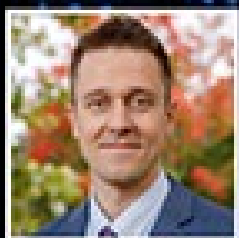


2026 FINANCIAL MARKETS CONFERENCE

Research Spotlight 2

The economic value of generative AI



Gregor Schubert
Anderson School of Management
University of California, Los Angeles



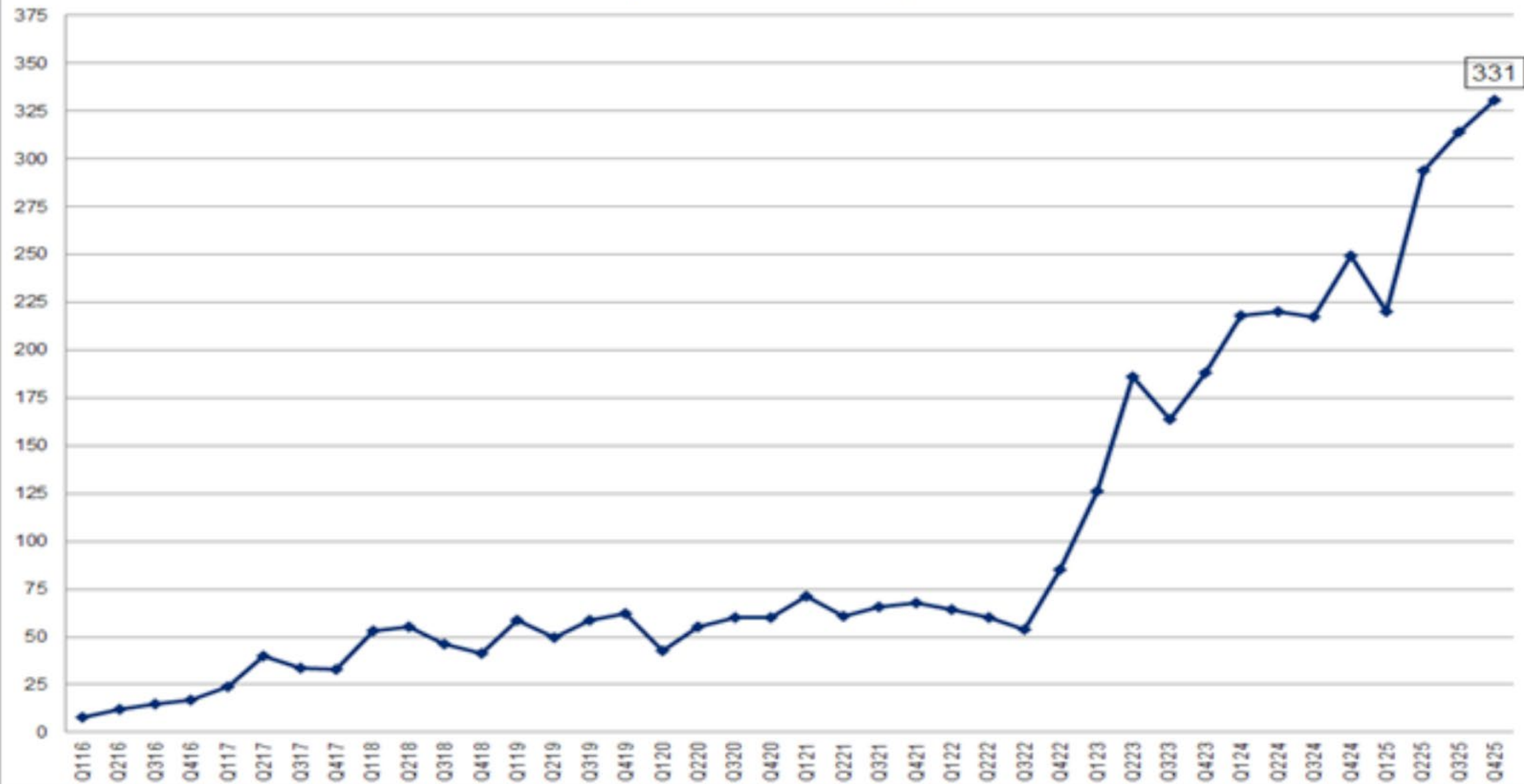
Sudheer Chava
Scheller College of Business
Georgia Institute of Technology



