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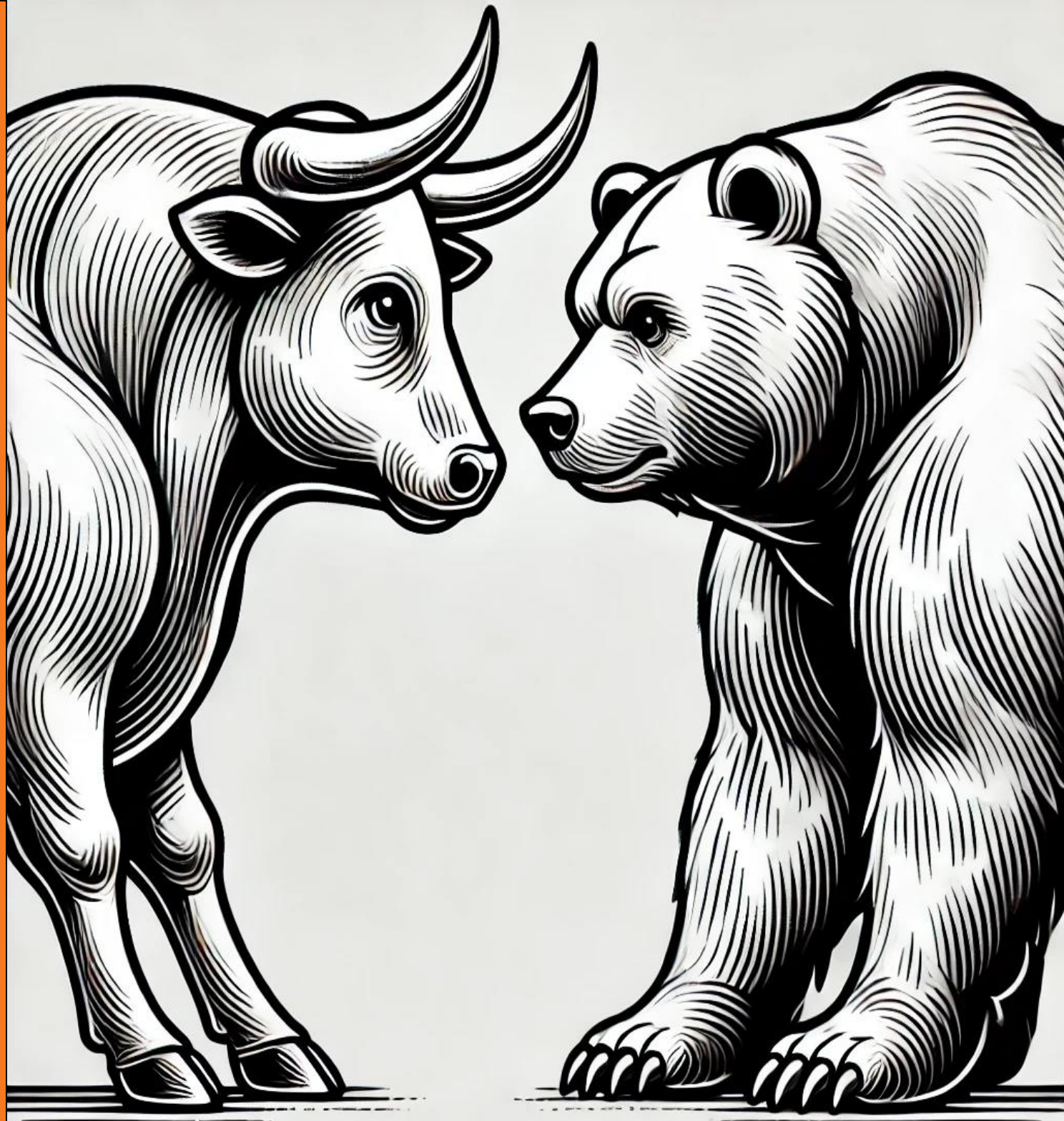


Market Insights

MONTAG Research,
MONTAG Wealth Management

Artificial Intelligence & Portfolios

June 2025



Artificial intelligence (AI) is no longer theoretical, it's investable, with real implications for capital markets and long-term portfolio construction. Since late 2022, global investment in AI infrastructure and applications has surged, with enterprise AI spending projected to exceed **\$204 billion by 2025, growing at a 37.3% compound annual growth rate(IDC)**. Public markets have already begun to reflect this shift: the MSCI ACWI Software & Services Index is up 12.8% year-to-date through May 2025, led by firms leveraging AI to drive operational scale and margin expansion.

Recent market activity highlights some bifurcation in AI players. While several mega-cap names that led in 2023–2024 have retreated in early 2025, a rotation is underway into companies positioned to **productize AI** - those building scalable platforms, deploying proprietary data, and embedding intelligence into core enterprise functions. Notably, AI-native SaaS firms have reported 30%+ year-over-year revenue growth in Q1 2025, outpacing traditional software peers (Goldman Sachs Equity Research).

This presentation is intended to frame AI not as a passing trend but as a multi-year, cross-sector investment opportunity. We examine adoption patterns, technological progress, and economic impact across industries - from semiconductor capex, which is expected to top \$190 billion in 2025 (SEMI Industry Association, May 2025), to cloud service spending, projected to hit **\$679 billion globally this year** (Gartner, *Cloud Forecast Update*, 2025). The proliferation of intelligent agents, copilots, and embedded large language models across enterprise and consumer applications signals that AI is not only being developed but rapidly deployed.

We hope you'll flip through the slides below to gain perspective on how revolutionary AI is and specifically what it creates, and pace of adoption looks like relative to the internet in the mid-90's.

At MONTAG, we integrate emerging themes like AI into customized client portfolios with discipline and selectivity. While volatility may persist, we believe AI-driven innovation will be a key differentiator for long-term capital appreciation. Our role is to help clients access these opportunities in a way that is aligned with their objectives, time horizon, and risk tolerance.

Wealth Management Team



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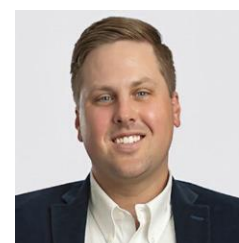
KENT SHAW

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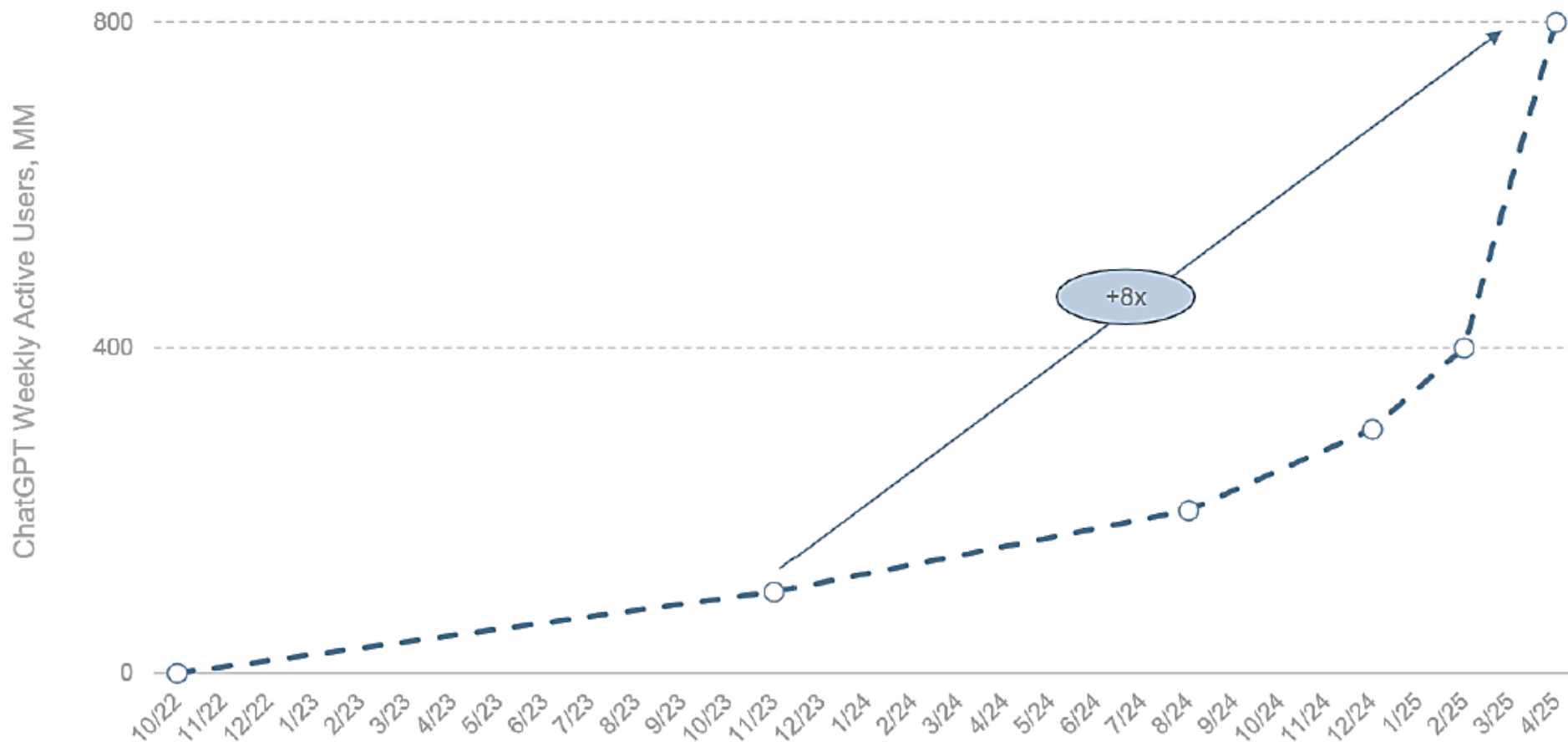
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AI User Growth (ChatGPT as Foundational Indicator) = +8x to 800MM in Seventeen Months

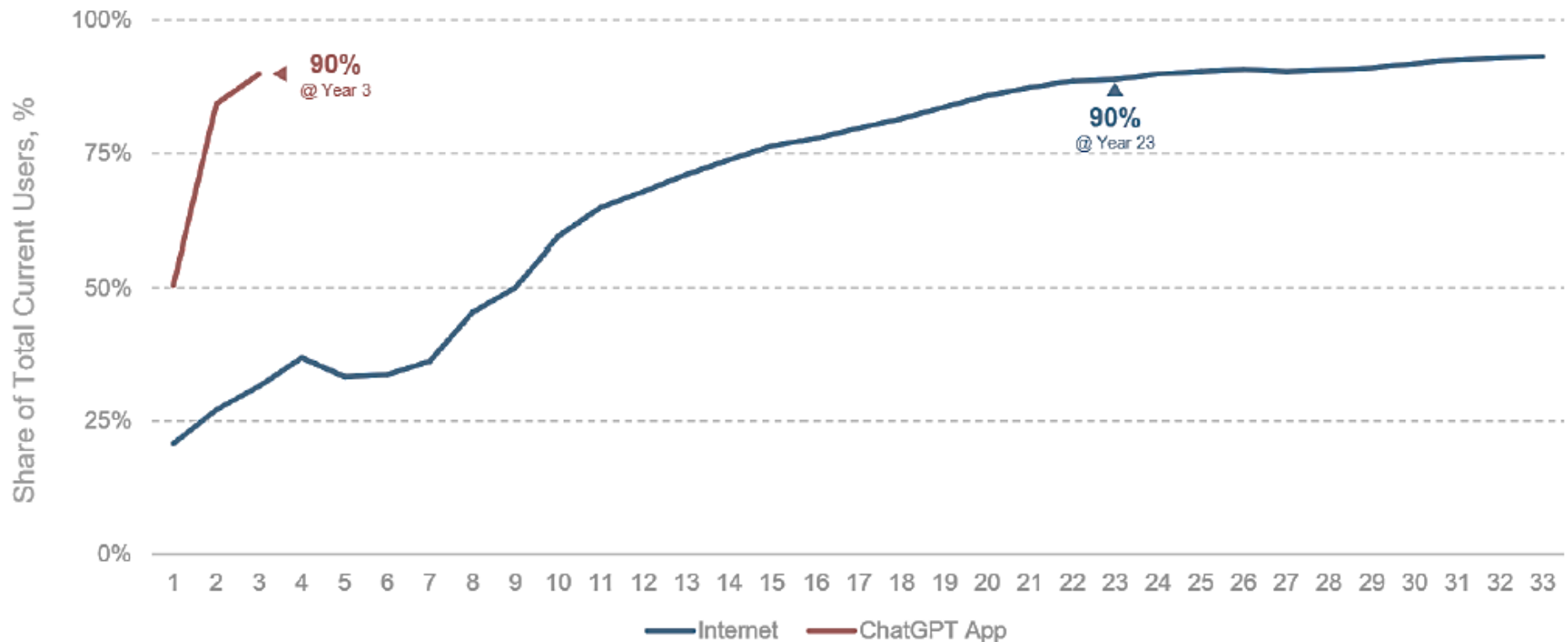
ChatGPT User Growth (MM) – 10/22-4/25, per OpenAI



Note: OpenAI reports Weekly Active Users which are represented above. 4/25 estimate from OpenAI CEO Sam Altman's 4/11/25 TED Talk disclosure. Source: OpenAI disclosures

AI Global Adoption (ChatGPT as Foundational Indicator) = Have Not Seen Likes of This Around-the-World Spread Before

Internet vs. ChatGPT Users – Percent Outside North America (1990-2025),
Per ITU & Sensor Tower

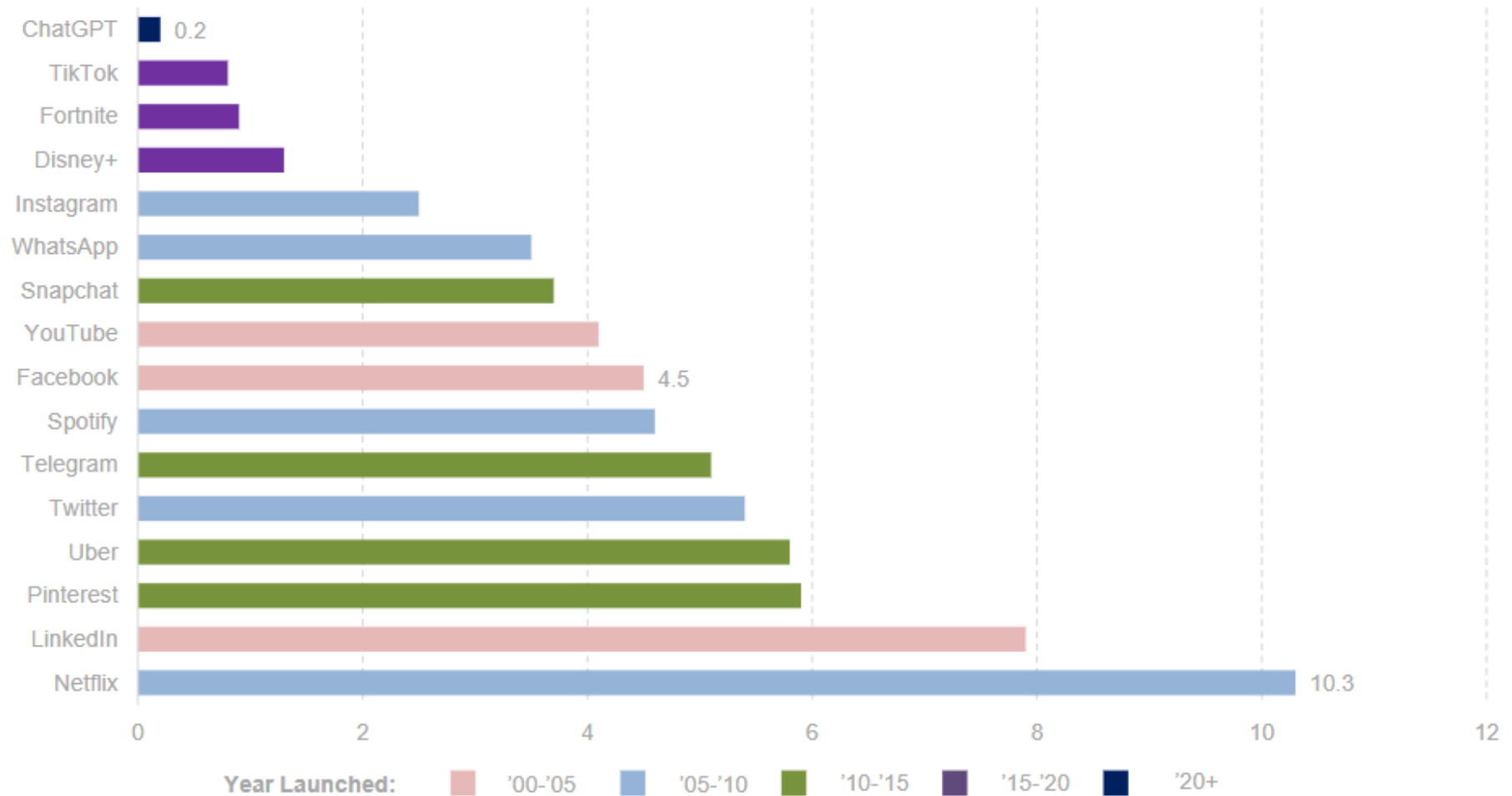


Indexed Years (Internet @ 1 = 1990, ChatGPT App @ 1 = 2023)

Note: Year 1 for Internet = 1990; year 33 = 2022. Year 1 for ChatGPT app = 5/23; year 3 for ChatGPT app = 5/25. ChatGPT app monthly active users (MAUs) shown. Note that ChatGPT is not available in China, Russia and select other countries as of 5/25. China data may be subject to informational limitations due to government restrictions. Includes only Android, iPhone & iPad users. Figures may understate true ChatGPT user base (e.g., desktop or mobile webpage users). Regions per United Nations definitions. Figures show % of total current users in that year – note that as year 3 for ChatGPT has not yet finished, percentages could move in coming months. Data for standalone ChatGPT app only. Country-level data may be missing for select years, as per ITU. Source: United Nations / International Telecommunications Union (3/25), Sensor Tower (5/25)

AI User Adoption (ChatGPT as Proxy) = Materially Faster vs. Internet Comparables...

