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## **Differences in AI adoption across the world**

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### **Audio Starts**

#### **Zachary:**

Is AI, there's two ways that I think about this. Is AI a US complex and then China complex, and you can invest in those two complexes separately, or is it all one complex and it's all connected? And I tend to think as the latter in that it's really one thing still and it's all connected. There are some divergences, which I'll talk about, but first when you just think about the people that work in the industry, incredibly diverse. A lot of them are in America, a lot of them weren't necessarily born in America, and some of the talent comes, a lot of the talent comes from China, even going back into pre-2023, pre-open AI taking off. I travel all around the world, especially in Asia, but in Latin America as well, and there's talent for AI engineering, AI development globally. There's data centers also being built globally. So I think while the US and China are probably the two biggest pieces, there's people everywhere and there's companies everywhere. When you think of the infrastructure supply chain, that's clearly global, and I don't think anybody would debate that. There is some debate on if China has separated a little bit partly because of geopolitical tensions and because of trade restrictions on chip sales from US and non-Chinese companies. And so we do start to see an ecosystem developing there, but really when you step back, it's still heavily reliant on one, Nvidia, which is still the dominant chip being used in China today, two, TSMC, which is where basically all the AI chips in the world are fabricated, including most of the ones designed in China.

And then three, when you look at the model usage, I think that is where there's more of a divergence. ChachiPT is not used in China. They have their own group of models that are more popular there, and those models themselves are becoming more and more global than Deepseek for example. Alibaba is another example with their QN model, and there's a few other companies that are private that have models being deployed globally. So I certainly think it's one trade. There are nuances country by country, and China and the US are obviously not the only players. There's models that are being developed at the sovereign government level and also at the country level across the world.

### **Audio Ends**

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