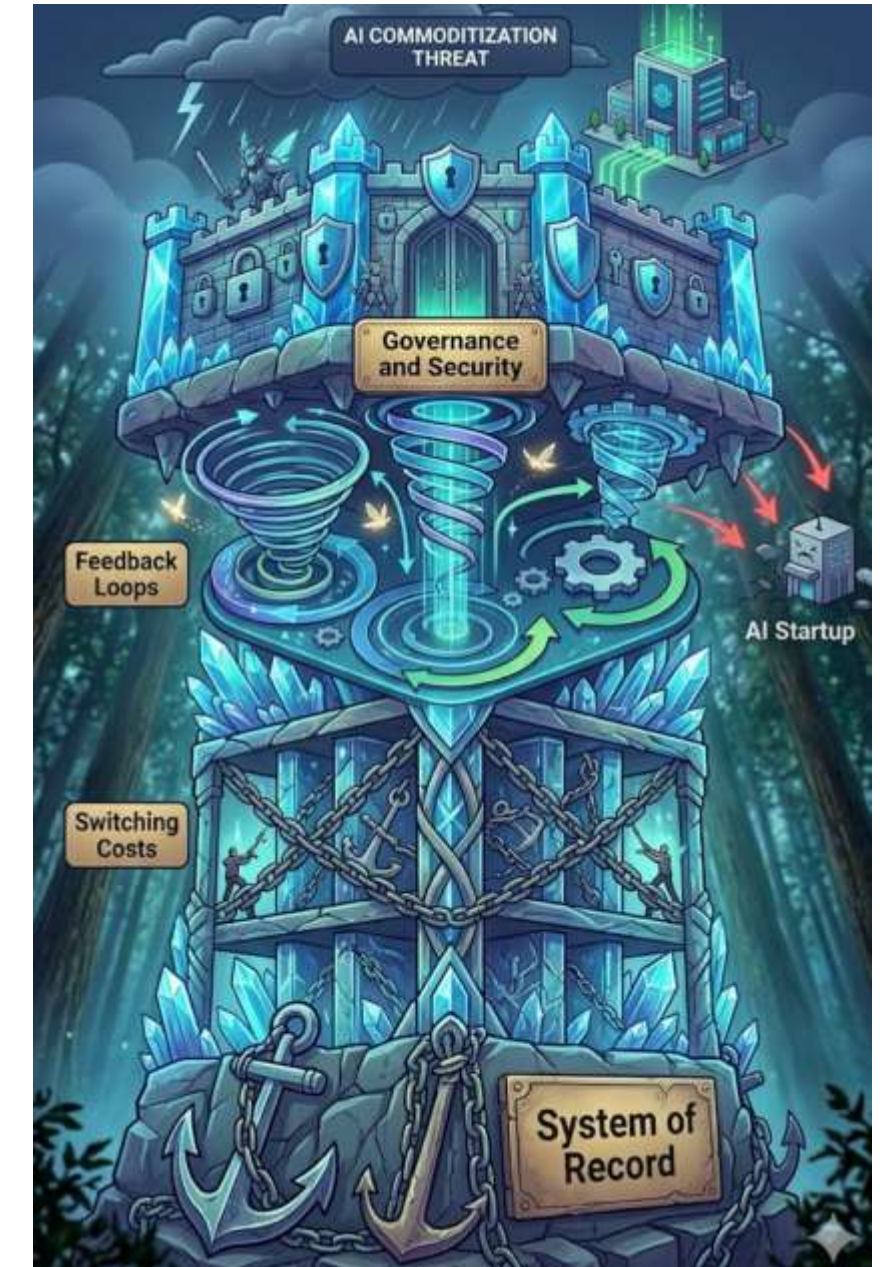
2) Top dog



3) Vertical software



4) Proprietary data

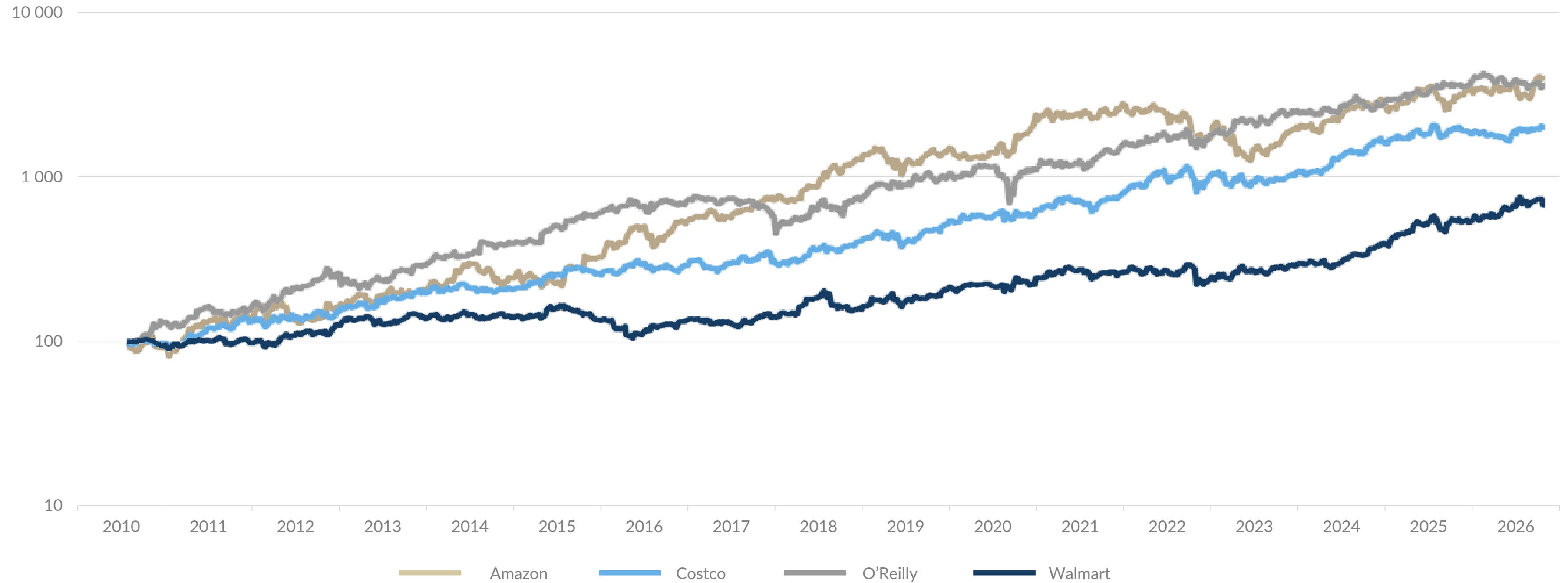


In many cases, AI is the software incumbents' battle to lose



AMAZON DID NOT WIPE OUT ALL BRICK-AND-MORTAR COMPANIES

Amazon vs bricks-and-mortar retail (Indexed to 100, Jan 2010)



MISCONCEPTION NUMBER 1 - "AI IS CHEAP"

Forbes
<https://www.forbes.com> › Innovation › Cloud

Uber Burns Its 2026 AI Budget In Four Months On Claude ...

17 May 2026 — **Uber exhausted its 2026 AI budget in four months** on Claude Code, exposing how token pricing breaks enterprise finance assumptions.

Fortune
<https://fortune.com> › 2026/05/22 › microsoft-ai-cost-pr...

Microsoft reports expose AI's cost problem: The tech is ...

3 days ago — AI Tech. Microsoft reports are exposing AI's real cost problem: **Using the tech is more expensive than paying human employees.** By. Jake Angelo. [Read more](#)



Using AI is a skill set in itself and requires some practice. Do not use agentic AI for mundane tasks – it wastes tokens. Use tokens for complex tasks. Correctly wording natural language prompts is key.

AI agents can consume 50x more tokens than a “human to chatbot” interaction.

