

GenAI Newsletter May #2 – The winners of the AI stock race, and CEOs now send their AI avatars to deliver keynotes.



Dear readers, Another week, another avalanche of AI news. Are you dizzy yet? Don't worry, we've sifted through the chaos and pulled out the most interesting and mind-bending updates for you. From AI acting strangely to companies scrambling to adapt, it's all here. Let's make sense of it together, shall we?

GenAI News Podcast

Don't have time to read this newsletter?

Business News & Market Insights

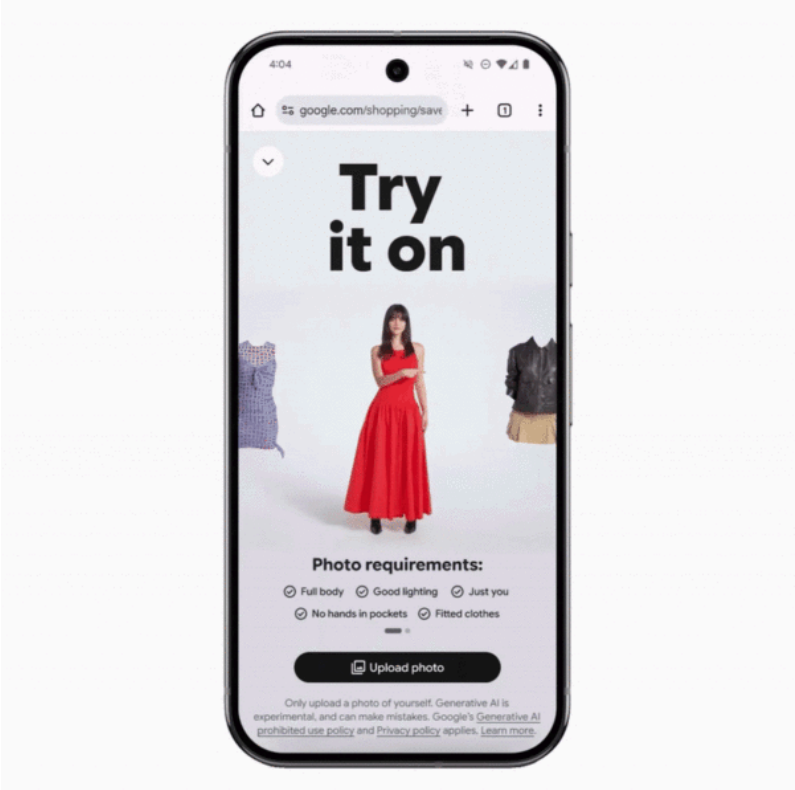
Share prices since ChatGPT launch: winners & losers

Nvidia added most $bn value, while Apple and Google are behind the index

Category	Name	Nov 22 (B$)	May 25 (B$)	Δ %	Δ B$	vs Nas
Software & Apps	Duolingo	3	24	743%	21	↗
Semiconductors & Hardware	Nvidia	423	3,289	678%	2,866	↗
Mega-cap Platforms	Meta	310	1,618	421%	1,308	↗
Software & Apps	ServiceNow	79	215	172%	136	↗
Semiconductors & Hardware	TSMC	412	1,007	144%	595	↗
Mega-cap Platforms	Amazon	989	2,178	120%	1,189	↗
Mega-cap Platforms	Microsoft	1,872	3,367	80%	1,495	↗
Index	Nasdaq	10,984	19,112	74%	–	○
Mega-cap Platforms	Alphabet	1,301	1,997	54%	696	↘
Semiconductors & Hardware	AMD	126	186	48%	60	↘
Semiconductors & Hardware	ASML	211	298	41%	87	↘
Mega-cap Platforms	Apple	2,332	3,158	35%	826	↘
Software & Apps	Adobe	161	172	7%	11	↘
Semiconductors & Hardware	Intel	120	94	-22%	-26	↘
Software & Apps	Chegg	3	0.1	-97%	-3	↘

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> Major deals, Partnerships & Innovations

