

Two of the Best AI Trades to Own, Long-Term

The artificial intelligence (AI) revolution is quickly emerging.

And it's likely to change the world, as we know it.

"The term is applied when a machine mimics cognitive functions that humans associate with other human minds, such as learning and problem-solving," notes Hunt Scanlon Media. "The term encompasses many things, but at the moment it has a strong emphasis on using algorithms to do very smart things. It makes programming a lot simpler and a lot more interesting. What we are seeing in AI today is mostly pattern-matching and the capacity to look through sets of data."

The automotive industry is applying the technology with driverless cars.

In financial services, AI is helping organize operations, maintain bookkeeping and invest in stocks. It is also being used to detect behavioral patterns for abnormal changes to reduce fraud and financial crime.

At the moment, we're still just in the early stages of watching AI revolutionize every industry from consumer products and transportation to healthcare and manufacturing, as corporate America races to embrace machine learning, deep learning and other processes that allow computers to perform tasks that generally require human intelligence.

Projections are that the market could increase tenfold between 2018 and 2022.

Catherine Wood, CEO of ARK Investment Management recently noted, "We think [deep learning] could approach \$17 trillion in market cap – which would be 35 Amazons."

"Bill Gates has said a breakthrough in machine learning would be worth 10 Microsofts. Microsoft is \$550 to \$600 billion. We think deep learning is going to be twice that."

Google CEO Sundar Pichai says it's "more profound than electricity or fire."

Microsoft CEO Satya Nadella once noted that AI is the "defining technology of our times" with a capability of changing the way we drive our cars, automate our factories, create jobs, and even help improve our healthcare.

PricewaterhouseCoopers estimates that AI could become a massive \$70 billion market by 2020. JP Morgan analysts believe the market will grow to \$58 billion by 2021, as well.

While investors can always buy NVIDIA to take full advantage of the AI boom, we can also look at ETFs, including these two.

Global X Robotics & Artificial Intelligence (BOTZ)

The Global X Robotics & Artificial Intelligence ETF (BOTZ) seeks to invest in companies that potentially stand to benefit from increased adoption and utilization of robotics and artificial intelligence (AI), including those involved with industrial robotics and automation, non-industrial robots, and autonomous vehicles. It has holdings in NVIDIA and Intuitive Surgical for example.



ROBO Global Robotics and Automation Index ETF (ROBO)

The ETF follows the performance of a proprietary benchmark, the Robo Global Robotics & Automation Index. The index tracks the returns of companies that represent the global value chain of robotics, automation and artificial intelligence, according to the fund's parent company Robo Global. It has holdings in iRobot Corporation, Aerovironment, and Brooks Automation for example.

ROBO ROBO Global Robotics and Automation Index ETF AMEX © StockCharts.com
24-Jul-2018 11:02am **Open** 40.77 **High** 40.99 **Low** 40.77 **Last** 40.95 **Volume** 160.8K **Chg** +0.55 (+1.35%) ▲