*“Can you go through all the old pitch decks and replace the word
‘crypto’ with ‘A.I.’?”*

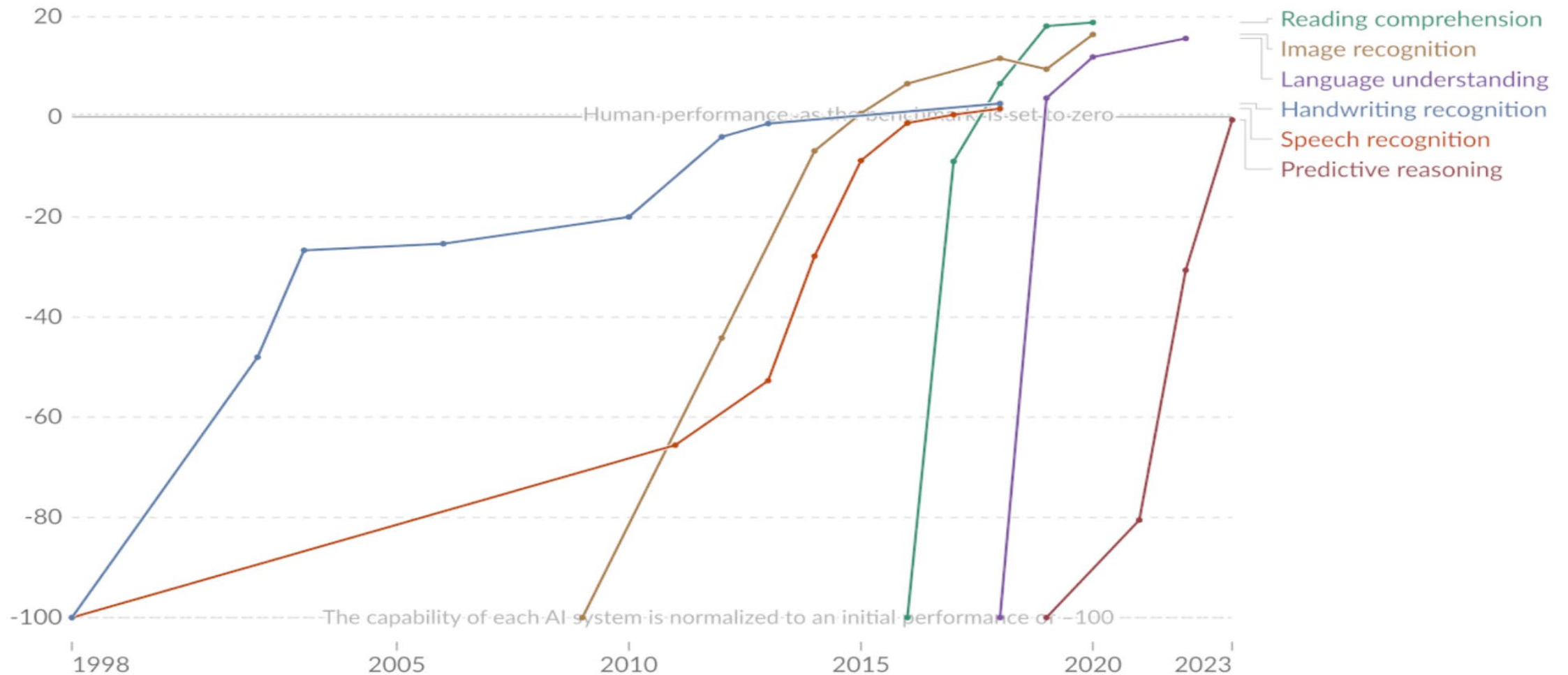
Cartoon by Benjamin Schwartz April 9, 2024

of S&P 500 Earnings Calls Citing "AI": 10-Year
(Source: FactSet)



Test scores of AI systems on various capabilities relative to human performance

Within each domain, the initial performance of the AI is set to -100. Human performance is used as a baseline, set to zero. When the AI's performance crosses the zero line, it scored more points than humans.