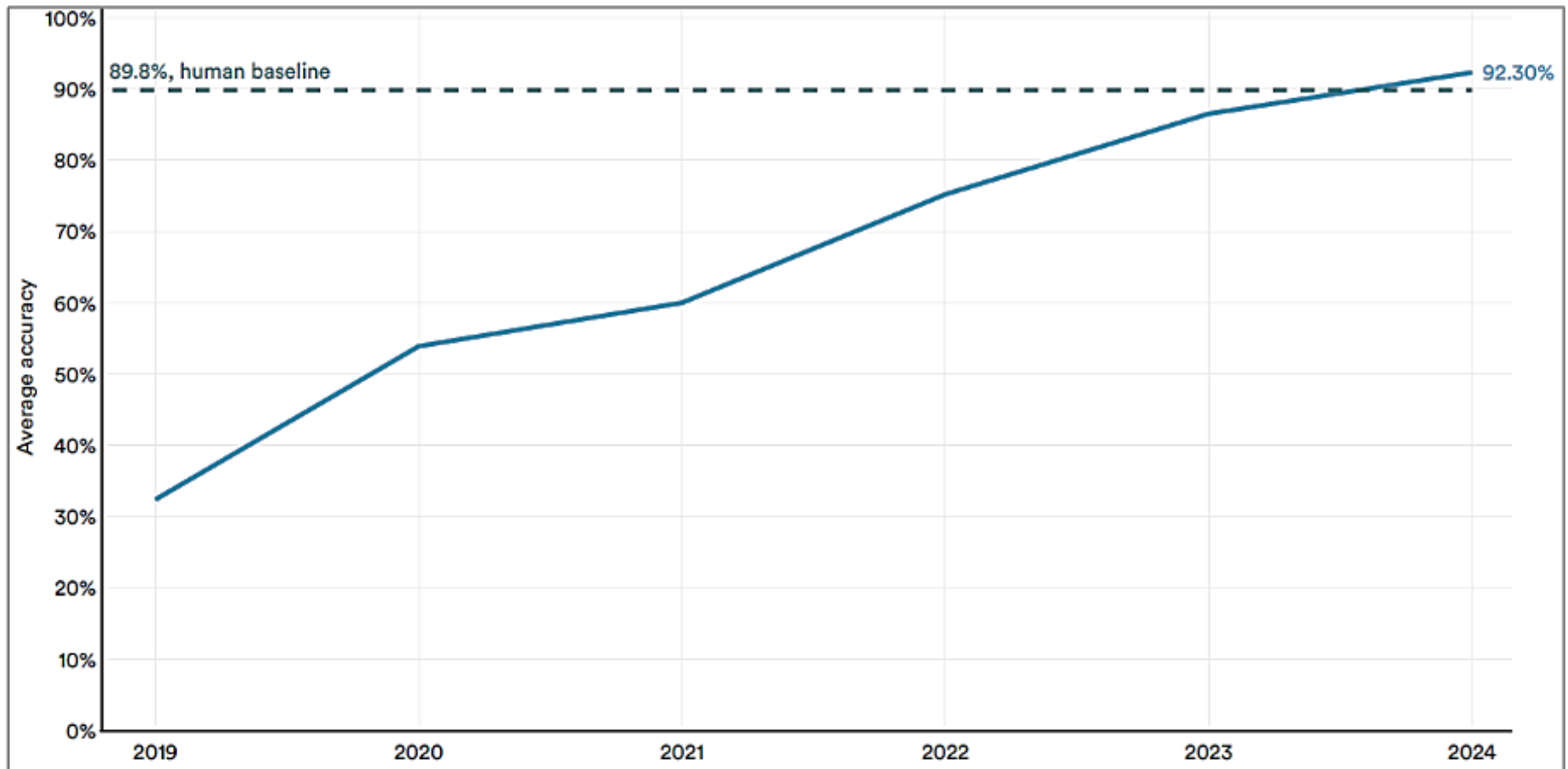
Years to Reach 100MM Users – 2000-2023



Note: Netflix represents streaming business. Source: BOND, 'AI & Universities' (2024) via company filings, press

AI Performance = in 2024... Surpassed Human Levels of Accuracy & Realism per Stanford HAI

AI System Performance on MMLU Benchmark Test – 2019-2024, per Stanford HAI



Note: The MMLU (Massive Multitask Language Understanding) benchmark evaluates a language model's performance across 57 academic and professional subjects, such as math, law, medicine, and history. It measures both factual recall and reasoning ability, making it a standard for assessing general knowledge and problem-solving in large language models. 89.8% is the generally-accepted benchmark for human performance. Stats above show average accuracy of top-performing AI models in each calendar year. Source: Papers With Code via Nestor Maslej et al., 'The AI Index 2025 Annual Report,' AI Index Steering Committee, Stanford HAI (4/25)

AI Performance = Increasingly Realistic Image Generation

AI-Generated Image: 'Women's Necklace with a Sunflower Pendant' – 2/22-4/25,
per Midjourney / Gold Penguin

Model v1 (2/22)



Model v7 (4/25)



Notes: Dates shown are the release dates of each Midjourney model. Source: Midjourney (4/25) & Gold Penguin, 'How Midjourney Evolved Over Time (Comparing V1 to V6.1 Outputs)' (9/24)

AI Performance = Increasingly Realistic Image Generation

AI-Generated vs. Real Image – 2024

AI-Generated Image (2024)



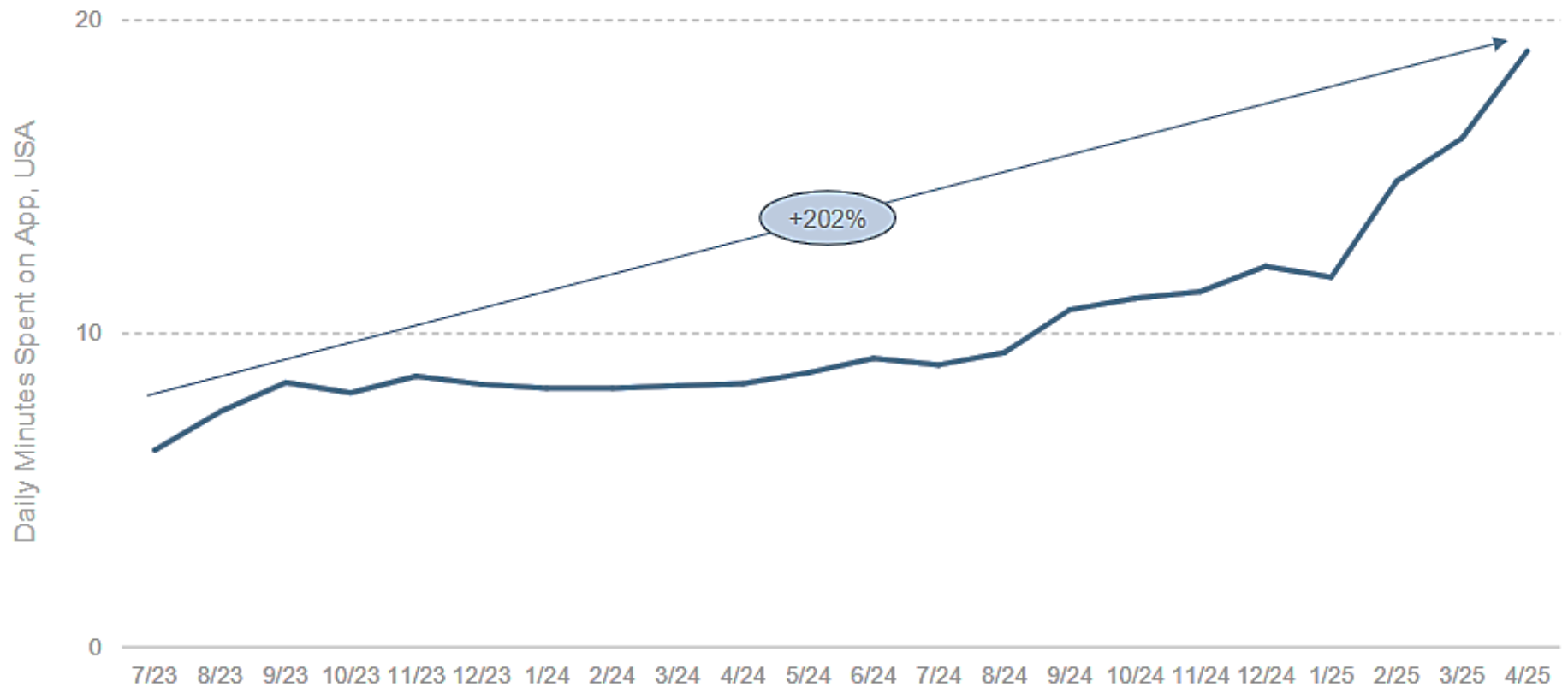
Real Image



Source: Left – StyleGAN2 via 'The New York Times,' 'Test Yourself: Which Faces Were Made by A.I.?' (1/24); Right – Creative Commons

AI Engagement (ChatGPT App as Proxy) = +202% Rise in Daily Time Spent Over Twenty-One Months...

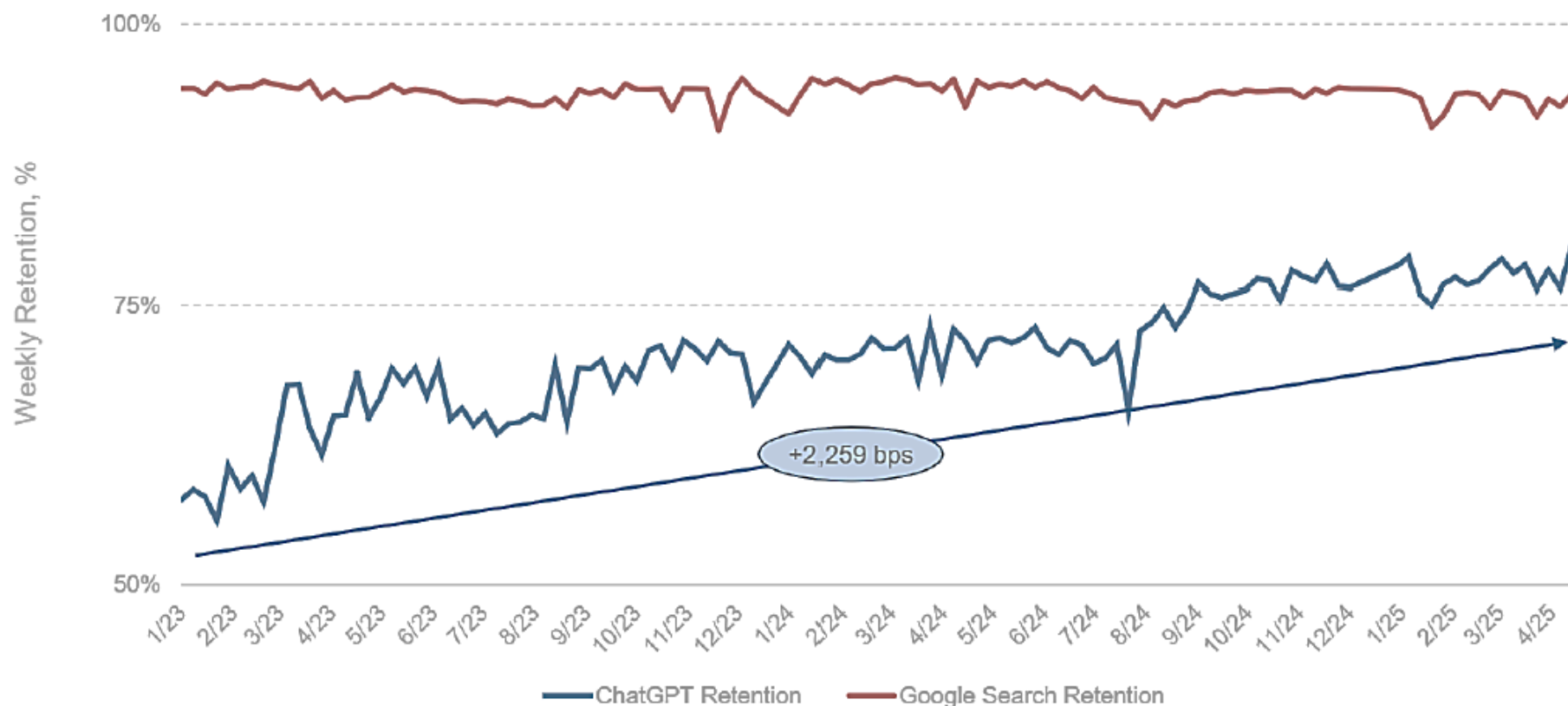
Minutes per Day that USA Active Users Spend on ChatGPT App – 7/23-4/25,
per Sensor Tower



Note: Data represents USA App Store & Google Play Store monthly active users. Data for ChatGPT standalone app only. ChatGPT app not available in China, Russia and select other countries as of 5/25. Source: Sensor Tower (5/25)

AI Retention (ChatGPT as Proxy) = 80% vs. 58% Over Twenty-Seven Months per YipitData

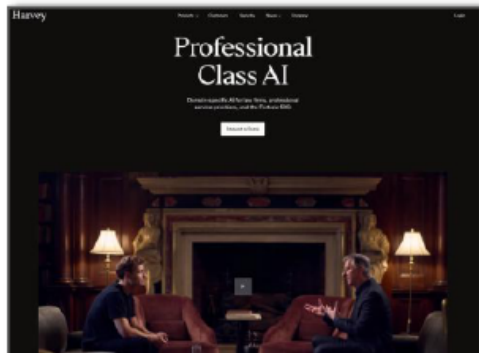
Consumer ChatGPT & Google Search Global Desktop User Retention Rates (1/23-4/25), per YipitData



Note: Retention Rate = Percentage of users from the immediately preceding week that were users again in the current week. Data measures several million global active desktop users' clickstream data. Data consists of users' web requests & is collected from web services / applications, such as VPNs and browser extensions. Users must have been part of the panel for 2 consecutive months to be included. Panel is globally-representative, though China data may be subject to informational limitations due to government restrictions. Excludes anomalies in w/c 12/24/23, 12/31/23, 12/22/24, 12/29/24, 1/5/25, potentially due to holiday breaks causing less enterprise usage. Source: YipitData (5/25)

Specialized AI – Legal (Workflows) = Harvey @ \$10MM to \$70MM ARR in Fifteen Months, per The Information & Business Insider

Harvey – 12/23-4/25, per *The Information & Business Insider*

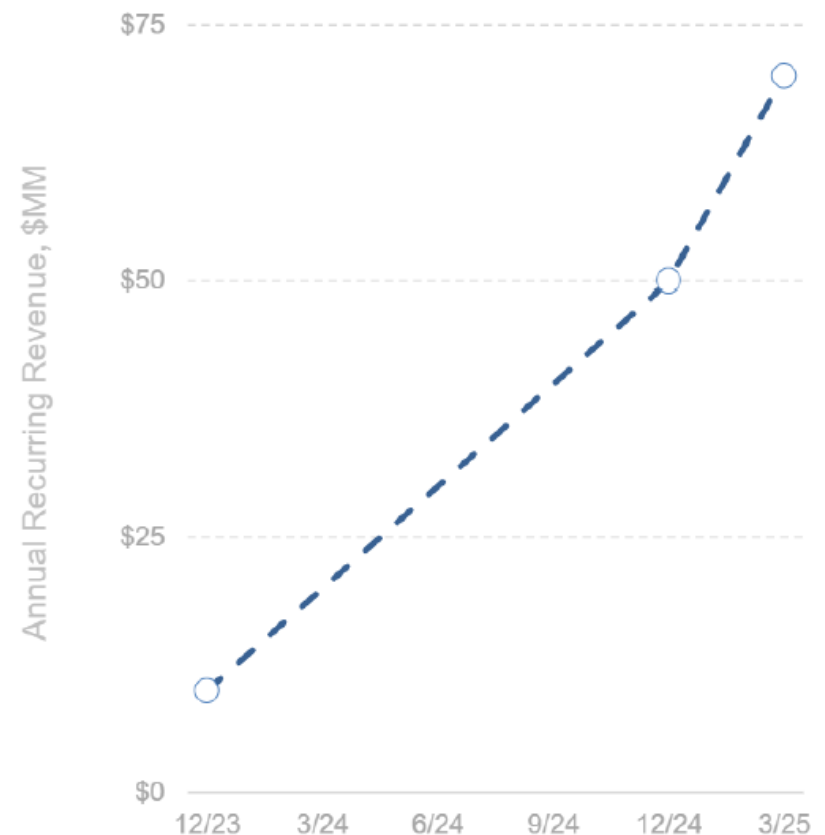


In 2024, we saw 4x annual recurring revenue (ARR) growth and expanded from 40 customers to 235 customers in 42 countries, including the majority of the top 10 USA law firms.