MISCONCEPTION NUMBER 2 - “AI FREES UP YOUR TIME”



Harvard Business Review

<https://hbr.org> › 2026/02 › ai-doesnt-reduce-work-it-int... ⋮

AI Doesn't Reduce Work—It Intensifies It

09 Feb 2026 — But according to new research, **AI tools don't reduce work**, they consistently intensify it: In the study, employees worked at a faster pace ...

SPREAD YOUR RISKS VIA AI-AGNOSTIC EXPOSURE



Forbes

<https://www.forbes.com> › Innovation › Social Media

Instagram CEO Says AI Slop Is So Prevalent It Will Be ...

02 Jan 2026 — Several studies have suggested that **AI slop** accounts for as much as **70% of the content we see**, although I doubt the veracity of that claim. I ... [Read more](#)

Public mistrust in social media, traditional media and government institutions is arguably at an all time high.

People are craving real, human things they can see and touch.



RISING PUBLIC BACKLASH AGAINST AI



The Guardian

<https://www.theguardian.com> › technology › apr › sam... ⋮

How a fiery attack on Sam Altman's home unfolded

18 Apr 2026 — In the early hours of 10 April, a man approached the gate of OpenAI CEO Sam Altman's house in San Francisco and hurled a molotov cocktail at the ... [Read more](#)



BBC

<https://www.bbc.com> › news › articles ⋮

Former Google CEO Eric Schmidt booed by graduates at ...

7 days ago — Former Google CEO Eric Schmidt was booed by students as he spoke about the rise of artificial intelligence during his speech at University ... [Read more](#)



CBS News

<https://www.cbsnews.com> › MoneyWatch ⋮

AI job cuts are rising, but experts say layoffs are only part of ...

3 days ago — Economists say AI is reshaping the U.S. labor market by suppressing hiring even as overall job losses remain limited.



Data Center Watch

<https://www.datacenterwatch.org> › report ⋮

\$64 billion of data center projects have been blocked or ...

Bipartisan Backlash. Opposition to data center development cuts across political lines. · “AI Infrastructure” Isn't Always Welcome. · Data Centers Are the New ... [Read more](#)



WSJ

<https://www.wsj.com> › ... › Artificial Intelligence ⋮

The American Rebellion Against AI Is Gaining Steam

6 days ago — Booed commencement speakers, blocked data centers, plummeting poll numbers: Fast-growing industry has a faster-growing crisis.



Reuters

<https://www.reuters.com> › business › world-at-work › c... ⋮

Cloudflare to cut about 20% workforce as AI adoption ...

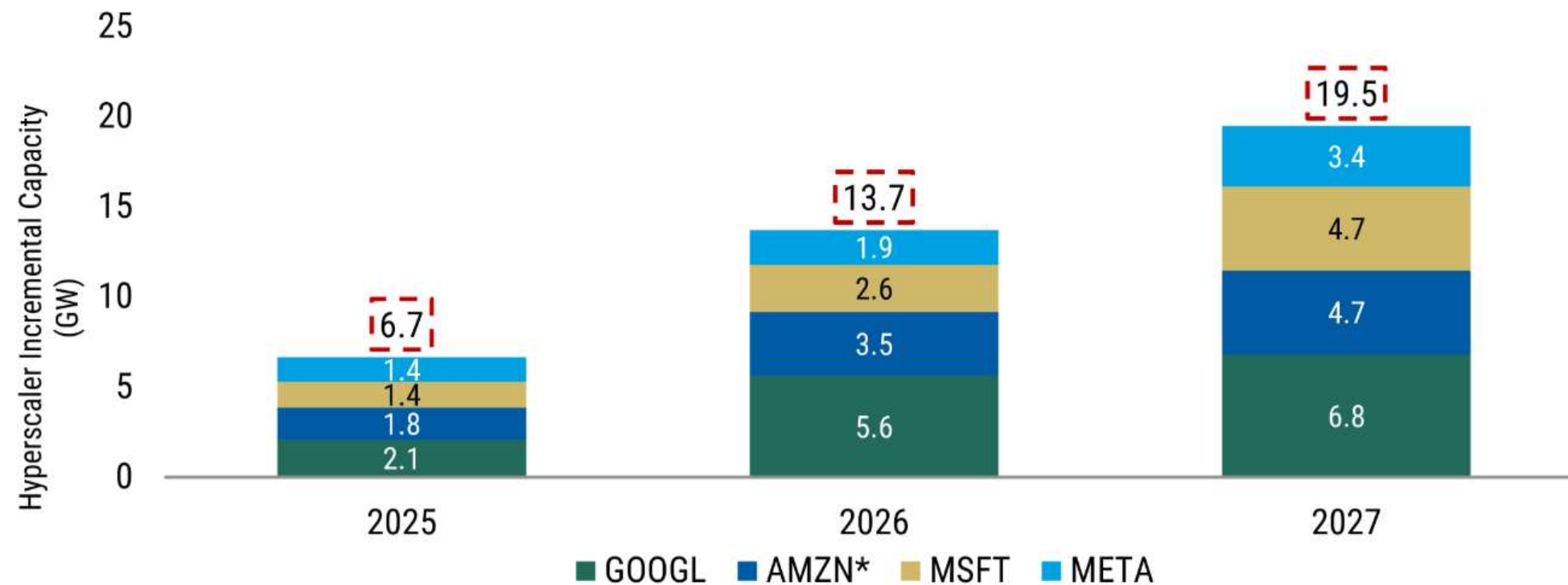
07 May 2026 — Cloudflare said on Thursday it would cut about 20% of its workforce as the company restructures operations around the rapid adoption of ...