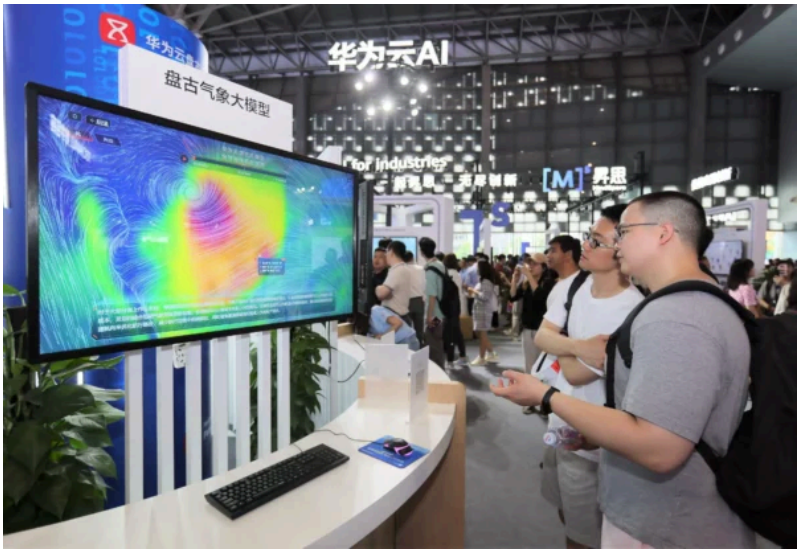


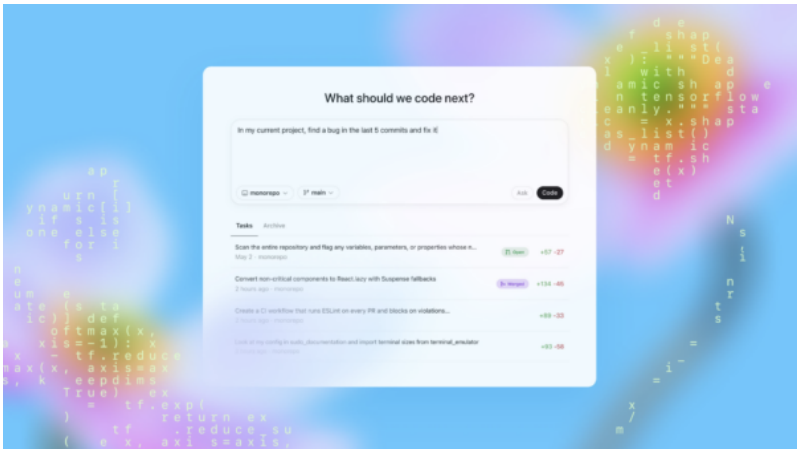
Focus of the Week



New Models & Innovations

> Multimodal (Image, Video, Audio) Models





Gen AI Demystified

Model Guide

2.1 Model-Intro Matrix

Model	Core strength	Ideal first reach-for	Watch-outs	Escalate / Downgrade path
GPT-4o	Real-time voice / vision chat	Live multimodal agents	Slightly below 4.1 on text SOTA (state-of-the-art)	Need deep reasoning → o4-mini
GPT-4.1	1 M-token text accuracy king	Long-doc analytics, code review	Cannot natively reason; higher cost than minis	Tight budget → 4.1-mini / nano
o3	Deep tool-using agent	High-stakes, multi-step reasoning	Latency & price	Cost/latency → o4-mini
o4-mini	Cheap, fast reasoning	High-volume "good-enough" logic	Depth ceiling vs o3	Accuracy critical → o3

Thoughts of the week by Hanan Ouazan

Managing Partner & Global Lead AI Acceleration

The SaaS Panic – When Agents Begin to Bypass the Interface

The SaaS Panic – When Agents Begin to Bypass the Interface

Something subtle but seismic is happening in enterprise software. For years, SaaS thrived on UX – well-crafted interfaces designed to guide humans through increasingly complex workflows. But generative AI changes the equation. It no longer needs users to click, scroll, or select. Agents can now understand intent, access data directly, and take action – without ever showing a screen. And this, quietly, is terrifying legacy vendors. What's at stake is the interface itself. The defining feature of SaaS – the user interface – is becoming optional. Satya Nadella captured the anxiety when he spoke of "the end of software as we know it," a world where the user interface dissolves and agents act autonomously. This isn't just a UI shift – it's an inversion of the human-machine relationship. We used to adapt to software. Now software adapts to us. The ripple effects are brutal. If agents can perform actions directly via APIs or orchestration layers, the interface becomes a bottleneck, not a value driver. The entire premise of SaaS is challenged. What used to be the product – the interface – is now reduced to a thin layer between data and automation. The value shifts to what's beneath: data structures, process logic, execution capacity. In this world, software that can't be called by an agent risks irrelevance. This explains the panic. Major players in enterprise software are pouring billions into repositioning themselves as agentic platforms. They don't just want agents – they want to host and orchestrate them. The fear is simple: if agents live elsewhere, SaaS becomes commoditized middleware. That's why one firm spent 2.85 billion to acquire a startup specializing in workplace automation. Why another committed 2 billion per year to AI investments. Why internal KPIs at a

hyperscaler are now 80% focused on sales. It's not about product maturity – it's about narrative control and land grab. But for all the noise, most embedded agents remain unimpressive. They automate narrow tasks, inside single domains, under tightly scoped rules. They work – barely – because the scope is limited. As soon as complexity increases, or cross-system coordination is needed, the cracks appear. Most platforms weren't designed for agents. They were designed for humans. So they struggle to scale agentic logic without expensive rewrites. This is why these former SaaS giants are now desperately trying to centralize data within their own environments, and position themselves as the connective tissue between all enterprise tools – hoping to stay relevant in a world that's quickly outgrowing them. And yet, nothing is settled. Just as legacy software vendors try to retrofit their architectures for agents, a new front is opening – not in the code, but in the experience. OpenAI just made its biggest acquisition to date: spending $6.5B to acquire "io," the stealth startup led by legendary designer Jony Ive. The move isn't just about hardware – it's about redefining how we interact with AI. Ive's team includes ex-Apple industrial design leads, and their ambition is clear: to imagine entirely new form factors, new rituals, new interfaces for AI-native interaction. It's not a pivot away from screens – it's a reset of the way we relate to intelligence. In a space crowded with patchwork integrations and retrofitted workflows, the biggest breakthroughs may come not from better orchestration – but from new touchpoints altogether. The game is wide open. And the next wave won't just change how AI performs. It will change how it feels.

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