We've also seen the legal and professional services industry shift faster than ever before. Lawyers are adopting technology at an unprecedented rate, centuries-old firms are experimenting with new business models, and enterprises are driving significant savings with AI-enabled workflows. The pace of change will only accelerate in 2025.

**- Harvey Co-Founder & CEO Winston Weinberg
& Co-Founder & President Gabe Pereyra (2/25)**

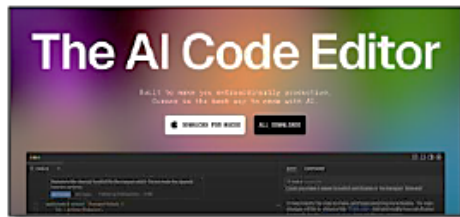
Annual Recurring Revenue (ARR) (\$MM)



Source: Harvey (2/25), The Information estimates (1/25) ([link](#), [link](#)), & Business Insider (5/25) ([link](#))

Specialized AI – Software Engineering (Code Editor) = Anysphere Cursor AI ARR @ \$1MM to \$300MM in Twenty-Five Months

Anysphere Cursor AI – 3/23-4/25, per Anysphere



Something beautiful is happening to code...our aim with Cursor is to continue to lead this shift, by building a magical tool that will one day write all the world's software...

...Already, in Cursor, hours of hunting for the right primitives are being replaced by instant answers. Mechanical refactors are being reduced to single 'tabs.' Terse directives are getting expanded into working source. And thousand-line changes are rippling to life in seconds.

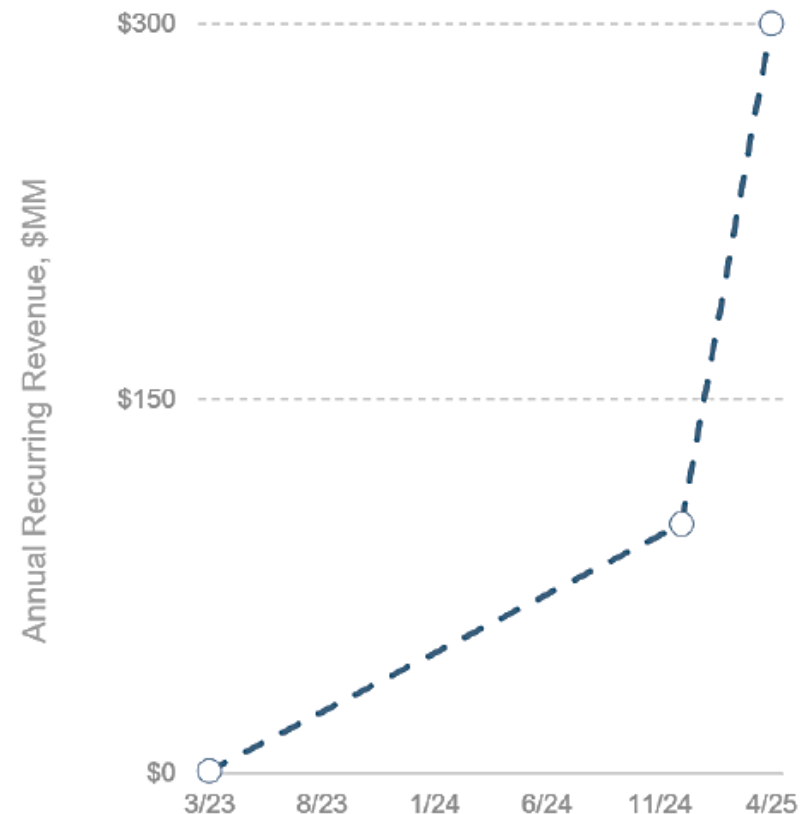
- Anysphere Press Release (8/24)

...We're delighted to report that Cursor is now used by millions of programmers as their editor of choice. Our proprietary models now generate more code than almost any LLMs in the world and edit over a billion characters per day. Our business is large and fast growing, having exceeded \$100MM in recurring revenue.

- Anysphere Team (8/24 & 1/25)

Note: Cursor launched in 4/23. We show 3/23 as the first datapoint with an assumed \$0 in ARR. Source: Cursor / Anysphere (8/24, 11/24 & 1/25), Anysphere Co-Founder & CEO Michael Truell via Lenny's Newsletter, 'The rise of Cursor: The \$300M ARR AI tool that engineers can't stop using' (5/1/25)

Annual Recurring Revenue (ARR) (\$MM)



Specialized AI – Product Development (No-Code Product-Building) = Lovable ARR + 13x to \$50MM in Five Months

Lovable – 12/24-5/25

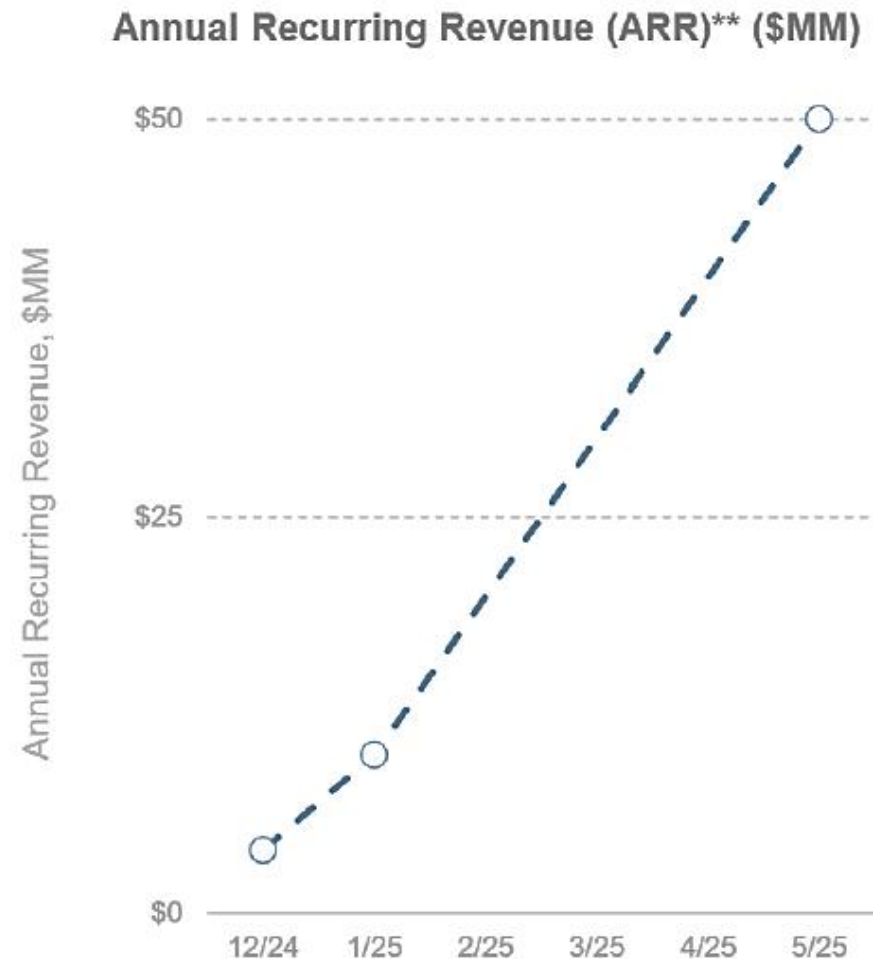


Note: Lovable is an AI-powered application development platform that enables users to create full-stack web applications by describing their ideas in natural language. The platform translates these descriptions into functional applications, handling frontend and backend code generation, database integration, and deployment.

The opportunity here is immense. We are on the verge of a paradigm shift where the barriers to building software-based products disappear.

Now, anyone can become an entrepreneur, launch a product and build a business in minutes.

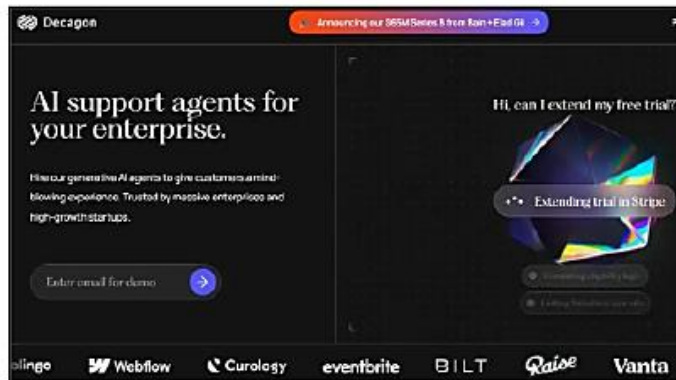
**- Frederik Cassel, Creandum,
'Backing Lovable: Move Fast and Make Things,' 2/25***



*Per Creandum website. **From Lovable Co-Founder & CEO Anton Osika's LinkedIn posts & podcast appearances. Source: Lovable (5/25), Creandum (2/25)

Specialized AI – Customer Service (AI Support Agents) = Decagon @ ~\$1MM to \$10MM ARR in One Year

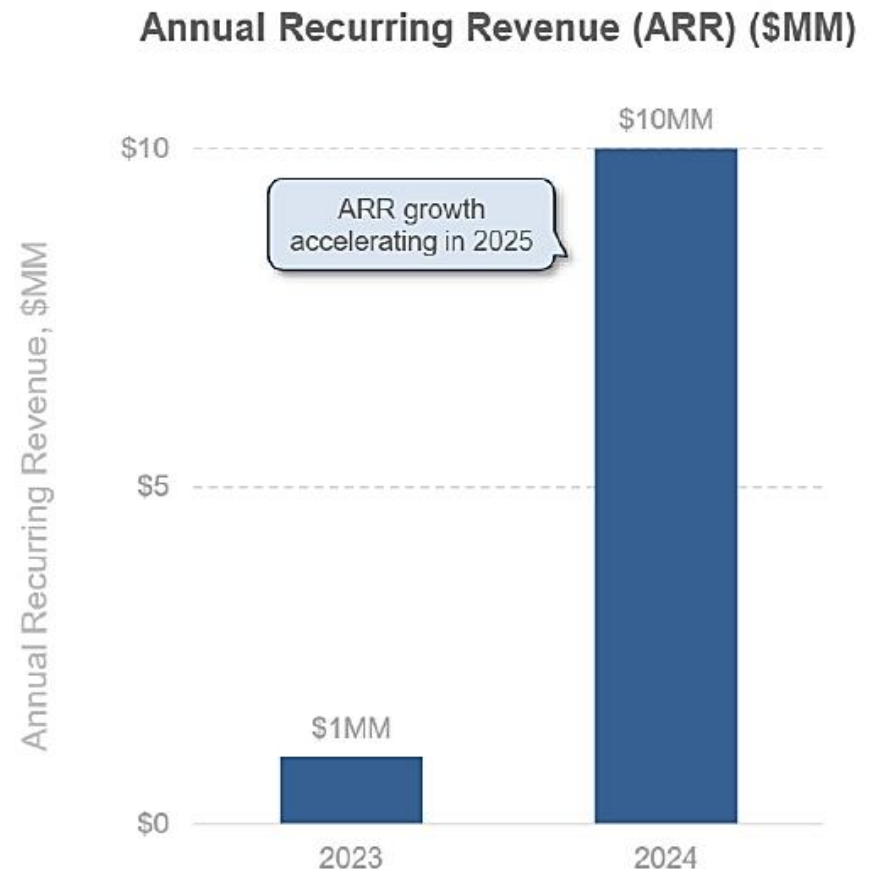
Decagon – 2023-2024, per Decagon



AI is often seen as destroying jobs, but at Decagon, we believe the opposite. Our AI agents are enhancing jobs, not replacing them...

...In a few years, every company will have AI agents running their customer experiences. Customer support staff are no longer fielding routine tasks; they are now becoming AI managers – configuring, training and overseeing the AI agents that handle repetitive work.

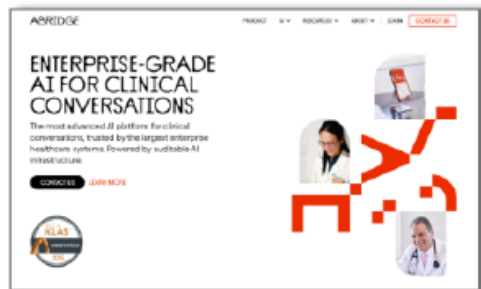
- Decagon Co-Founder & CEO Jesse Zhang (10/24)



Note: Source: Decagon (12/23, 10/24, 12/24)

Specialized AI – Healthcare (Clinical Conversations) = Abridge @ \$50MM to \$117MM CARR in ~ Five Months

Abridge – 10/24-3/25, per Abridge & *The Information*



Yazdi Bagli, Kaiser's EVP of IT and enterprise business services, said he believes [Kaiser Permanente's] Abridge partnership is one of the largest generative AI deployments in health care...

...The national rollout includes more than 25,000 doctors and clinicians, 40 hospitals, and north of 600 medical offices...

...The feedback from doctors has been effusive:

'It saved my marriage.' And:

'You'd have to take it away from my cold, dying hands.'

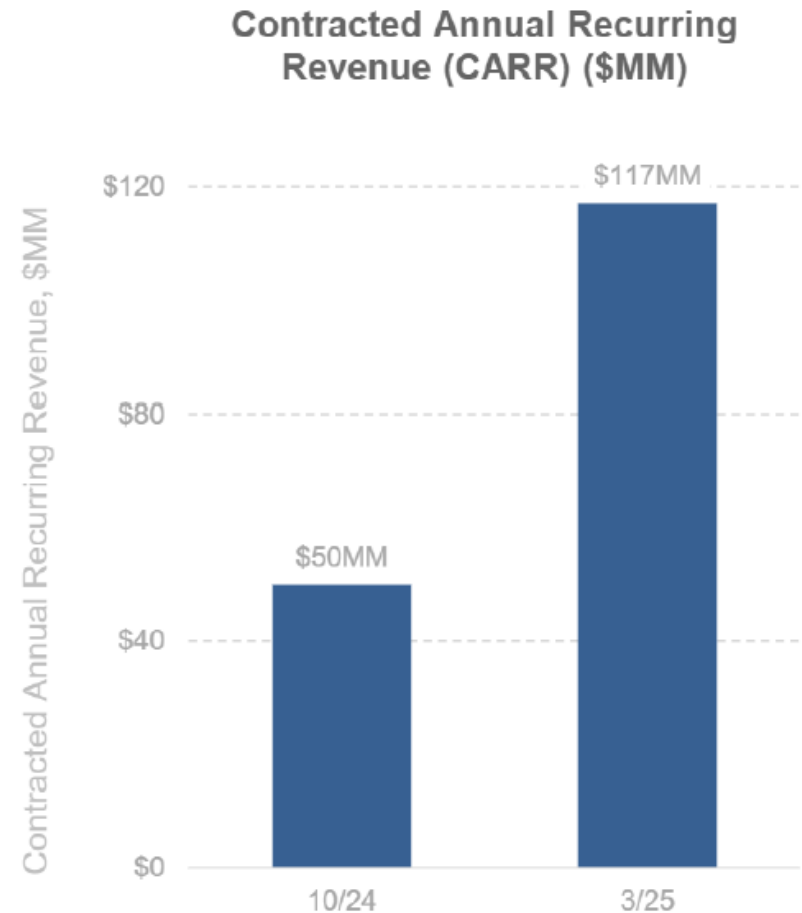
- Fortune Magazine (2/25)

We are incredibly proud of our partnership with Kaiser – where a majority of Kaiser doctors are using Abridge to summarize patient visits, with over 10 million completed to date.

