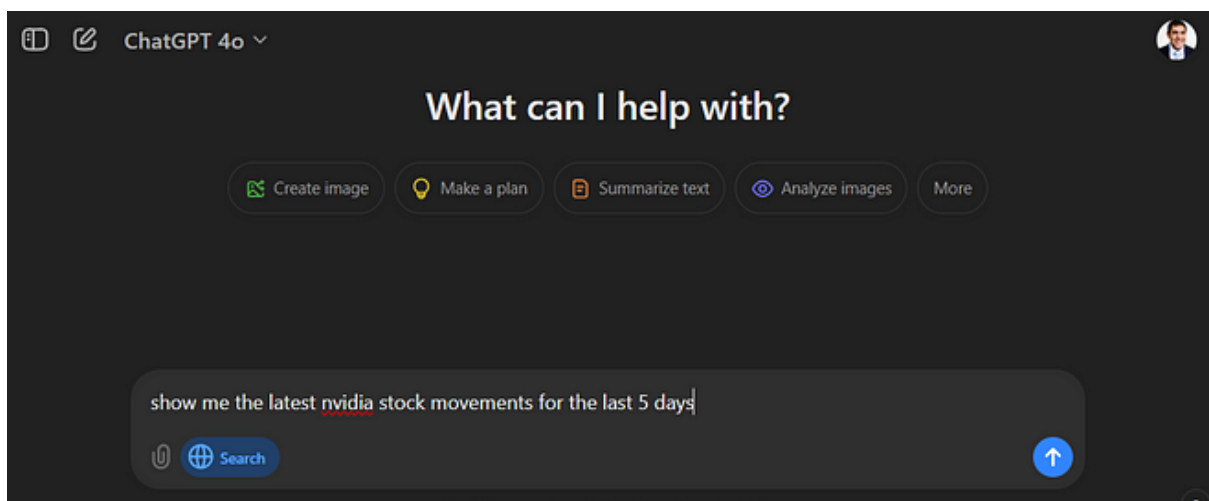


# How to use ChatGPT Search for Finance and FP&A

OpenAI released ChatGPT search!

This means that ChatGPT can now search the web in a much better way than before.

You can get fast, timely answers with links to relevant web sources, which you would have previously needed to go to a search engine for.



This blends the benefits of a natural language interface with the value of up-to-date sports scores, news, stock quotes, and more.

ChatGPT will choose to search the web based on what you ask, or you can manually choose to search by clicking the web search icon.



As of the latest trading session, NVIDIA Corporation's (NVDA) reflecting a 0.58% increase from the previous close.

## NVIDIA Corp (NVDA)

NVIDIA Corp

1D 1W 1M 6M YTD 1Y ALL



How can you use it for Finance?

### How to use ChatGPT search for Finance?

With real-time data retrieval capabilities, it supports timely decision-making, trend analysis, and strategic insights.

