

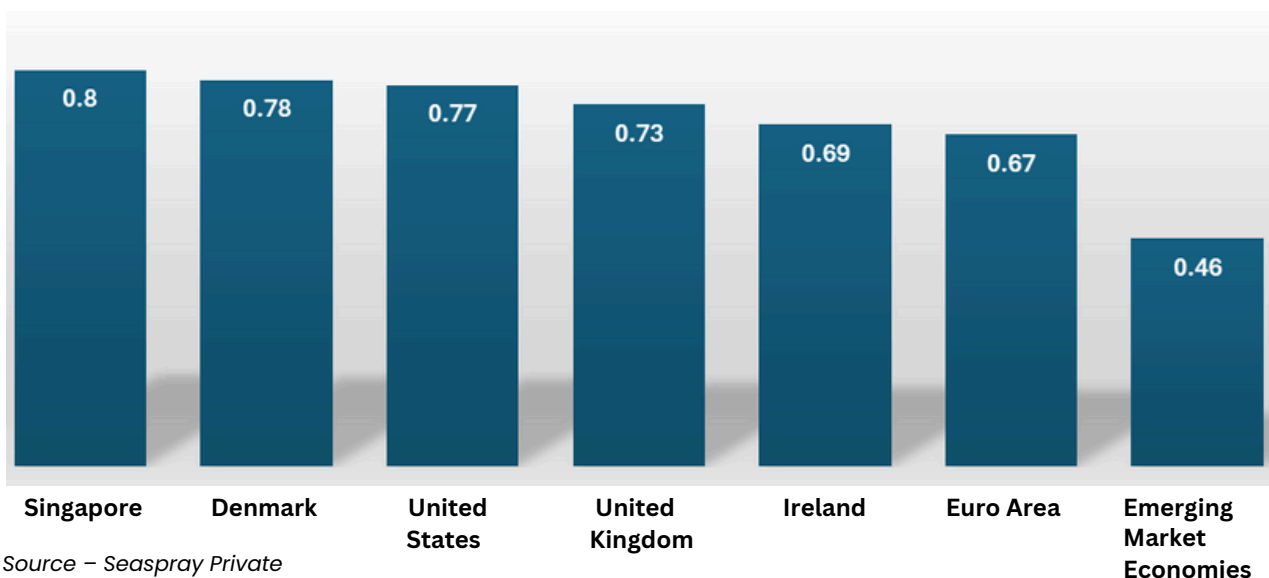


ARTIFICIAL INTELLIGENCE

***“By failing to prepare you are preparing to fail”
—Benjamin Franklin.***

The IMF recently released its new Artificial Intelligence preparedness index, which, according to the fund, “assesses the level of AI preparedness across 174 countries, based on an extensive set of macro-structural indicators that cover the countries’ digital infrastructure, human capital and labour market policies, innovation and economic integration, and regulation and ethics.” The index provides us with an interesting look at the countries and economic blocs who are ready for the widespread implementation of AI. The index is rated between 0 and 1, with 1 being the most prepared for AI and 0 being the least prepared. As we can see, in terms of countries, Denmark leads the way with a score of 0.78, followed closely behind by the United States, which is currently the hotbed for AI technologies. However ahead of both is the city state of Singapore, which has long been a location for emerging technologies and markets. In terms of closer to home, the United Kingdom has a score of 0.73, while here in Ireland the IMF ranked us in the top 12% of countries, with a score of 0.67. From a broader perspective, the IMF regards the Euro Area as being significantly more prepared for AI than emerging market economies, including China and India. In general, the US and Europe appear ready to reap the benefits of AI more swiftly than other markets due to their preparedness.

AI Preparedness



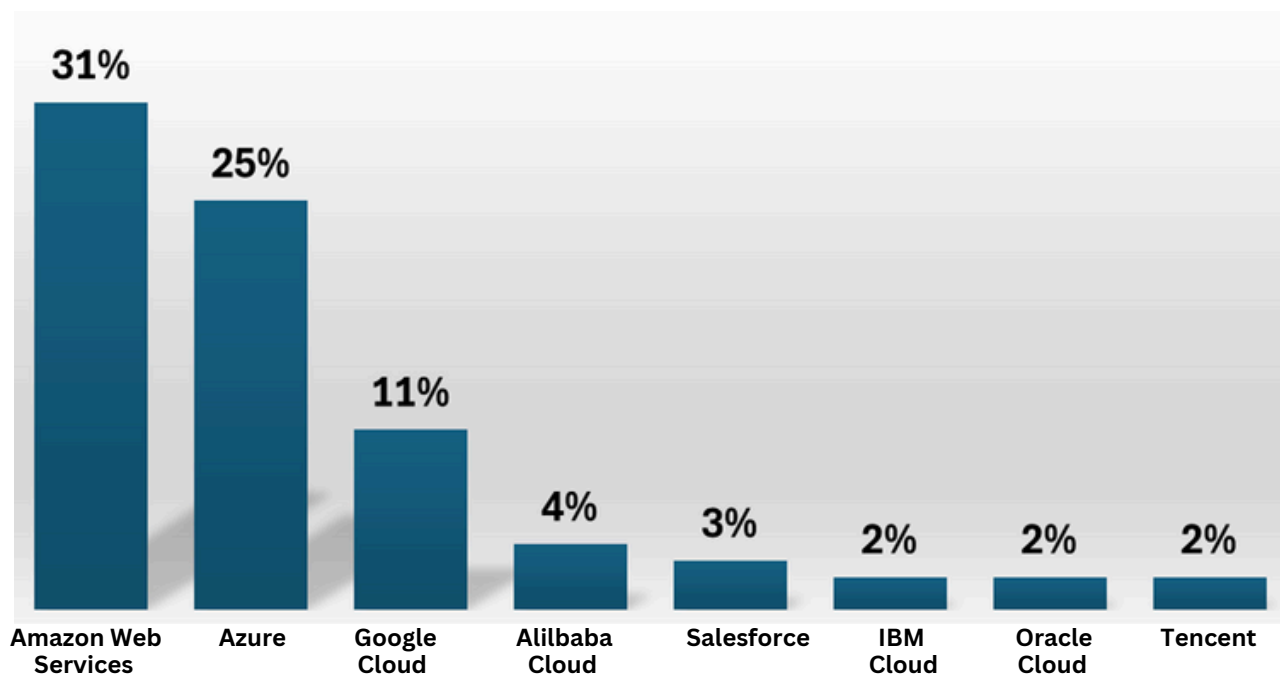
Source – Seaspray Private



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However, AI technologies and machine learning require a vast amount of power and storage to operate effectively, with data centres being one of the crucial components. The larger the data centre, the greater the volume of data available for AI to learn from, and the quicker the processing speed. In the below chart we can see that when it comes to data centres, on a worldwide scale, Amazon Web Services (AWS) currently accounts for just under one third of the market share. Next is Azure, owned and operated by Microsoft, accounts for 25% of the global market share of data centres. Together, these two companies own 56% of the global market share. Google cloud accounts for 11% of the total market share, followed by companies in China (Alibaba and Tencent) and US based firms Salesforce, IBM and Oracle. Nevertheless, it is the large-cap companies like Amazon, Microsoft, and Google that are poised to gain from the anticipated increase in data centres usage.

World Market Share



Source – Seaspray Private