As one of our earliest deployments, it is a great example of how we are building alongside our many hospital partners and helping them grow with Abridge.

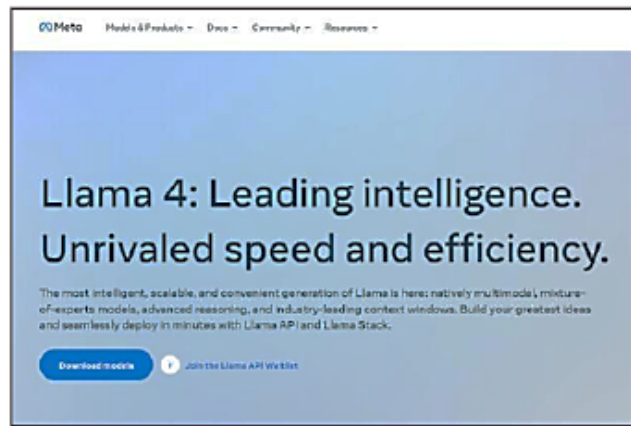
- Abridge CFO Sagar Sanghvi (5/25)

Note: 3/25 figure is quoted as being as of Q1:25. We conservatively assume this maps to 3/25. Abridge's CARR goes live within weeks of contracting. Source: Abridge (12/24 & 5/25), Fortune (2/25), The Information (10/24 & 5/25) ([link](#) & [link](#))



Developer AI Model Activity = +3.4x Increase in Downloads of Meta Llama in Eight Months

Meta Llama – 8/24-4/25, per Meta Platforms



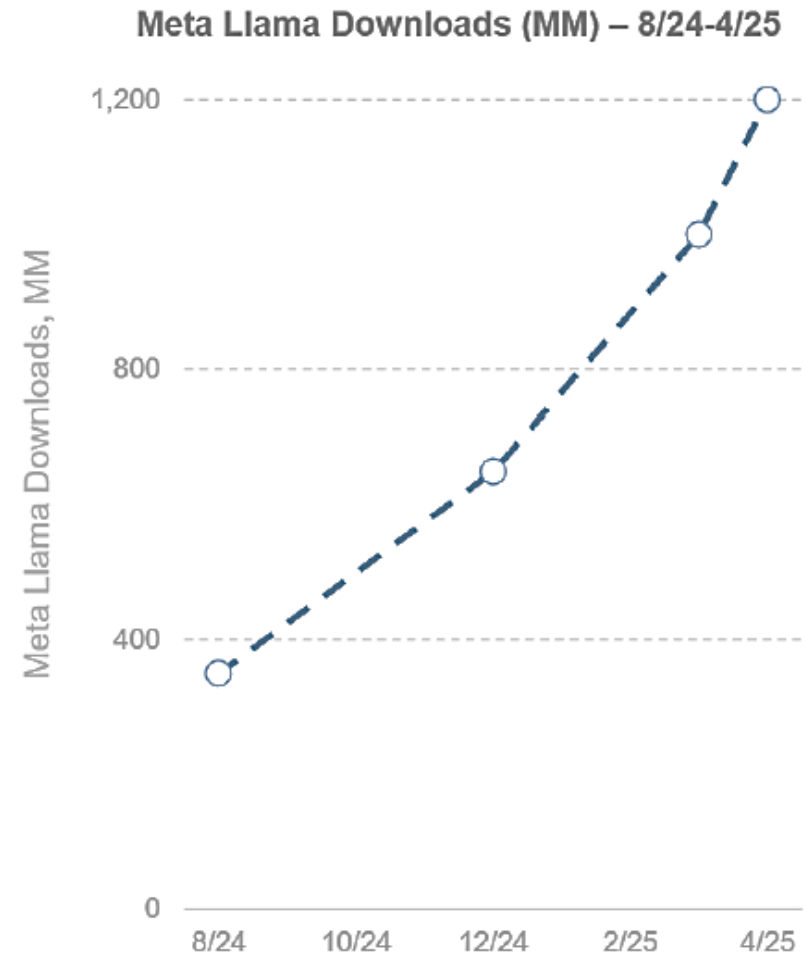
I predicted that 2025 was going to be the year that open source became the largest type of model that people are developing with, and I think that's probably going to be the case. That's kind of how we're thinking about this overall.

- Meta Platforms CEO Mark Zuckerberg, 5/25

The groundswell of support for Llama has been awesome. We announced ten weeks ago a billion downloads after the release of Llama 4. In just ten weeks, that number is now 1.2. And if you look at Hugging Face (where the downloads are happening), what's cool is that most of these are derivatives. We have thousands of developers contributing.

- Meta Platforms Chief Product Officer Chris Cox, 5/25

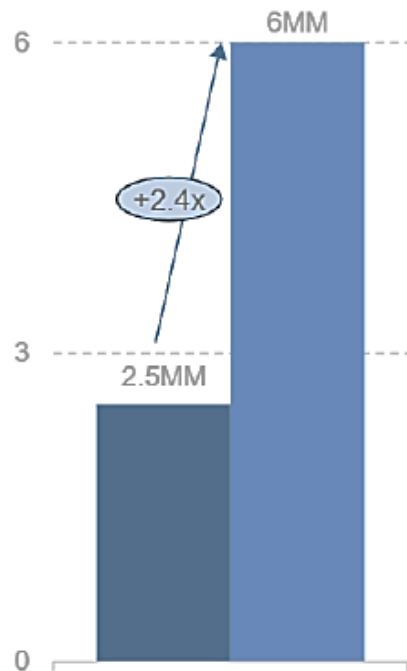
Note: 12/24 disclosure counted downloads of Llama and its derivatives. Source: Meta Platforms (8/24, 12/24, 3/25, 4/25), Stratchery podcast (5/25)



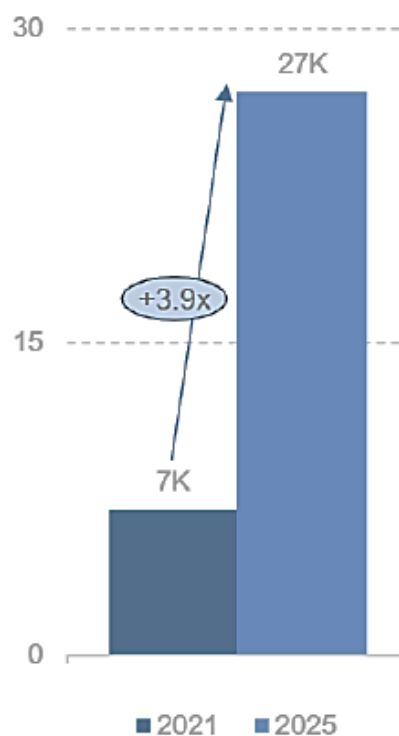
NVIDIA AI Ecosystem Tells Over Four Years = >100% Growth in Developers / Startups / Apps

NVIDIA Computing Ecosystem – 2021-2025, per NVIDIA

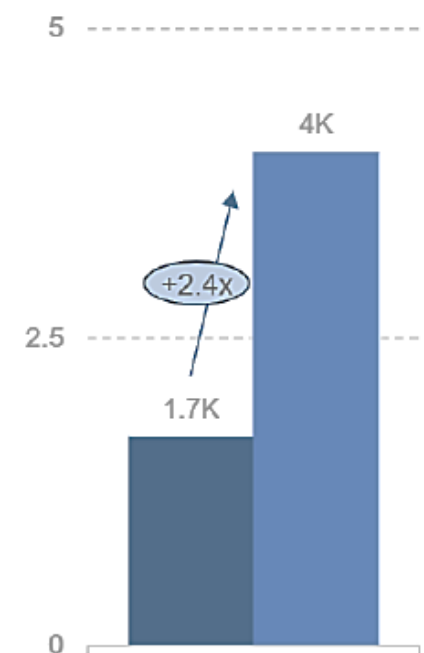
Number of Developers (MM)



Number of AI Startups (K)



Number of Applications Using GPUs (K)



Note: GPU = Graphics Processing Unit. Source: NVIDIA (2021 & 2025)

Enterprise AI Focus – S&P 500 Companies = 50% Rising Talking-the-Talk

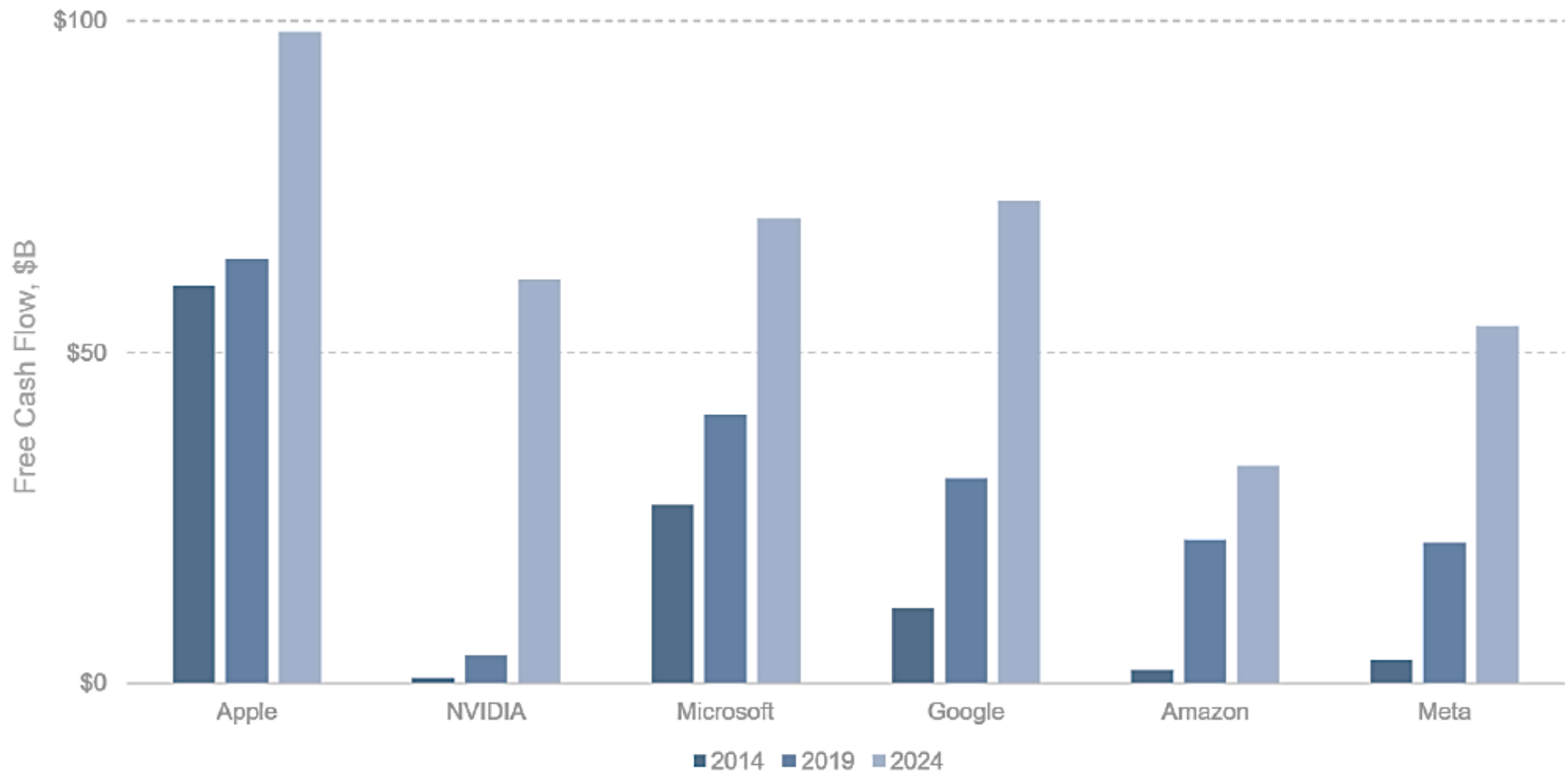
Quarterly Earnings Call Mentions of 'AI' – S&P 500 Companies (2015-2025),
per Goldman Sachs Research



Source: Goldman Sachs Global Investment Research, 'S&P Beige Book: 3 themes from 4Q 2024 conference calls: Tariffs, a stronger US dollar, and AI' (2/25)

Big Six* Generating Loads of Cash = +263% Growth in Free Cash Flow Over Ten Years to \$389B...

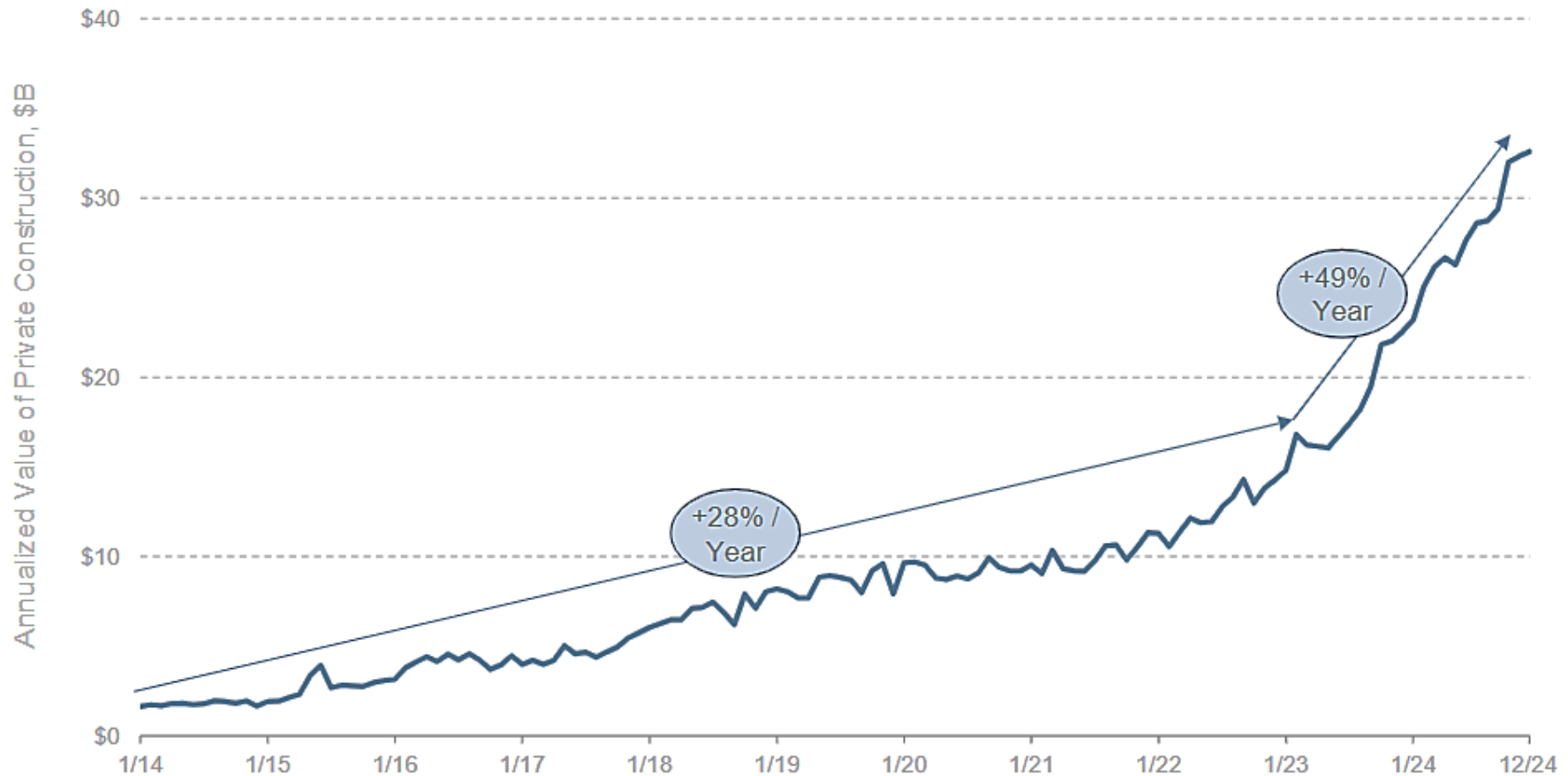
Big Six* Public Technology Companies – Free Cash Flow (\$B) – 2014-2024, per Capital IQ