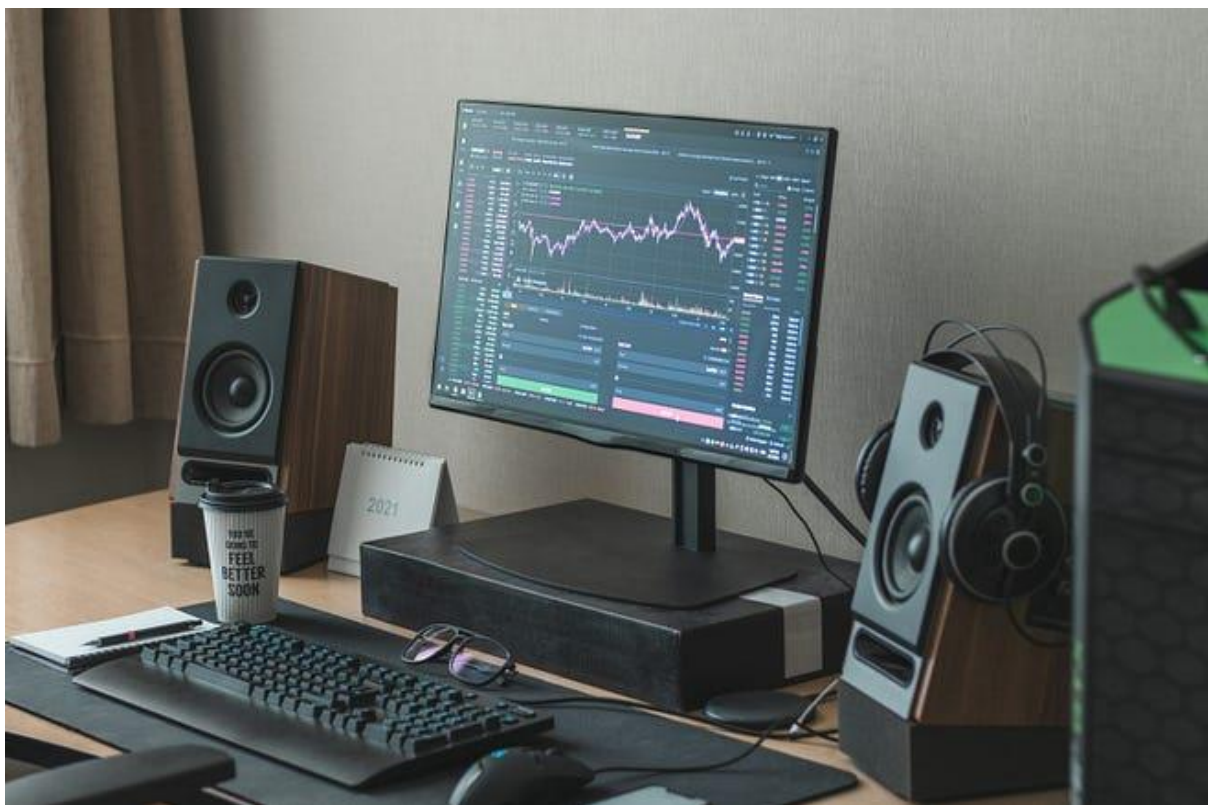
Finance and FP&A roles involve budgeting, forecasting, analyzing financial data, and supporting business decisions.

Access to accurate, up-to-date information on market trends, competitor actions, and economic indicators is essential.

These are some key ways that ChatGPT Search can assist you in. I have tried them and will show you the results:

- **Accessing the Latest Economic Data:** Quickly retrieving current economic reports and forecasts.

- **Analyzing Competitor Financial Moves:** Understanding how competitors' financial performance might impact your strategies.
- **Identifying Industry Trends:** Staying on top of trends that could influence your company's revenue streams or cost structure.
- **Updating Forecasts with Real-Time Data:** Incorporating the latest financial data for accurate forecasting.
- **Benchmarking Performance:** Finding relevant benchmarks for KPIs and financial ratios.



## How to Use ChatGPT Search for Finance and FP&A: Key Prompts

Here are five example prompts designed to help FP&A professionals use ChatGPT Search effectively.

### 1. Economic Forecasting and Trends

#### **Prompt:**

*"Search for the latest economic growth forecast for the U.S. from the Federal Reserve or a reputable financial institution. Provide a summary of projected GDP growth, inflation rates, and key influencing factors."*