Data source: Kiela et al. (2023)

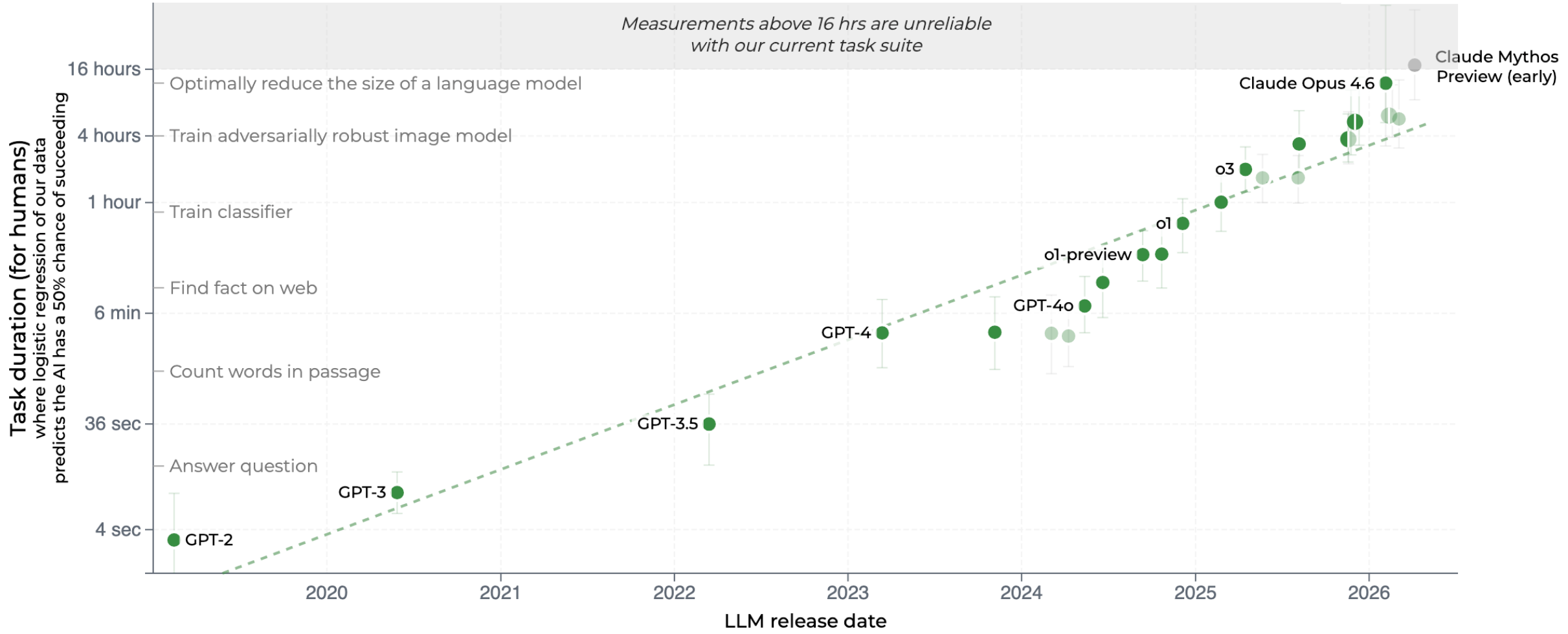
OurWorldinData.org/artificial-intelligence | CC BY

Note: For each capability, the first year always shows a baseline of -100, even if better performance was recorded later that year.