**Note: Big Six USA technology companies include Apple, Nvidia, Microsoft, Alphabet / Google, Amazon, & Meta Platforms / Facebook. FCF calculated as cash flow from operations less capex to standardize definitions, as only some companies subtract finance leases and Amazon adjusts FCF for gains on sale of equipment. FCF shown for Amazon, not AWS, as figures are not broken out in company financials. Source: Capital IQ (3/25)*

Data Center Buildout Construction Value, USA = +49% & Accelerated Annual Growth Over Two Years

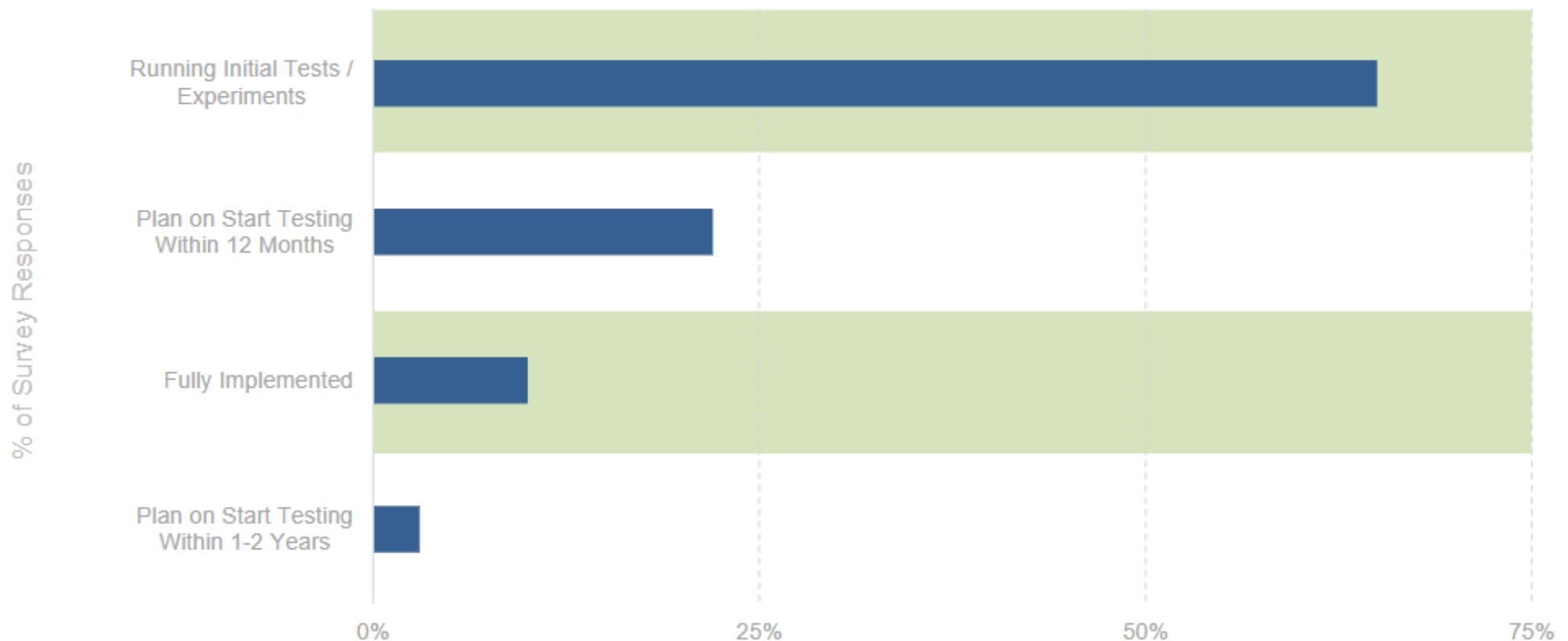
USA Data Center Annualized Private Construction Value (\$B) – 1/14-12/24, per USA Census Bureau



Note: All data are seasonally adjusted. Data obtained via USA Census Bureau's Value of Construction Put in Place (VIP) Survey, which provides monthly estimates of the total dollar value of construction work done in USA. Data is annualized to avoid seasonal fluctuations. Source: USA Census Bureau

Enterprise AI Focus – Global CMOs = 75% Using / Testing AI Tools

Global Chief Marketing Officer (CMO) GenAI Adoption Survey – 2024, per Morgan Stanley












Note: Survey question asked about the extent to which marketing executives worldwide are using generative AI for marketing activities. Survey conducted 7/24, N = 300 marketing executives at companies with 500+ employees worldwide. Survey geos: Australia, Belgium, Brazil, Canada, China, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Luxembourg, Mexico, Netherlands, Norway, Poland, Saudi Arabia, Spain, Sweden, UAE, UK, & USA. Source: eMarketer, Morgan Stanley, 'Quantifying the AI Opportunity' (12/24)

Tech Incumbents = Optimizing Product Distribution to Roll Out AI

While ChatGPT Has 800MM+ Users
Via Its Website & App...



...Tech Incumbents Have Billions of Global
Users on Devices & Platforms With
Ongoing AI Product Rollouts

	Google 4.9B Search Users, 3B+ Android Users, 1.5B AI Overviews Users & 1B+ Assistant Devices
	Meta Users* 3.4B+
	Apple Devices** 2.35B
	TikTok Users*** 1B+
	Microsoft 1B LinkedIn Members & 400MM+ Office 365 Paid Seats
	Spotify Users 678MM
	Amazon 600MM+ Alexa Devices & 200MM+ Prime Subscribers
	X Users 500MM+
	Canva Users 230MM+

*Meta includes Facebook, Instagram, WhatsApp, & Messenger. **Apple includes iPhones, iPads, Macs, & other Apple devices worldwide. ***As of 2021; no more recent company data available. Note: Some figures are estimates based off past company disclosures & web traffic / purchase history analytics. Different companies may define 'users' differently based on frequency. Source: Statcounter (2/25), Google (5/25), Meta 10Q (4/25), Apple (1/25), TikTok (7/21), LinkedIn (5/25), Microsoft (1/24), Spotify (5/25), Amazon (2/25 & 10/24), Elon Musk via X (7/23), Canva (4/25), OpenAI disclosures (4/25), Wikimedia Commons

...LLM User Share – Mobile App Downloads + Users = ChatGPT Supporting Strong Momentum...

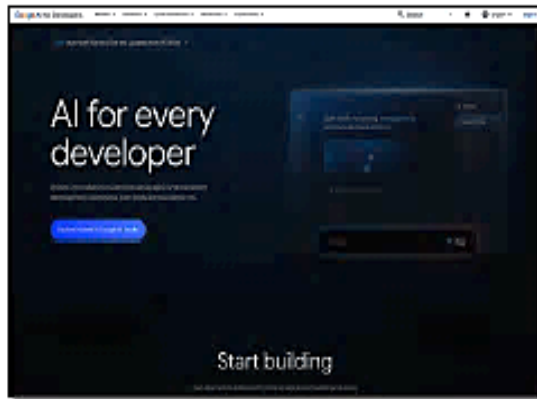
Global Statistics on Apple App Store + Google Play Store – 2/25-4/25, per Sensor Tower

		Downloads (MM)			MAUs (MM)		
		2/25	3/25	4/25	2/25	3/25	4/25
LLM Apps	ChatGPT	56MM	80MM	124MM	378MM	432MM	530MM
	DeepSeek	34	20	18	43	48	55
	Grok	4	14	16	3	16	31
	Gemini*	16	17	15	20	21	21
	Perplexity	3	4	4	10	12	14
	Claude	1	1	1	3	4	3
'Traditional' Apps	YouTube	13	10	9	2,799	2,805	2,809
	Google Chrome	9	9	7	2,369	2,380	2,387
	Facebook	46	47	45	2,104	2,110	2,103

*Chatbot only. Does not include other places Gemini is integrated. Note: China data may be incomplete due to reporting gaps. ChatGPT app not available in China, Russia and select other countries as of 5/25. Data is non-deduped; i.e., some users may use multiple platforms. Data for standalone apps only. Source: Sensor Tower (accessed 5/25)

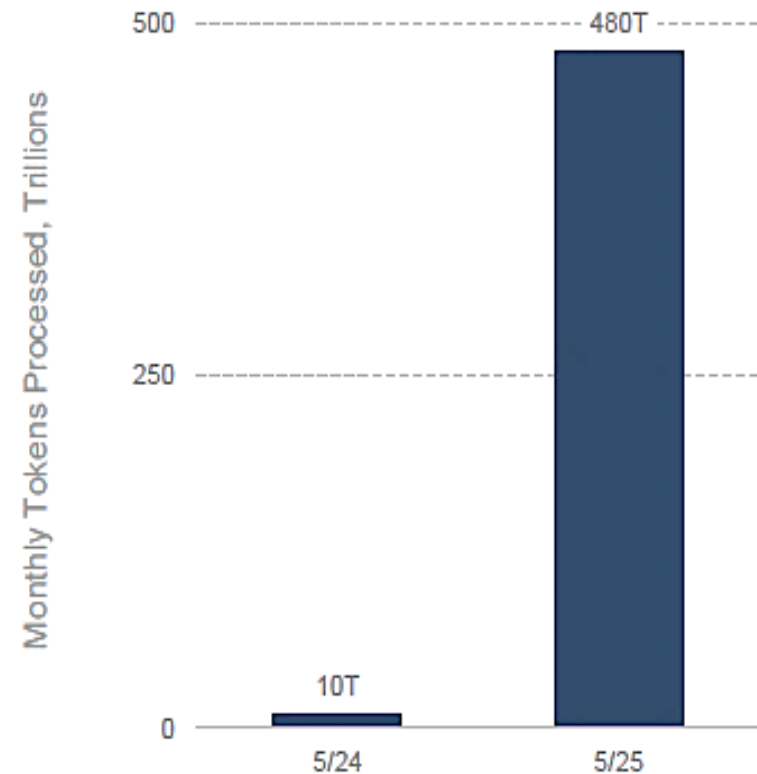
AI Developer Ecosystem – Google = 50x Monthly Tokens Processed Year/Year

Google Monthly Tokens Processed (T) – 5/24-5/25, per Google



This time last year, we were processing 9.7 trillion tokens a month across our products and APIs. Now, we're processing over 480 trillion – that's 50 times more.

- Google I/O 2025 Press Release, 5/25

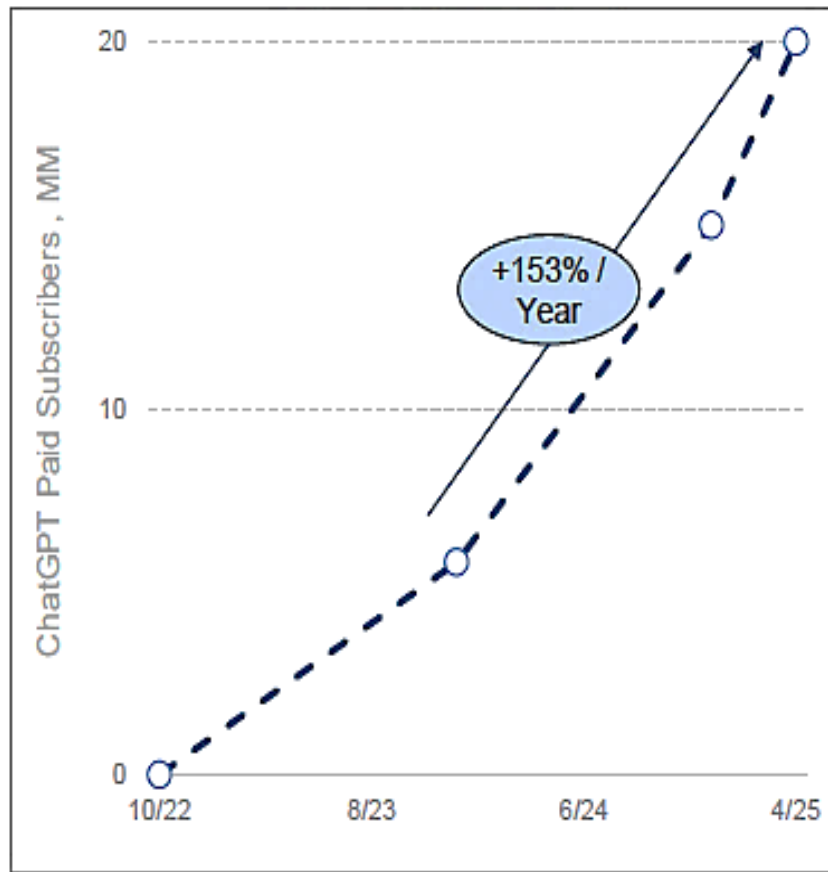


Note: Token usage shown across Google products & APIs. Per Google in 5/25, 'This time last year, we were processing 9.7 trillion tokens a month across our products and APIs. Now, we're processing over 480 trillion — that's 50 times more...Over 7 million developers are building with Gemini, five times more than this time last year.' Source: Google, 'Google I/O 2025: From research to reality' (5/25)

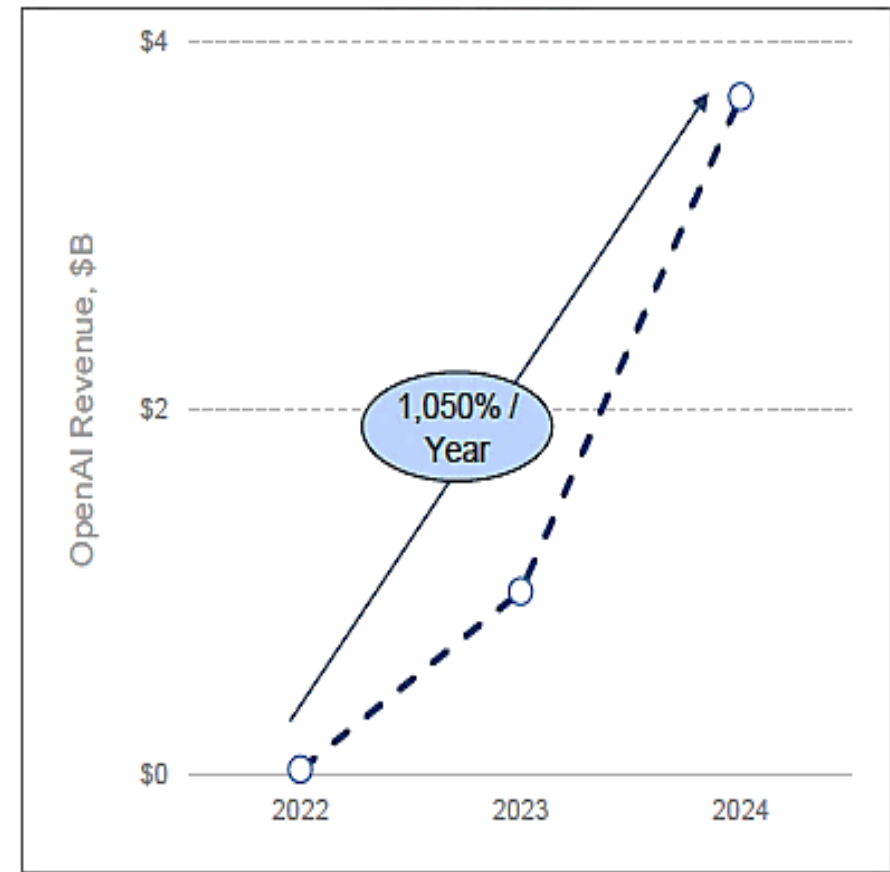
AI Monetization – Foundation Models = OpenAI Revenue +1050% Annually to \$3.7B

ChatGPT Paid Subscribers (MM) & Revenue (\$B) – 10/22-4/25,
per OpenAI & *The Information*

Paid Subscribers



Revenue



Source: OpenAI disclosures (as of 4/25), *The Information* (4/25) ([link](#), [link](#), [link](#) & [link](#))

... AI Monetization... Foundation Models = Consumer Subscription Models Driving Monetization

OpenAI ChatGPT, xAI Grok, Google Gemini, Anthropic Claude & Perplexity Consumer Pricing – 5/25, per Companies