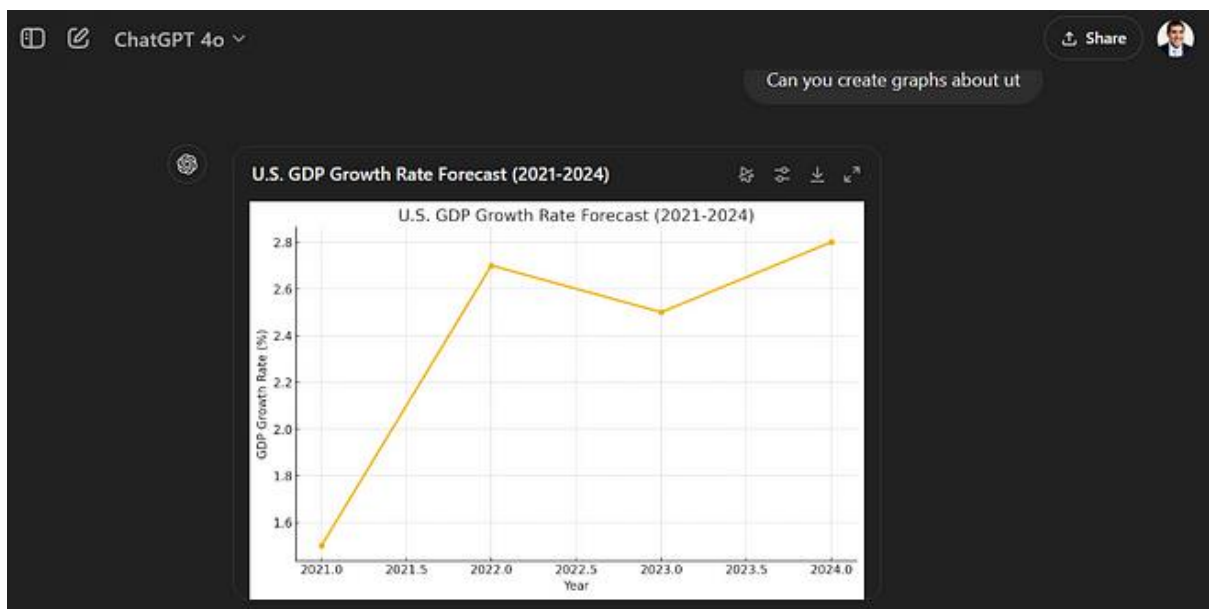
The result will be:

ChatGPT 4o

Search for the latest economic growth forecast for the U.S. from the Federal Reserve or a reputable financial institution. Provide a summary of projected GDP growth, inflation rates, and key influencing factors. Generate a few graphs about it

As of October 31, 2024, the U.S. economy continues to demonstrate resilience, with several reputable institutions providing updated forecasts:

You can then ask to generate graphs using Python about this information:



This prompt allows FP&A teams to access up-to-date economic forecasts, helping them anticipate market conditions and adjust financial models or forecasts accordingly.

It is especially helpful in stress-testing assumptions around economic growth, interest rates, and inflation.

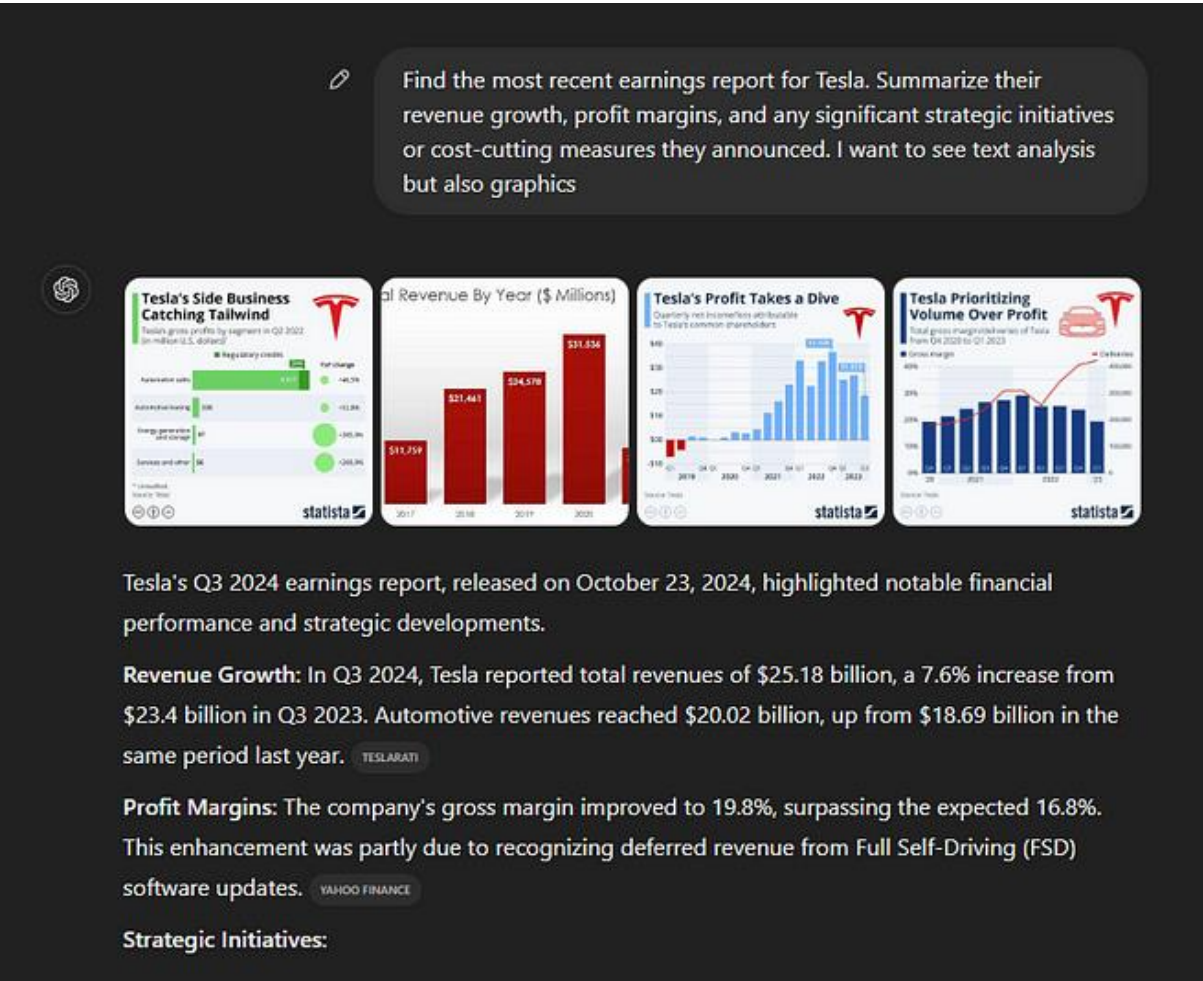
## 2. Competitor Analysis and Market Positioning