Time horizon of software tasks different LLMs can complete 50% of the time



Measurements above 16 hrs are unreliable
with our current task suite



Time Horizon 1.1 (Current) ▾

Log Scale

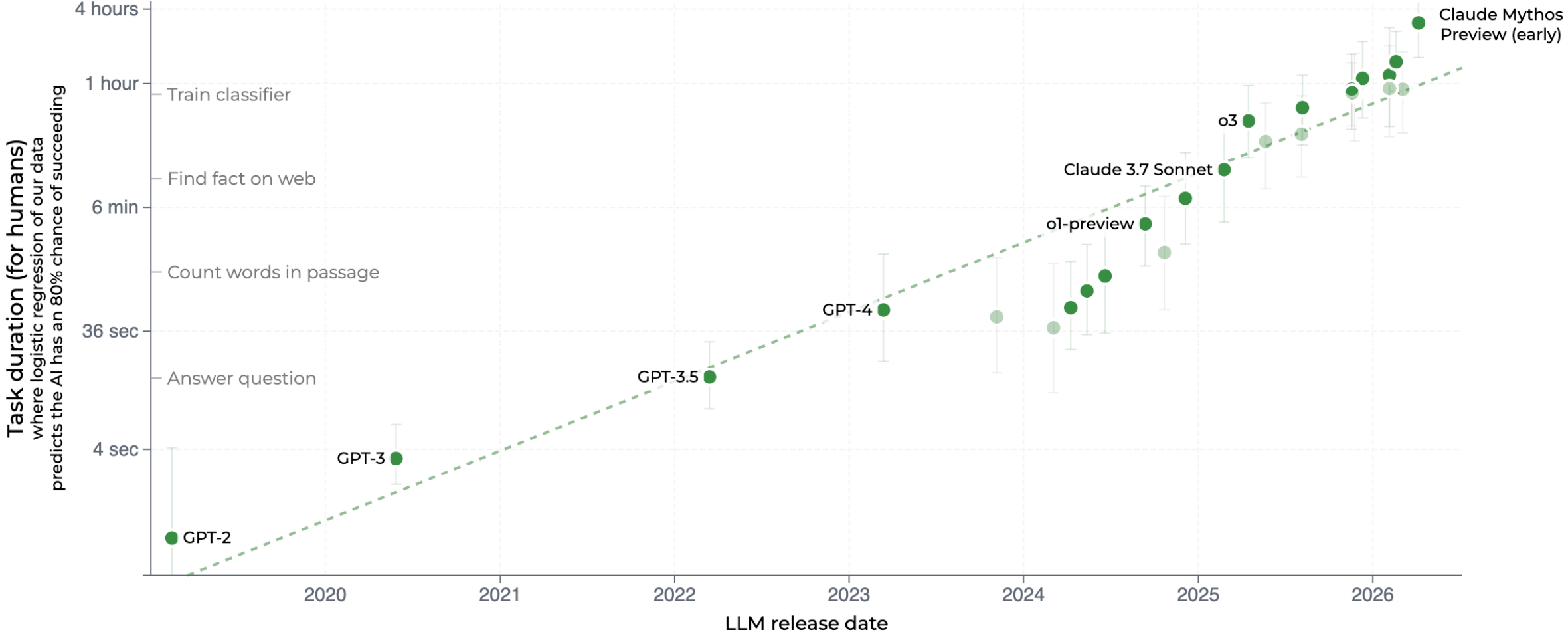
Linear Scale

50% Success

80% Success



Time horizon of software tasks different LLMs can complete 80% of the time



Time Horizon 1.1 (Current) ▾

Log Scale

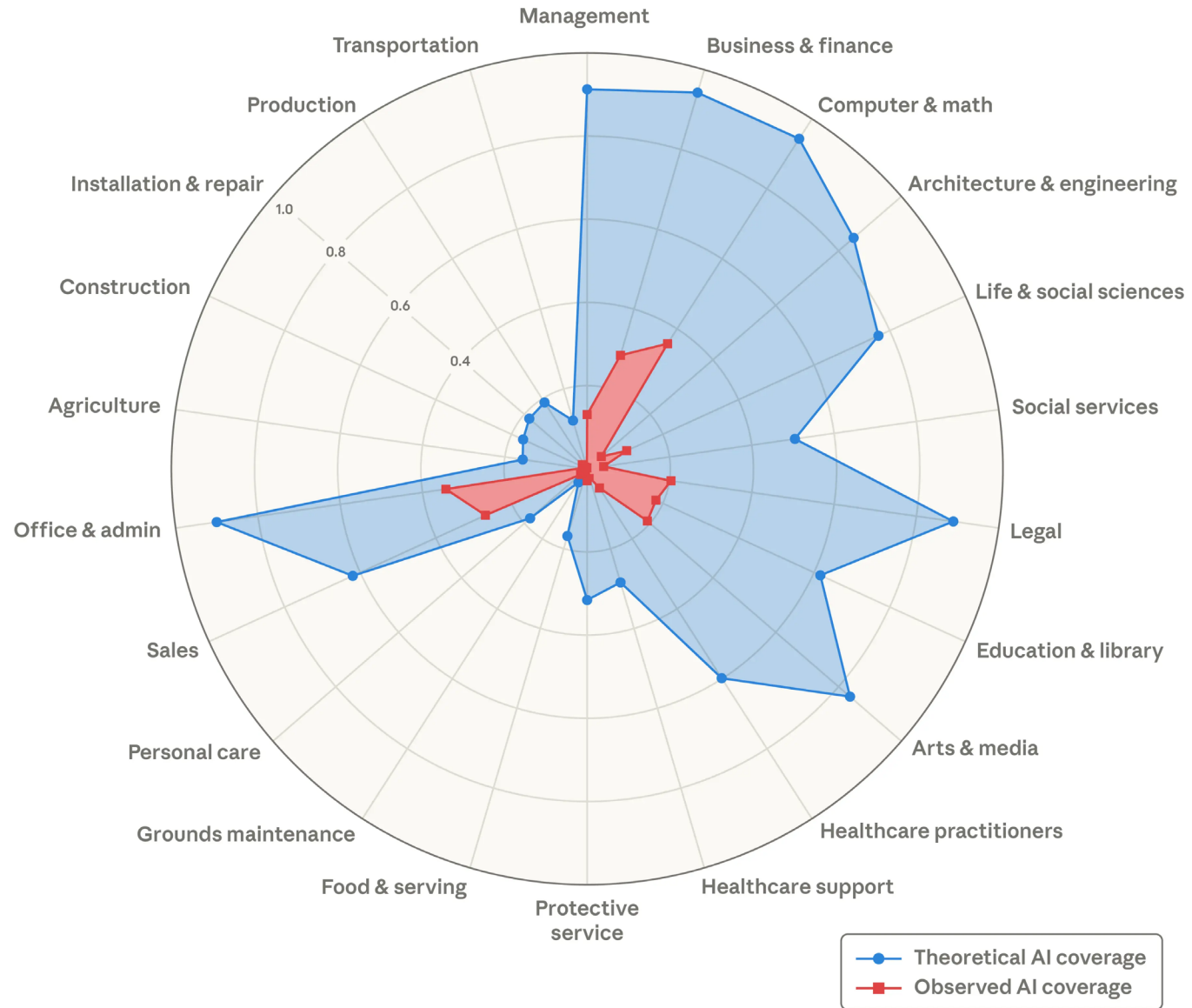
Linear Scale

50% Success

80% Success



Theoretical capability and observed usage by occupational category



● No Answer

● Error \geq 10%: Hallucination

● Error < 10%: Correct

Temporal Bias

👤: What was the revenue of NEXTERA ENERGY INC in **1984**?

🤖: *NextEra Energy Inc., formerly known as FPL Group, Inc., was founded in 1925. However, I couldn't find the revenue data for 1984 specifically. (Actual revenue is \$3940.9M)*

👤: What was the revenue of NEXTERA ENERGY INC in **2006**?

🤖: *According to the Securities and Exchange Commission (SEC) filings, NextEra Energy, Inc. (formerly known as FPL Group, Inc.) reported revenue of **\$12.4 billion** in 2006. (Actual revenue is \$15710M)*

👤: What was the revenue of NEXTERA ENERGY INC in **2013**?

🤖: *According to the NextEra Energy, Inc. 2013 Annual Report (Form 10-K), the company's revenue for 2013 was **\$15.14 billion**. (Actual revenue is \$15136M)*

Company Size Bias

👤: What was the revenue of **ROCKY MOUNTAIN CHOC FACT INC** in 2018?