Free	Plus	Pro
<ul style="list-style-type: none"> OpenAI GPT-4o access Real-time responses to text and images Customizable GPT-4o (GPT-4o mini, GPT-4o) Customizable GPT-4o (GPT-4o mini, GPT-4o) Customizable GPT-4o (GPT-4o mini, GPT-4o) Customizable GPT-4o (GPT-4o mini, GPT-4o) 	<ul style="list-style-type: none"> OpenAI GPT-4o access Real-time responses to text and images Customizable GPT-4o (GPT-4o mini, GPT-4o) Customizable GPT-4o (GPT-4o mini, GPT-4o) Customizable GPT-4o (GPT-4o mini, GPT-4o) Customizable GPT-4o (GPT-4o mini, GPT-4o) 	<ul style="list-style-type: none"> OpenAI GPT-4o access Real-time responses to text and images Customizable GPT-4o (GPT-4o mini, GPT-4o) Customizable GPT-4o (GPT-4o mini, GPT-4o) Customizable GPT-4o (GPT-4o mini, GPT-4o) Customizable GPT-4o (GPT-4o mini, GPT-4o)
\$0	\$10	\$20

OpenAI ChatGPT
\$0 (Free) / \$20 (Plus) / \$200 (Pro)
per Month

About X Premium
<ul style="list-style-type: none"> Access to all of Grok's capabilities Access to all of Grok's capabilities Access to all of Grok's capabilities Access to all of Grok's capabilities Access to all of Grok's capabilities Access to all of Grok's capabilities
\$8

xAI Grok
\$0 (Free) / \$3 (Basic) / \$8 (Premium) /
\$40 (Premium+) per Month¹

Get the best of Google AI, including Gemini Advanced and 2 TB of storage
<ul style="list-style-type: none"> Access to all of Gemini's capabilities Access to all of Gemini's capabilities Access to all of Gemini's capabilities Access to all of Gemini's capabilities Access to all of Gemini's capabilities Access to all of Gemini's capabilities
\$19.99

Google Gemini
\$0 (Free) / \$19.99 (AI Pro) /
\$250 (AI Ultra) per Month

Free	Plus	Max
<ul style="list-style-type: none"> Access to all of Claude's capabilities Access to all of Claude's capabilities Access to all of Claude's capabilities Access to all of Claude's capabilities Access to all of Claude's capabilities Access to all of Claude's capabilities 	<ul style="list-style-type: none"> Access to all of Claude's capabilities Access to all of Claude's capabilities Access to all of Claude's capabilities Access to all of Claude's capabilities Access to all of Claude's capabilities Access to all of Claude's capabilities 	<ul style="list-style-type: none"> Access to all of Claude's capabilities Access to all of Claude's capabilities Access to all of Claude's capabilities Access to all of Claude's capabilities Access to all of Claude's capabilities Access to all of Claude's capabilities
\$0	\$10	\$100

Anthropic Claude
\$0 (Free) / \$17² (Plus) / \$100 (Max)
per Month

Give your team their time back
<ul style="list-style-type: none"> Access to all of Perplexity's capabilities Access to all of Perplexity's capabilities Access to all of Perplexity's capabilities Access to all of Perplexity's capabilities Access to all of Perplexity's capabilities Access to all of Perplexity's capabilities
\$0

Perplexity
\$0 (Free) / \$20 (Pro)
per Month

Note: Excludes enterprise plans. 1. Grok pricing is bundled with X premium subscriptions. X premium subscriptions include additional benefits beyond improvements to Grok usage limits. 2. With annual discount. Source: OpenAI, X, Google, Anthropic, Perplexity websites (5/25)

... AI Monetization... Foundation Models = Developer API Fees Driving Monetization

OpenAI ChatGPT, xAI Grok, Google Gemini, Anthropic Claude & Perplexity Developer API Pricing – 5/25, per Companies

GPT-4.1	GPT-4.1 mini	GPT-4.1 nano
Intense model for on-device	Advanced model balancing speed and intelligence	Fastest, most cost-effective model for low-latency tasks
<ul style="list-style-type: none"> Fast Reason Image generation Audio generation Video generation Code Audio generation 	<ul style="list-style-type: none"> Fast Reason Image generation Audio generation Video generation Code Audio generation 	<ul style="list-style-type: none"> Fast Reason Image generation Audio generation Video generation Code Audio generation
Reasoning models for complex, multi-step problems		
OpenAI o3 Our most powerful reasoning model, excelling at performance on math, science, and more.	OpenAI o3 mini Our fastest, most efficient reasoning model, delivering performance on math, science, and more.	
Fast Reason Image generation Audio generation Video generation Code Audio generation	Fast Reason Image generation Audio generation Video generation Code Audio generation	

OpenAI ChatGPT

From \$0.40 (GPT-4.1 nano) to \$40 (o3) per 1MM Output Tokens

Getting Started Models and Pricing	
An overview of our models' capabilities and their associated pricing. Our Grok-3 models were trained on a mix of public and private data.	
Grok-3 Our top-tier model that excels at reasoning, code, and more. It's the most powerful model we offer.	Grok-3 Mini A high-speed model that's great for reasoning, code, and more. It's the most powerful model we offer.
Grok-3-fast Fast model for reasoning, code, and more.	Grok-3-mini-fast Fast model for reasoning, code, and more.

xAI Grok

\$0.50 (grok-3-mini-beta) to \$25 (grok-3-fast) per 1MM Output Tokens

Get the best of Google AI, including Gemini Advanced and 2 TB of storage	
Gemini Advanced The most powerful Gemini model, excelling at reasoning, code, and more. It's the most powerful model we offer.	
Gemini 1.5 Flash-8B Fast model for reasoning, code, and more.	Gemini 1.5 Pro Preview Fast model for reasoning, code, and more.

Google Gemini

\$0.15 (1.5 Flash-8B) to \$15 (2.5 Pro Preview) per 1MM Output Tokens¹

Claude 3.7 Sonnet			
<ul style="list-style-type: none"> Most intelligent model, with v1.5 200K context window 50% discount with batch processing* 	Input \$2 / MTok	Prompt caching with \$3.75 / MTok Prompt caching cost \$0.30 / MTok	Output \$10 / MTok
Claude 3.5 Haiku			
<ul style="list-style-type: none"> Fastest, most cost-effective model** 200K context window 50% discount with batch processing* 	Input \$0.80 / MTok	Prompt caching with \$1 / MTok Prompt caching cost \$0.08 / MTok	Output \$4 / MTok
Claude 3 Opus			
<ul style="list-style-type: none"> Powerful model for complex tasks 200K context window 50% discount with batch processing* 	Input \$18 / MTok	Prompt caching with \$18.75 / MTok Prompt caching cost \$1.50 / MTok	Output \$75 / MTok

Anthropic Claude

From \$1.25 (Claude 3 Haiku) to \$75 (Claude 3 Opus) per 1MM Output Tokens

Perplexity			
Sonar The most powerful Perplexity model, excelling at reasoning, code, and more. It's the most powerful model we offer.			
Sonar Pro Fast model for reasoning, code, and more.	Sonar Fast model for reasoning, code, and more.	Sonar Pro Fast model for reasoning, code, and more.	Sonar Fast model for reasoning, code, and more.

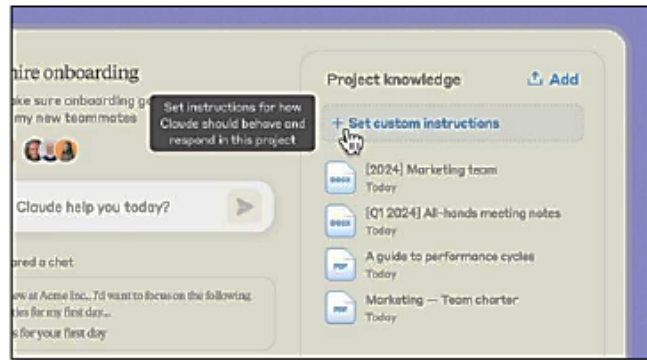
Perplexity

\$1 (Sonar) to \$15 (Sonar Pro) per 1MM Output Tokens

1. Gemini prices by prompt size. Gemini 1.5 Flash-8B = \$0.15 per 1MM tokens for prompts ≤128K tokens; Gemini 2.5 Pro Preview = \$15 per 1MM tokens for prompts >200K tokens. Source: OpenAI, X, Google, Anthropic, Perplexity websites (5/25)

AI Monetization – API & Generative Search = Anthropic Annualized Revenue +20x to \$2B in Eighteen Months

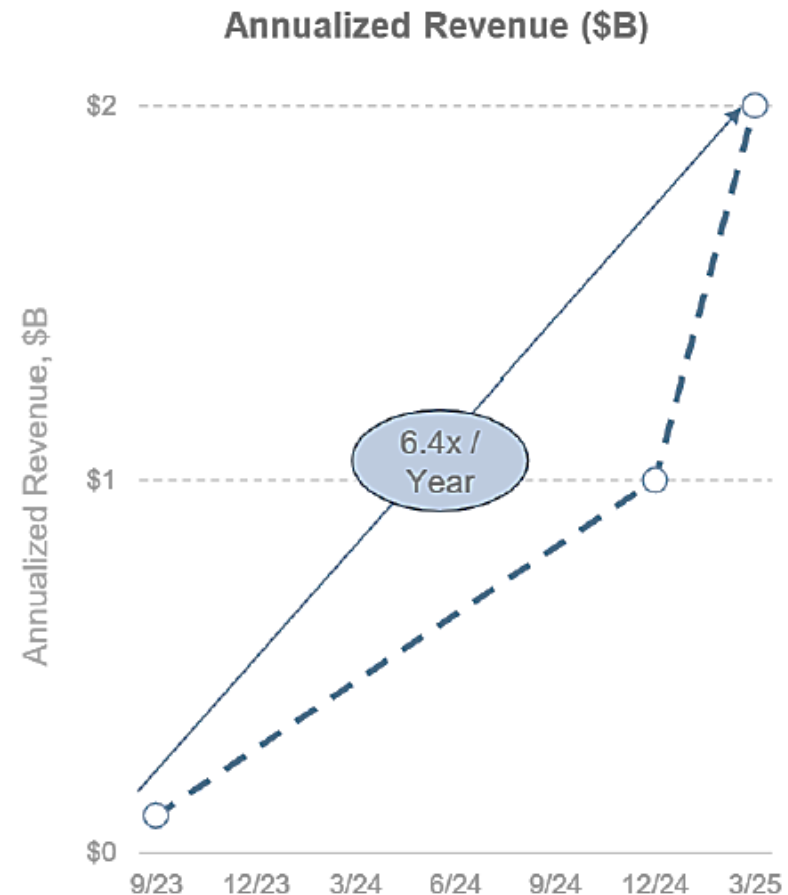
Anthropic: API & Generative Search – 9/23-3/25, per *Reuters*, *Bloomberg* & *CNBC*



We've developed Claude 3.7 Sonnet with a different philosophy from other reasoning models on the market. Just as humans use a single brain for both quick responses and deep reflection, we believe reasoning should be an integrated capability of frontier models rather than a separate model entirely. This unified approach also creates a more seamless experience for users...

...we've optimized somewhat less for math and computer science competition problems, and instead shifted focus towards real-world tasks that better reflect how businesses actually use LLMs.

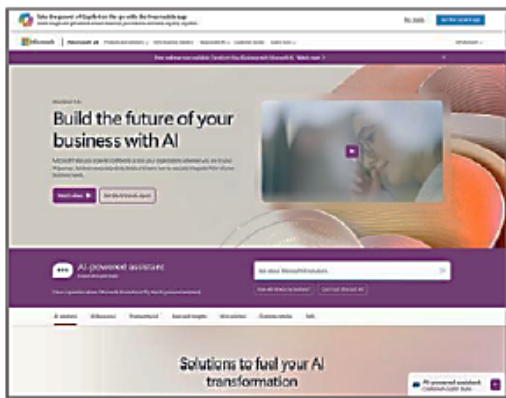
- Anthropic Press Release, 2/25



Source: Anthropic; Reuters, 'Anthropic forecasts more than \$850 mln in annualized revenue rate by 2024-end – report' (12/23) ([link](#)); Bloomberg, 'Anthropic Finalizes Megaround at \$61.5 Billion Valuation' (3/25) ([link](#)); CNBC, 'Anthropic closes \$2.5 billion credit facility as Wall Street continues plunging money into AI boom' (5/25) ([link](#))

AI Monetization – ‘AI Product’ = Microsoft AI Revenue +175% to \$13B Year/Year

Microsoft AI Product Revenue – 2023-2024, per Microsoft

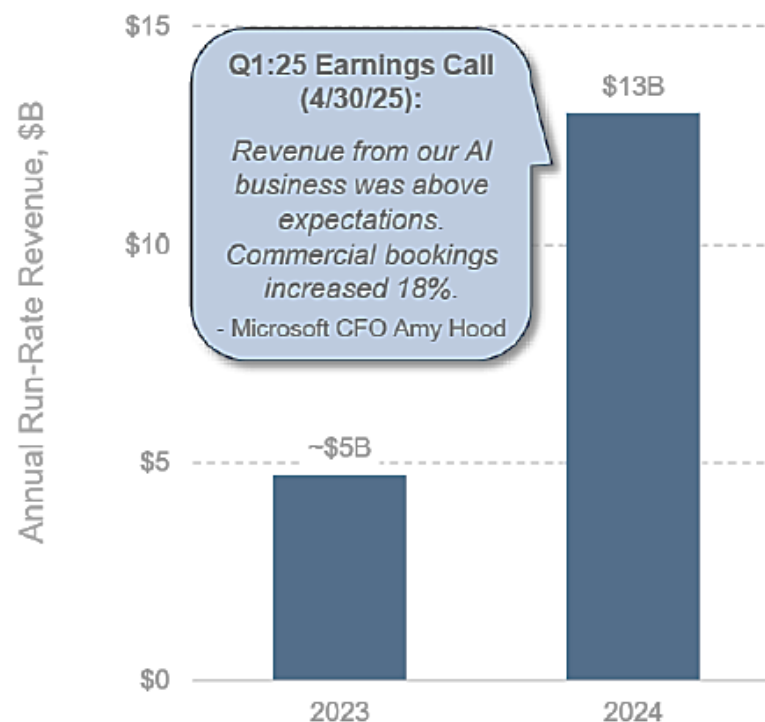


We are innovating across our tech stack and helping customers unlock the full ROI of AI to capture the massive opportunity ahead...

...Already, our AI business has surpassed an annual revenue run rate of \$13 billion, up 175% year-over-year.