### Prompt:

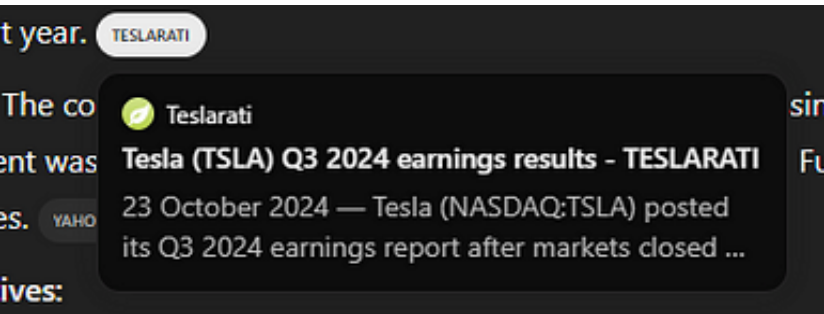
*"Find the most recent earnings report for [Competitor Name]. Summarize their revenue growth, profit margins, and any significant strategic initiatives or cost-cutting measures they announced."*

This type of prompt can help FP&A teams stay informed about competitor performance and strategy.

The result will be:



And then in each of the icons in a button, you can go and learn more from the source:



By analyzing financial results and initiatives from competitors, companies can better position themselves within the market, understand potential threats, and identify areas for improvement.