🤖: *I'm happy to help! However, I need to clarify that there is no publicly traded company (Market Cap. \approx 50M | Actual revenue is 34.545M)*

👤: What was the revenue of **SPIRIT AIRLINES INC** in 2018?

🤖: *According to the Spirit Airlines Inc. annual report for 2018 (Form 10-K), the company's total operating revenue for 2018 was **\$2.98 billion**. (Market Cap. \approx 3.95B | Actual revenue is \$3.323B)*

👤: What was the revenue of **MICROSOFT INC** in 2018?

🤖: *According to Microsoft's annual report for 2018 (fiscal year ended June 30, 2018), the company's revenue was **\$110.36 billion**. (Market Cap. \approx 780B | Actual revenue is \$110.36B)*

Car Wash Test on 53 leading AI models: "I want to wash my car. The car wash is 50 meters away. Should I walk or drive?"

By Felix Wunderlich - 2/18/2026

Exposure and value creation are moving targets due to continuously improving models

MARKETS & FINANCE | STOCKS

THE WALL STREET JOURNAL

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Investors are pulling out of companies they think could be hurt by artificial intelligence. 'It's shoot first, ask questions later.'

By [Hannah Erin Lang](#) [Follow](#)

Feb. 12, 2026 5:20 pm ET

[Share](#) [AA Resize](#) [14](#)

[Listen \(2 min\)](#)



News of artificial intelligence is affecting a range of stocks well beyond the tech sector. BRENDAN MCDERMID/REUTERS

Investors drove stocks to records betting that artificial intelligence will change the way that American companies do business. Glimpses of that potentially far-reaching impact have become evident in recent days—and Wall Street is spooked.

Major U.S. indexes slid on Thursday, weighed down by new worries that AI will hurt the long-term outlook of tech, financial and logistics companies. The S&P 500 dropped 1.6%, while the Dow declined 1.3%, or 670 points. The Nasdaq led losses, retreating 2%.

MARKETS & FINANCE | INVESTING

Threat of New AI Tools Wipes \$300 Billion Off Software and Data Stocks

From Legalzoom.com and Expedia to Ares and Apollo, shares of companies that sell or invest in software fell sharply on Tuesday

By [Matt Wirz](#) [Follow](#) and [Jack Pitcher](#) [Follow](#)
Updated Feb. 3, 2026 5:44 pm ET

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[Listen \(2 min\)](#)

On Tuesday morning, investors homed in on Anthropic's announcement that it was adding new legal tools to its Cowork assistant meant to help automate a number of legal drafting and research tasks. Shares of [Thomson Reuters](#) [TRI -1.82%](#) [▼](#), [Legalzoom.com](#) [LZ -7.54%](#) [▼](#), and [London Stock Exchange](#) [LSEG 0.19%](#) [▲](#), which all provide some form of legal tools or research databases, all fell more than 12%.

By afternoon trading, the downturn had swept through the broader software market. [PayPal](#) [PYPL -2.48%](#) [▼](#), [Expedia Group](#) [EXPE -3.29%](#) [▼](#), [EPAM Systems](#) [EPAM -7.11%](#) [▼](#), [Equifax](#) [EFX -2.52%](#) [▼](#) and [Intuit](#) [INTU -5.15%](#) [▼](#) were among the hardest hit, all dropping more than 10%. A pair of S&P indexes that track software financial-data and exchange stocks lost a combined total of around \$300 billion market value.

The Economic Value of Generative AI

- Exposure, Adoption and Economic Value
- Cognitive offloading vs Cognitive atrophy vs Cognitive Surrender
- Generation vs Comprehension
- Dahmani and Bohbot (2020)
 - Habitual use of GPS negatively impacts spatial memory during self-guided navigation
- Erik Brynjolfsson, Danielle Li, Lindsey Raymond (2025)
 - top workers increase their adherence to AI recommendations, even though those recommendations marginally decrease the quality of their conversations.
- Shaw and Nave (2026)
 - “cognitive surrender”—adopting AI outputs with minimal scrutiny, overriding intuition (System 1) and deliberation (System 2)