- Microsoft CEO Satya Nadella, 1/25

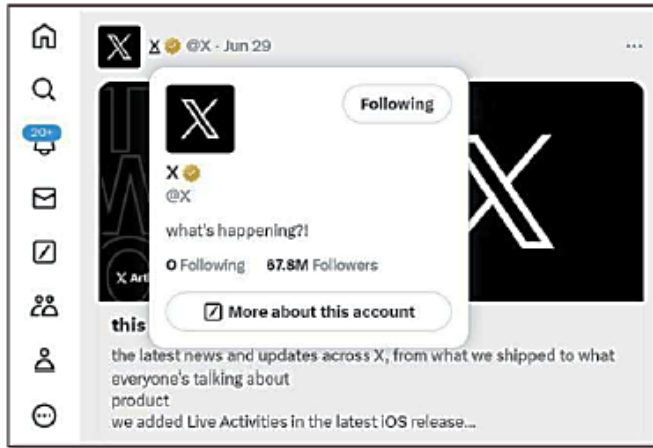
Estimated Microsoft AI Product Annual Run-Rate Revenue (\$B)



Note: Microsoft AI revenue likely includes Azure AI services, Microsoft 365 Copilot, GitHub Copilot, Dynamics 365 Copilot, Azure OpenAI Services, and others. Detailed breakdowns not provided on earnings calls. Source: Microsoft Press Release, 'Microsoft Cloud and AI strength drives second quarter results' (1/25); & other Microsoft announcements

Tech Incumbent AI Rollouts = X – Grok (11/23)

X: Grok – 12/24-4/25, per xAI & Similarweb



*The mission of xAI and Grok is to understand the universe.
We want to answer the biggest questions.*

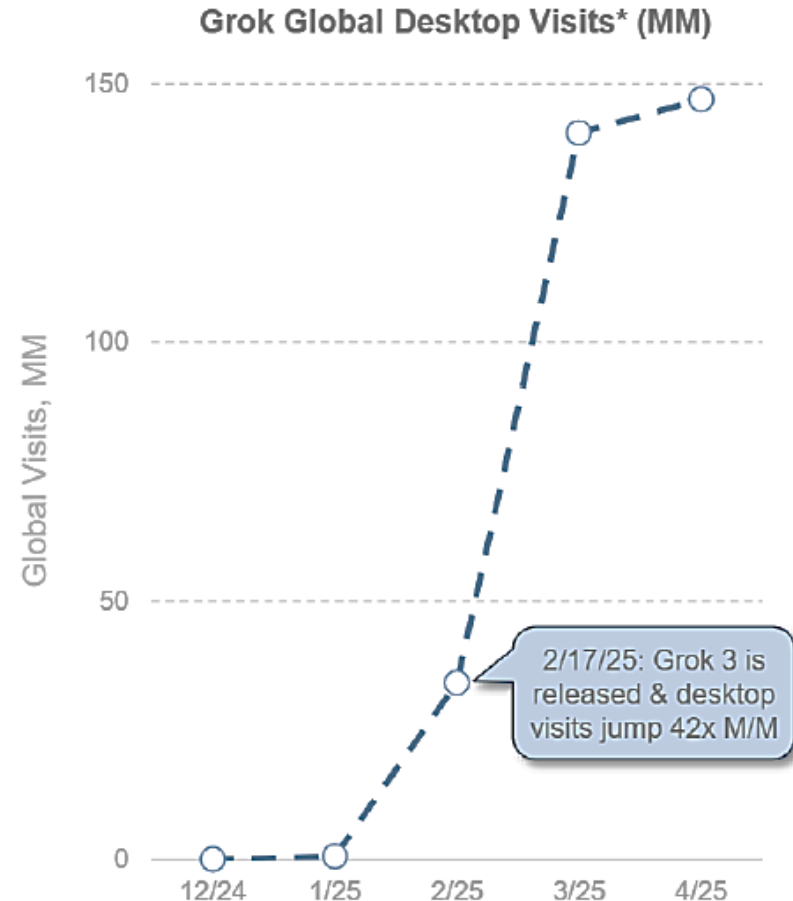
- xAI Founder & CEO Elon Musk, 2/25

*AI with Grok is getting very good...it's important that AI be
programmed with good values, especially truth-seeking
values. This is, I think, essential for AI safety...*

*...Remember these words: We must have a maximally truth-
seeking AI.*

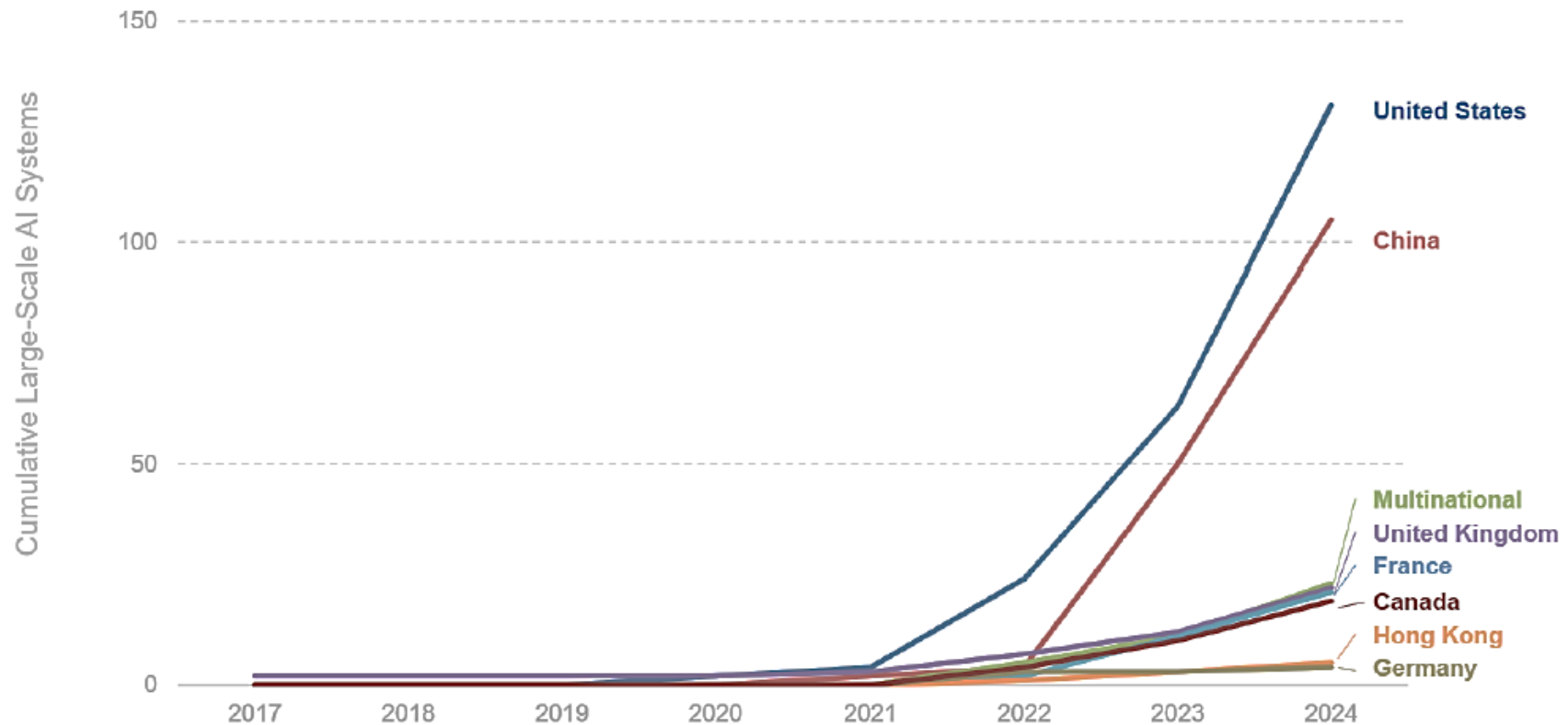
- xAI Founder & CEO Elon Musk, 5/25

*Excludes X visits. China data may be subject to informational limitations due to government restrictions. Source: xAI announcements & investor filings; Elon Musk; Fox News; Similarweb (5/25)



AI Large Language Model (LLM) Leadership = USA & China Outpacing Rest of World, Per Epoch AI

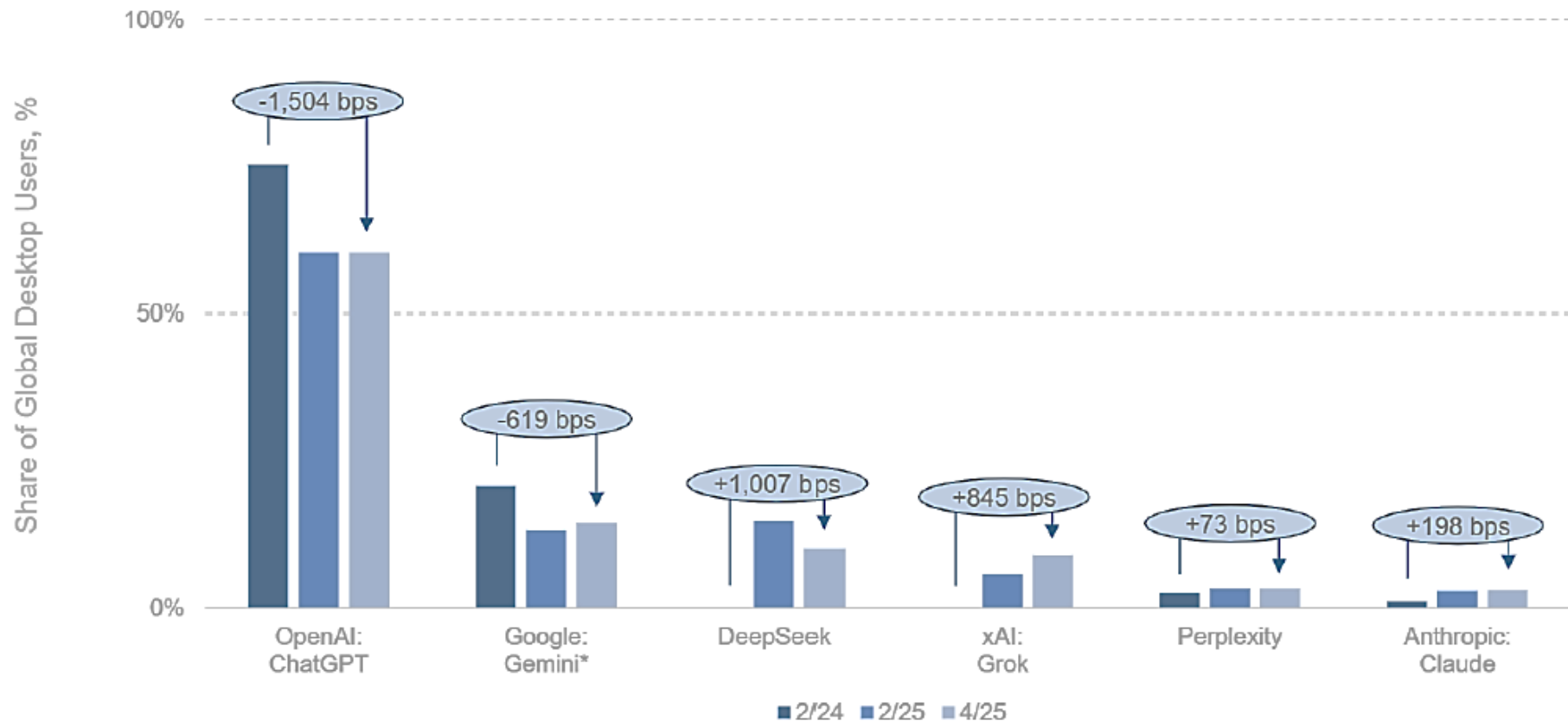
Cumulative Large-Scale AI Systems by Country* – 2017-2024,
per Epoch AI



*Hong Kong is a Special Administrative Region (SAR) of China, not an independent country. Note: Epoch AI defines AI models as 'large-scale' when their training compute is confirmed to exceed 10^{23} floating-point operations. Source: Epoch AI via Our World In Data (5/25)

... LLM User Share – Mobile App Users = OpenAI ChatGPT Leads... DeepSeek Rose Quickly, per YipitData...

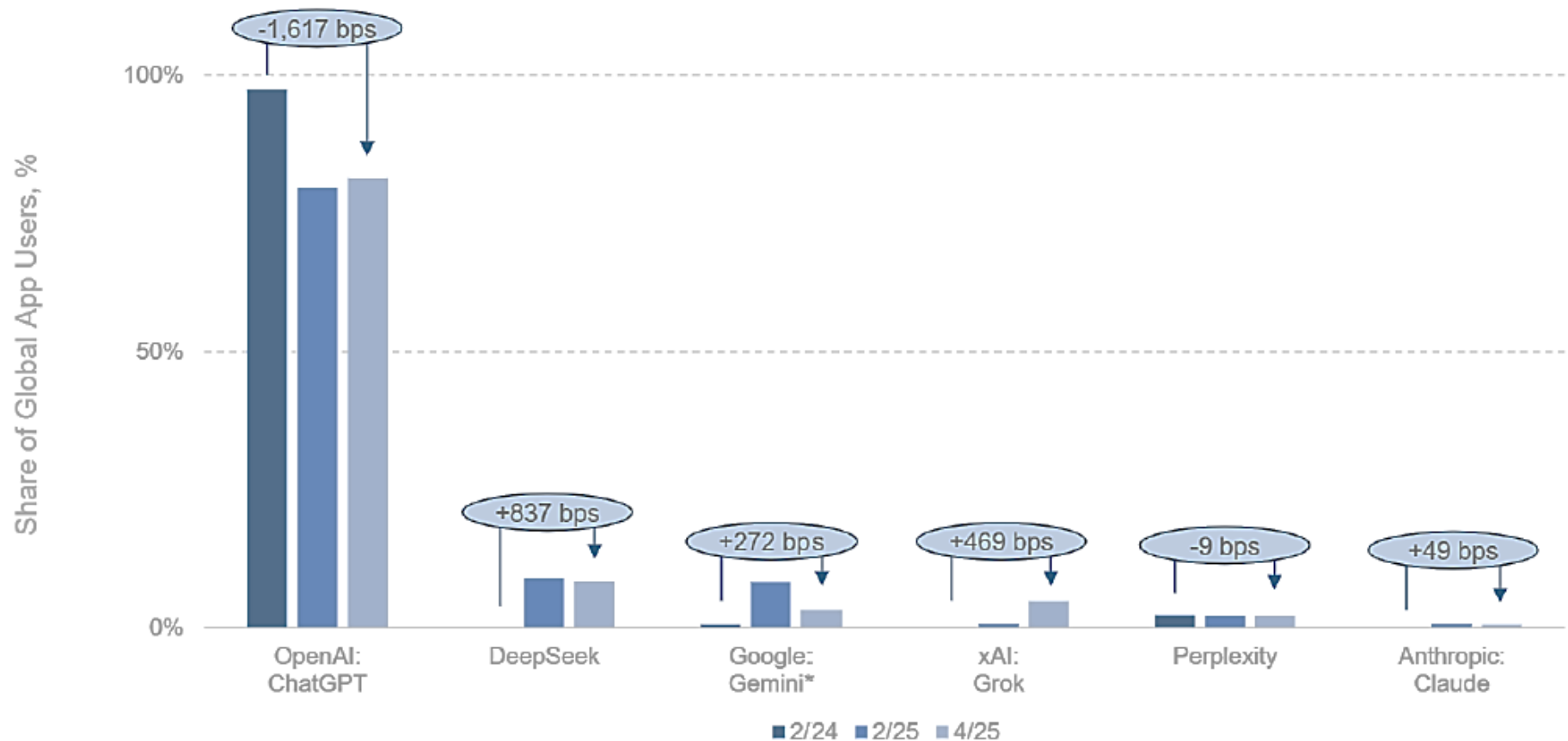
Estimated Global Monthly Active Desktop User Share – 2/24-4/25, per YipitData



*Chatbot only. Does not include other places Gemini is integrated. Note: User share shown across these five providers; other LLMs' user share not shown. Desktop users only. Figures calculate the number of users on a given platform, divided by the number of users on all platforms combined. Figures are non-deduped (i.e., users using multiple platforms may be counted twice). Data is a subset of global internet users and absolute user data will be understated; however, given that the panel is globally-representative (with limitations on China-specific data), relative comparisons / trends are informative. Data measures several million global active desktop users' clickstream data. Data consists of users' web requests & is collected from web services / applications, such as VPNs and browser extensions. Panel is globally-representative (with limitations on China-specific data). Users must have been part of the panel for 2 consecutive months to be included. Data is non-deduped; i.e., some users may use multiple platforms. Source: YipitData (accessed 5/25)

... LLM User Share – Mobile App Users = OpenAI ChatGPT Leads... DeepSeek Rose Quickly, per Sensor Tower...