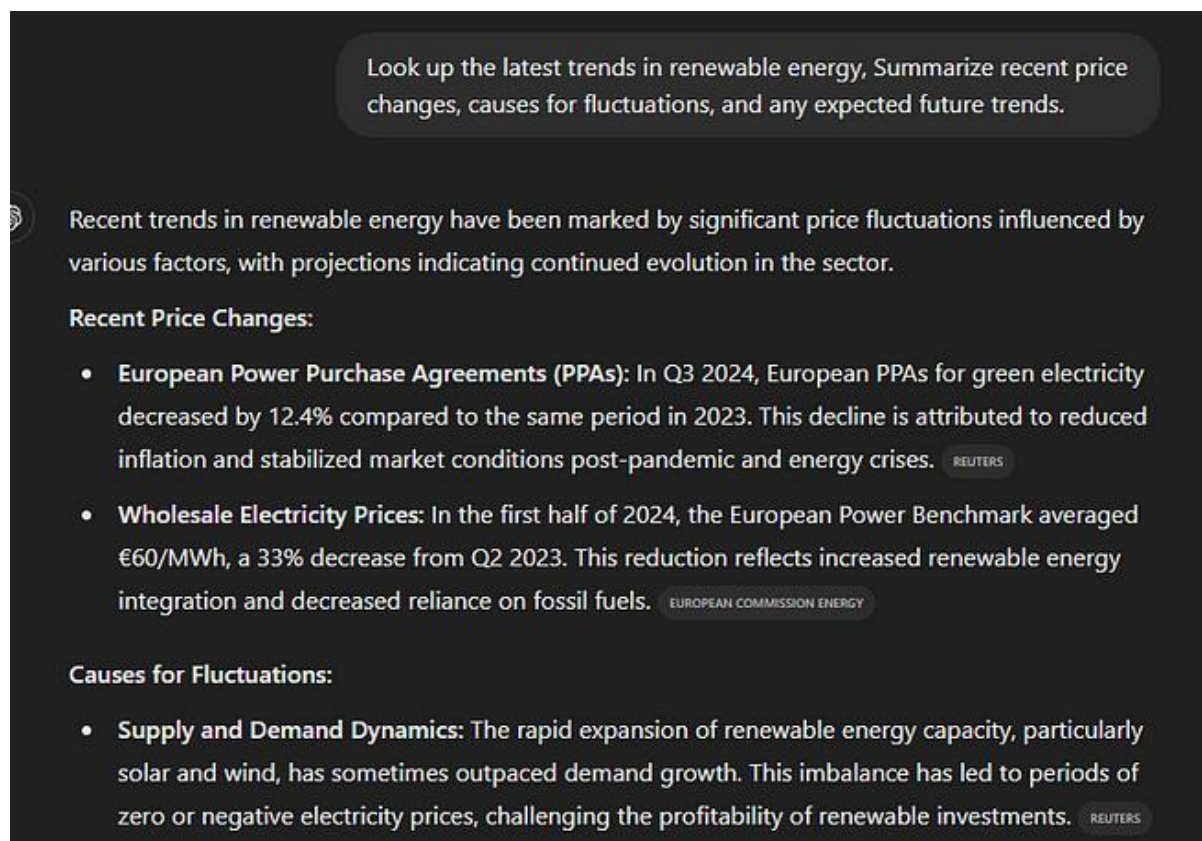
### 3. Industry Cost and Price Trends



### Prompt:

"Look up the latest trends in [specific commodity or industry] prices, such as [commodity, e.g., aluminum or energy]. Summarize recent price changes, causes for fluctuations, and any expected future trends."

This will be the output:



The screenshot shows a dark-themed interface with a light gray rounded rectangle at the top containing the prompt: "Look up the latest trends in renewable energy, Summarize recent price changes, causes for fluctuations, and any expected future trends." Below this, the AI response is displayed. It starts with a paragraph: "Recent trends in renewable energy have been marked by significant price fluctuations influenced by various factors, with projections indicating continued evolution in the sector." This is followed by a section header "Recent Price Changes:" and a bulleted list. The first bullet point is "European Power Purchase Agreements (PPAs): In Q3 2024, European PPAs for green electricity decreased by 12.4% compared to the same period in 2023. This decline is attributed to reduced inflation and stabilized market conditions post-pandemic and energy crises." with a "REUTERS" source tag. The second bullet point is "Wholesale Electricity Prices: In the first half of 2024, the European Power Benchmark averaged €60/MWh, a 33% decrease from Q2 2023. This reduction reflects increased renewable energy integration and decreased reliance on fossil fuels." with a "EUROPEAN COMMISSION ENERGY" source tag. Below the list is another section header "Causes for Fluctuations:" and a bulleted list. The first bullet point is "Supply and Demand Dynamics: The rapid expansion of renewable energy capacity, particularly solar and wind, has sometimes outpaced demand growth. This imbalance has led to periods of zero or negative electricity prices, challenging the profitability of renewable investments." with a "REUTERS" source tag.

Look up the latest trends in renewable energy, Summarize recent price changes, causes for fluctuations, and any expected future trends.