ENERGY THE NUMBER-ONE BOTTLENECK IN AI

From a Capacity Perspective, Bottom-Up Modeling Implies This Should Lead to an Incremental ~20 GW Capacity Coming on in '27...up from 14 GW in '26

- We believe hyperscaler incremental capacity coming online in '27 is set to be ~3x higher than '25...speaking to the multi-year capex build yielding results
- For more perspective, we estimate AWS's total capacity at year end '24 was ~4-6 GW, for what was then a \$108bn annual revenue business
- **Notably, we estimate GOOGL adds the most capacity in '27 (~7 GW)**...followed by AMZN, MSFT and META. This speaks to GOOGL's surging demand to **1) Train leading frontier models (Gemini) 2) Enable GCP growth and 3) Deploy new GenAI enabled offerings across its core Search/YouTube offerings**



NVIDIA's Huang Declares Energy the Next Global Bottleneck for AI

December 3, 2025 at 6:33 PM GMT+0



By Marcus Hensley, Editor



- NVIDIA CEO Jensen Huang identifies energy, not just chips, as the primary constraint on global AI growth.
- Huang predicts small modular nuclear reactors (SMRs) will become a widespread power source for AI data centers within the decade.
- The shift is already in motion, with major tech firms investing directly in nuclear power and energy trading to secure supply.

USA data centers consumed c.28 GW in 2025 out of average continuous draw of c.500 GW. About 5% of total. Could rise to c.12% by 2030.

Source: Company data, Morgan Stanley Research Estimates; Note: *We acknowledge AMZN comments of adding 3.9 GW of new power capacity in 2025. Please note our capacity addition est. are based on coincident timing of server/rack deliveries each year. We believe the delta in '25 vs. company comments is related to IT capacity/servers purchased prior to '25 that weren't brought online until '25 as well as traditional cloud/CPU data center capacity

TWO EQUALLY DANGEROUS POSITIONS TO HOLD



"When I see a bubble forming, I rush in to buy, adding fuel to the fire. That is not an irrational act."

- George Soros 2009

RATHER SELL TOO EARLY THAN TOO LATE



NEXT TIME YOU FEEL CONFUSED ABOUT AI REMEMBER THAT.....



(Almost) no-one really fully understands what is going on with AI or where it will end up in 5 to 10 years time.

“There are probably only 500 to 1,000 people in the world who really know what is going on with AI, many of whom live in China”. Gavin Baker, Managing Partner of Atreides Management, LP (ex-Fidelity 18 years), quoted in December 2025.

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2026

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