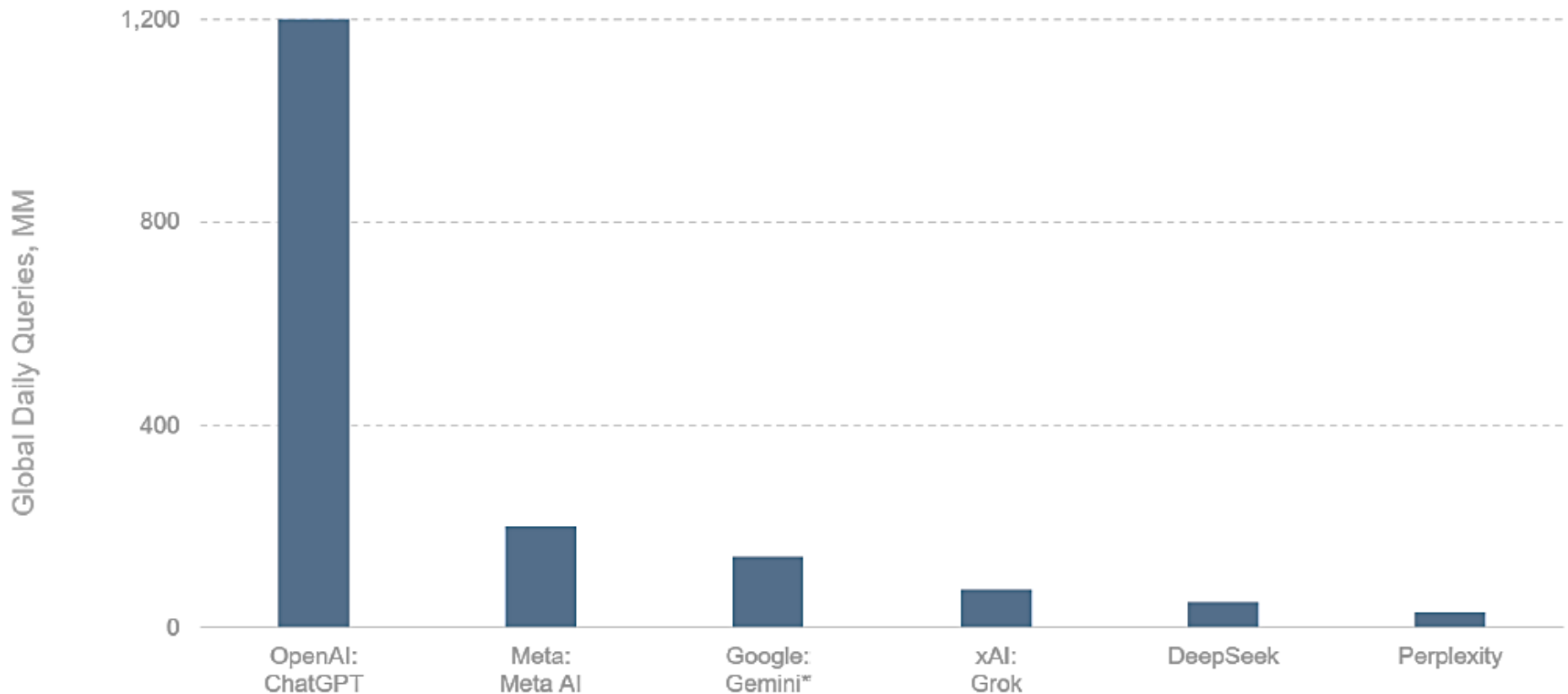
LLMs – Global Monthly Active Mobile App User Share – 2/24-4/25, per Sensor Tower



*Chatbot only. Does not include other places Gemini is integrated. Note: User share shown across these five providers; other LLMs' user share not shown. China data may be incomplete due to reporting gaps. ChatGPT app not available in China, Russia and select other countries as of 5/25. Data is non-deduped; i.e., some users may use multiple platforms. Data for standalone apps only. Source: Sensor Tower (accessed 5/25)

... LLM User Share – Query Volume = OpenAI ChatGPT Leads, per Google

LLMs – Global Daily Query Volume (MM) – 3/28/25, per Google



*Chatbot only. Does not include other places Gemini is integrated. Note: DeepSeek data excludes China usage. Figures are rounded. Meta AI data quoted as '>200M.' Source: Google disclosed during testimony given in the remedies phase of 'United States v. Google LLC' (1/24/23-4/17/25). Data derived from company disclosures, Sensor Tower, AppAnnie, Similarweb, & market intelligence estimates, as reported by Business Insider, 'Google's Gemini usage is skyrocketing, but rivals like ChatGPT and Meta AI are still blowing it out of the water' (4/25) ([link](#))

Physical World AI – Agricultural Modernization (Carbon Robotics) = 230K+ Acres Weeded / 100K+ Gallons of Glyphosate Prevented

Carbon Robotics AI-Driven Agricultural Modernization



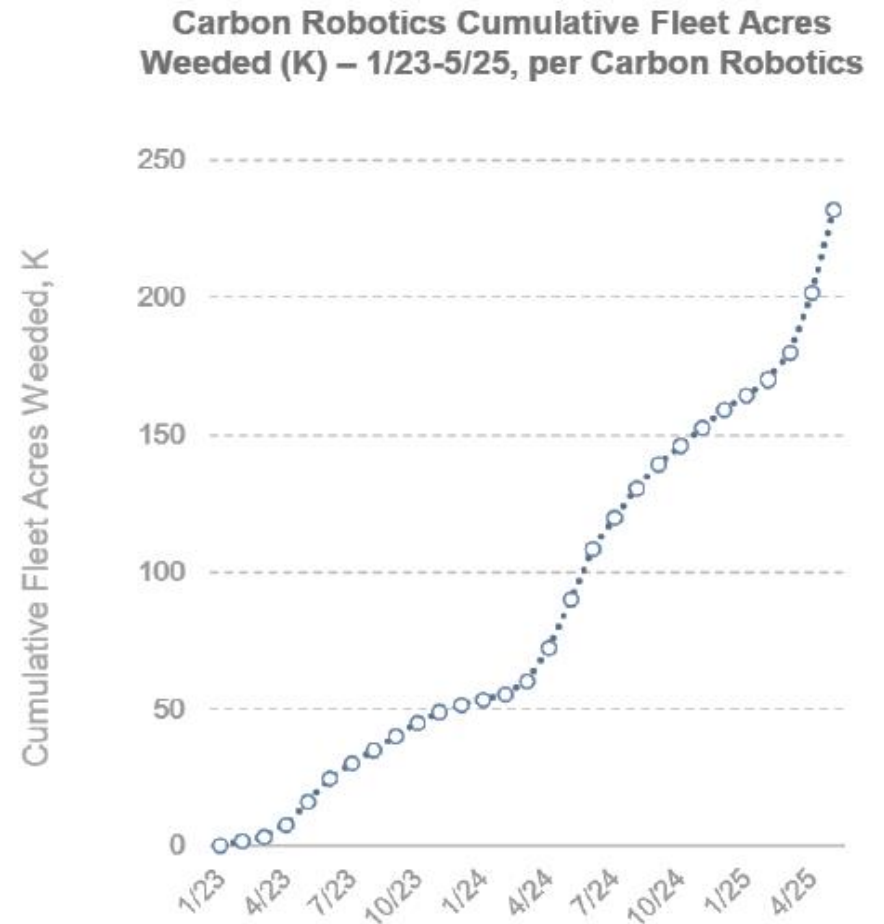
The LaserWeeder leverages our sophisticated laserweeding technology, driven by AI deep learning models and computer vision software, to efficiently identify, target, and eliminate weeds by zapping them at the meristem. The implement can cover up to 2 acres per hour and shoot up to 200,000 weeds.

- Carbon Robotics Founder & CEO Paul Mikesell, 12/22

We learned from farmers that their biggest challenges continue to be around labor and labor availability. If they could, they would run everything 24/7. They would run everything every minute of farming season to get as much done as possible.

- Carbon Robotics Founder & CEO Paul Mikesell, 3/25

Source: Carbon Robotics, Organic Produce Network (12/22), GeekWire (3/25)



Physical World AI – Intelligent Grazing (Halter) = +150% Net-New Livestock Collars Contracted Year/Year

Halter AI-Driven Intelligent Grazing

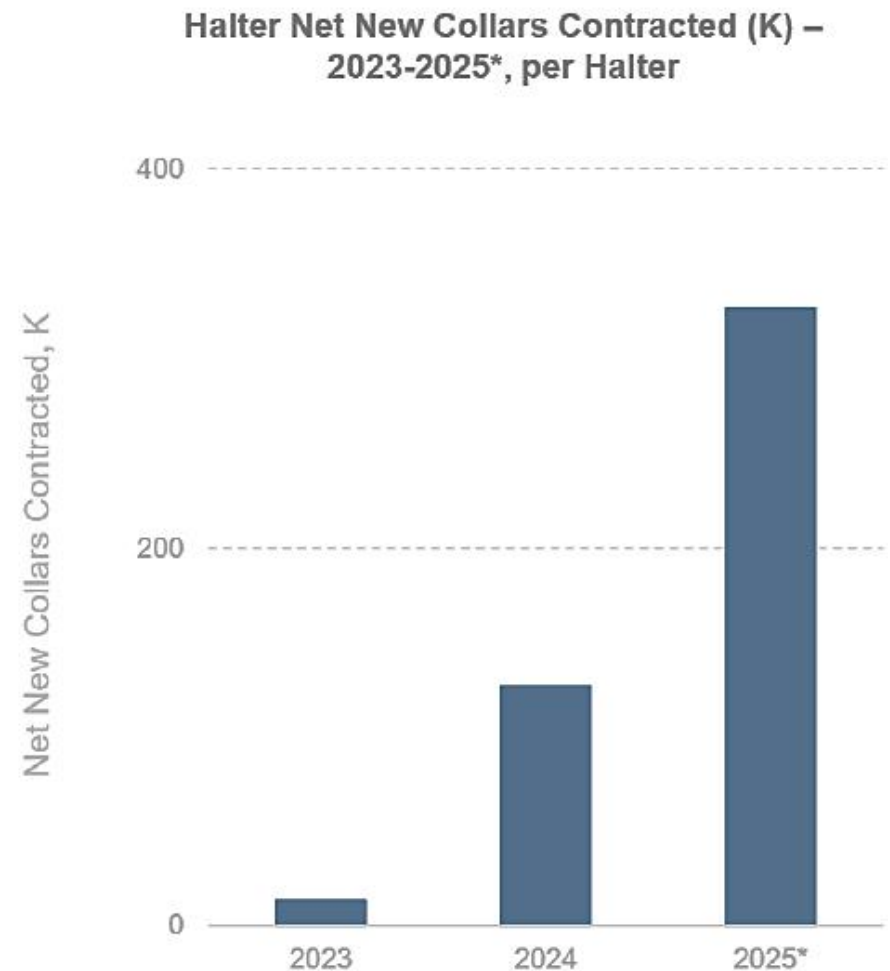


We've seen firsthand the care and dedication ranchers have for their land and animals. We've also seen how agriculture, one of the oldest and most vital industries, has yet to receive the full benefits of modern technology. This leaves enormous opportunity for ranchers to unlock greater productivity and sustainability across their operations.

We believe grazing management holds the key. Effective rotational grazing enables more efficient use of natural resources and increased productivity, while also enhancing soil health and improving root structures to sequester more carbon. We don't believe more productivity needs to come at the cost of sustainability. We can do good for ranchers, and the planet.

- Halter (as of 5/25)

*2025 figures annualized as of Q1:25. Source: Halter (5/25)



Physical World AI – USA Defense (Anduril) = 2x Year/Year Revenue Growth for Last Two Years

Anduril AI-Enabled Autonomous USA Defense Systems

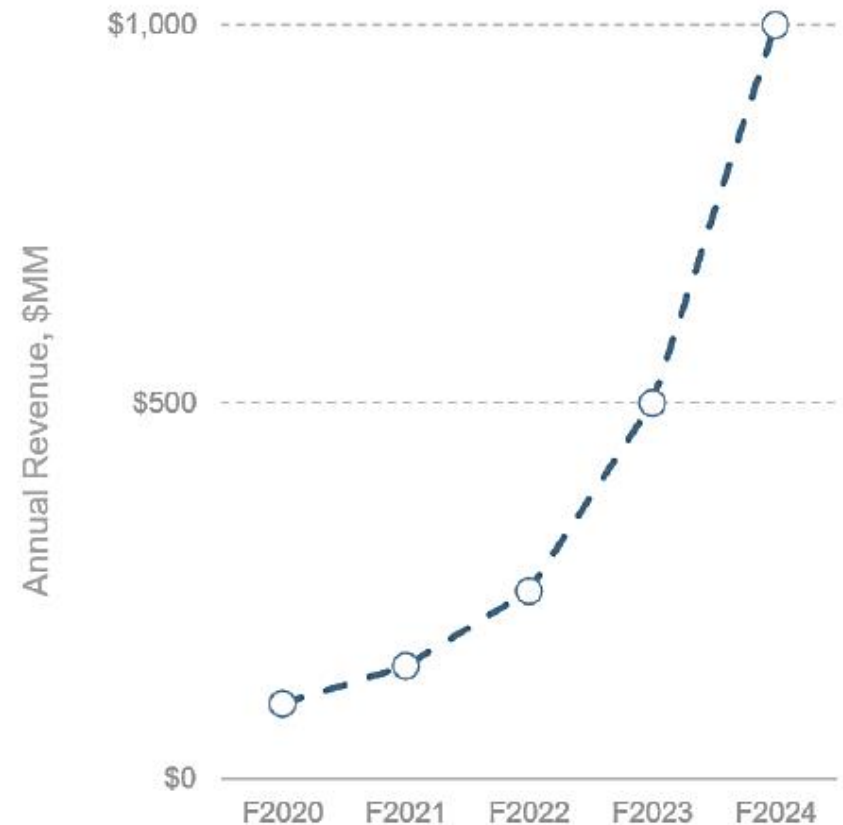


At Anduril, we firmly believe that today's most pressing national security challenges cannot be solved without AI-enabled systems and autonomy at scale. These systems will help to keep our service members safe and empower them to make better decisions at the speed of modern warfare...

...When developed and deployed properly, [AI and autonomous systems] can make warfare more proportional, more precise, and less indiscriminate than it has ever been before.

- Anduril Co-Founder & CEO Brian Schimpf, 12/23

Anduril Estimated Revenue (\$MM) – F2020-F2024, per News Reports



Source: Anduril, Forbes, TechCrunch, CNBC

Physical World AI – Fully Autonomous Vehicles (Waymo) = 0% to 27% Share of San Francisco Rideshares Over Twenty Months per YipitData

Waymo Fully-Autonomous Vehicles



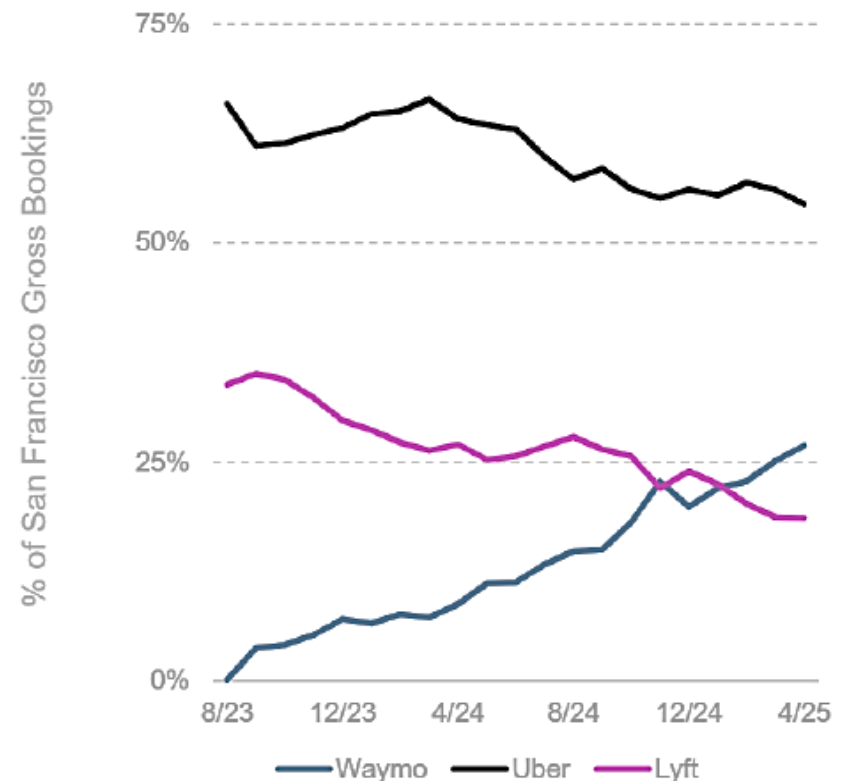
[We are creating] an end-to-end, very, very robust, and large end-to-end system that's multi-modal in its foundation so that perception planning and prediction... can become even more robust than it is today.

- Waymo Co-CEO Tekedra Mawakana, 1/25

What we've done in San Francisco is prove to ourselves – and to the world – that not only does autonomy work, but it works at scale in a market and can be a viable commercial product.

- Waymo Co-CEO Dmitri Dolgov, 3/25

Estimated Market Share (Gross Bookings) – 8/23-4/25, San Francisco Operating Zone, per YipitData



Note: Data derived from USA-user email receipt panel composed of >1mm monthly transacting USA email accounts from all available domains. Paid rides only. Numbers are estimates due to sample size. Source: Waymo, Tech Brew (1/25), Fast Company (3/25), YipitData (4/4/25)

Conclusion

- **AI is no longer theoretical, it's investable:** From infrastructure and applications to energy, the capital markets are beginning to reflect this shift.
- **Near-term winners:** Include platform enablers, AI-native SaaS, and firms with proprietary data advantages.
- **Thematic exposure:** While there's no shortage of AI-centric ETFs, diversified positioning in public equities can provide a balanced upside with risk control measures in place.
- **Key to long-term differentiation:** Focus on companies that productize AI, not just those who market AI, as the marketeers will be bountiful.

*At **MONTAG**, we believe the best outcomes are achieved through customized portfolios that are built and managed by experienced wealth managers with institutional investment backgrounds. This approach allows us to incorporate emerging themes like AI, while remaining grounded in each client's unique objectives and risk tolerance.*

Disclosure

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[1] Special recognition to BOND: <https://www.bondcap.com/reports/tai>

THANK YOU



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