Recent trends in renewable energy have been marked by significant price fluctuations influenced by various factors, with projections indicating continued evolution in the sector.

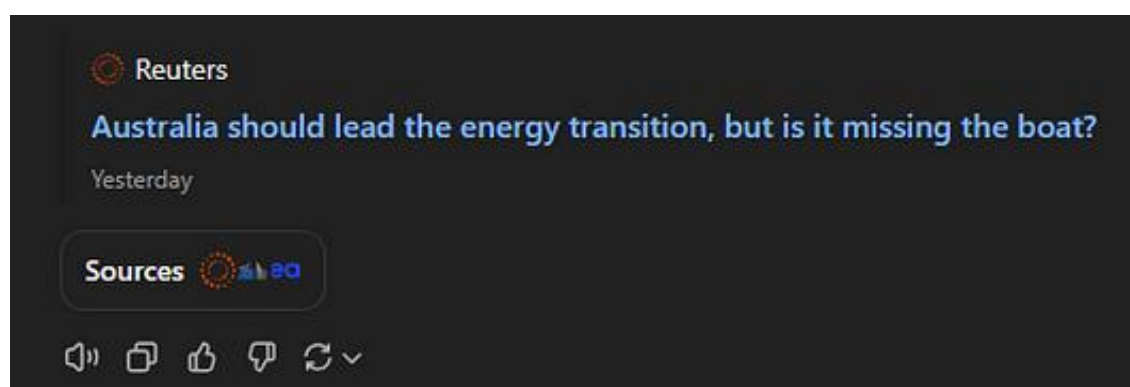
**Recent Price Changes:**

- **European Power Purchase Agreements (PPAs):** In Q3 2024, European PPAs for green electricity decreased by 12.4% compared to the same period in 2023. This decline is attributed to reduced inflation and stabilized market conditions post-pandemic and energy crises. REUTERS
- **Wholesale Electricity Prices:** In the first half of 2024, the European Power Benchmark averaged €60/MWh, a 33% decrease from Q2 2023. This reduction reflects increased renewable energy integration and decreased reliance on fossil fuels. EUROPEAN COMMISSION ENERGY

**Causes for Fluctuations:**

- **Supply and Demand Dynamics:** The rapid expansion of renewable energy capacity, particularly solar and wind, has sometimes outpaced demand growth. This imbalance has led to periods of zero or negative electricity prices, challenging the profitability of renewable investments. REUTERS

All of the sources will also appear in the bottom:



The screenshot shows a dark-themed interface with a light gray rounded rectangle at the top containing the prompt: "Look up the latest trends in renewable energy, Summarize recent price changes, causes for fluctuations, and any expected future trends." Below this, the AI response is displayed. It starts with a paragraph: "Recent trends in renewable energy have been marked by significant price fluctuations influenced by various factors, with projections indicating continued evolution in the sector." This is followed by a section header "Recent Price Changes:" and a bulleted list. The first bullet point is "European Power Purchase Agreements (PPAs): In Q3 2024, European PPAs for green electricity decreased by 12.4% compared to the same period in 2023. This decline is attributed to reduced inflation and stabilized market conditions post-pandemic and energy crises." with a "REUTERS" source tag. The second bullet point is "Wholesale Electricity Prices: In the first half of 2024, the European Power Benchmark averaged €60/MWh, a 33% decrease from Q2 2023. This reduction reflects increased renewable energy integration and decreased reliance on fossil fuels." with a "EUROPEAN COMMISSION ENERGY" source tag. Below the list is another section header "Causes for Fluctuations:" and a bulleted list. The first bullet point is "Supply and Demand Dynamics: The rapid expansion of renewable energy capacity, particularly solar and wind, has sometimes outpaced demand growth. This imbalance has led to periods of zero or negative electricity prices, challenging the profitability of renewable investments." with a "REUTERS" source tag.

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**Recent Price Changes:**

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- **Wholesale Electricity Prices:** In the first half of 2024, the European Power Benchmark averaged €60/MWh, a 33% decrease from Q2 2023. This reduction reflects increased renewable energy integration and decreased reliance on fossil fuels. EUROPEAN COMMISSION ENERGY

**Causes for Fluctuations:**

- **Supply and Demand Dynamics:** The rapid expansion of renewable energy capacity, particularly solar and wind, has sometimes outpaced demand growth. This imbalance has led to periods of zero or negative electricity prices, challenging the profitability of renewable investments. REUTERS

This prompt is particularly beneficial for businesses where commodity prices directly impact costs.

## 4. Labor Market and Wage Data

### Prompt:

"Search for current trends in U.S. wage growth and labor market conditions. Provide insights on the latest wage growth figures, unemployment rates, and any skills shortages in [specific industry, e.g., technology or healthcare]."

Then the output will be tailored for the day that you use the prompt, in my case 31st October:

Search for current trends in U.S. wage growth and labor market conditions. Provide insights on the latest wage growth figures, unemployment rates, and any skills shortages in technology industry



As of October 31, 2024, the U.S. labor market exhibits notable trends in wage growth, unemployment rates, and skills shortages, particularly within the technology sector.

**Wage Growth:**

- **Overall Increase:** The Atlanta Federal Reserve's Wage Growth Tracker reported a 4.7% increase in median hourly wages in September 2024, up from 4.6% in August. This uptick reflects sustained wage growth across various sectors. FEDERAL RESERVE BANK OF ATLANTA
- **Real Earnings:** Adjusting for inflation, real average hourly earnings rose by 1.5% from September 2023 to September 2024. Despite a 0.6% decrease in the average workweek, real average weekly earnings increased by 0.9% over the same period. BUREAU OF LABOR STATISTICS

You can even see the exact citations:







ChatGPT 4o



• Long-term unemployment: Individuals unemployed for 27 weeks or more accounted for 45.1% of the total unemployed in September 2024, highlighting ongoing challenges for long-term job seekers. BUREAU OF LABOR STATISTICS


**Skills Shortages in the Technology Industry:**


- **Cybersecurity Workforce Gap:** The U.S. faces a significant cybersecurity talent shortage, with nearly 265,000 additional workers needed to close the current supply gap. This shortfall underscores the critical demand for skilled professionals in cybersecurity roles. COMPTIA
- **AI and Semiconductor Sectors:** The rapid adoption of artificial intelligence (AI) technologies has intensified the demand for AI security expertise, with a notable skills deficit reported in this area. Additionally, the semiconductor industry requires approximately one million skilled workers by 2030 to meet projected growth, emphasizing the need for workforce development in high-tech manufacturing. CHIEF MAGAZINE VENTUREBEAT







In summary, the U.S. labor market demonstrates steady wage growth and a declining unemployment rate. However, persistent skills shortages in critical technology sectors, particularly cybersecurity and AI, present ongoing challenges that necessitate targeted workforce development initiatives.

Sources      

Message ChatGPT  

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**Citations** 

-  **Federal Reserve Bank of Atlanta**  
**Wage Growth Tracker 4.7 Percent - Federal Reserve Bank of Atlanta**  
October 10, 2024 — The Atlanta Fed's Wage Growth Tracker was 4.7 percent in September, up slightly fro...
-  **Bureau of Labor Statistics**  
**TED: The Economics Daily - U.S. Bureau of Labor Statistics**  
October 18, 2024 — Real average hourly earnings increased 1.5 percent from September 2023 to...
-  **FRED**  
**Unemployment Rate (UNRATE) | FRED | St. Louis Fed**  
October 4, 2024 — View data of the unemployment rate, or the number of people 16 and over actively...
-  **Bureau of Labor Statistics**  
**TED: The Economics Daily - U.S. Bureau of Labor Statistics**  
October 10, 2024 — The share of people unemployed for 15 to 26 weeks in September 2024 was 16.3...
-  **CompTIA**  
**CyberSeek highlights persistent cybersecurity skills shortage despite ...**  
October 15, 2024 — Nearly 265,000 more cybersecurity workers needed to close current US...
-  **Home of Cybersecurity News**  
**O'Reilly: Bridging the Cybersecurity Skills Gap**  
October 12, 2024 — O'Reilly steps into the fray with its 2024 State of Security Survey report, a...

## 5. Financial Benchmarking

Benchmarking is essential in understanding how a company measures up to others in its industry.

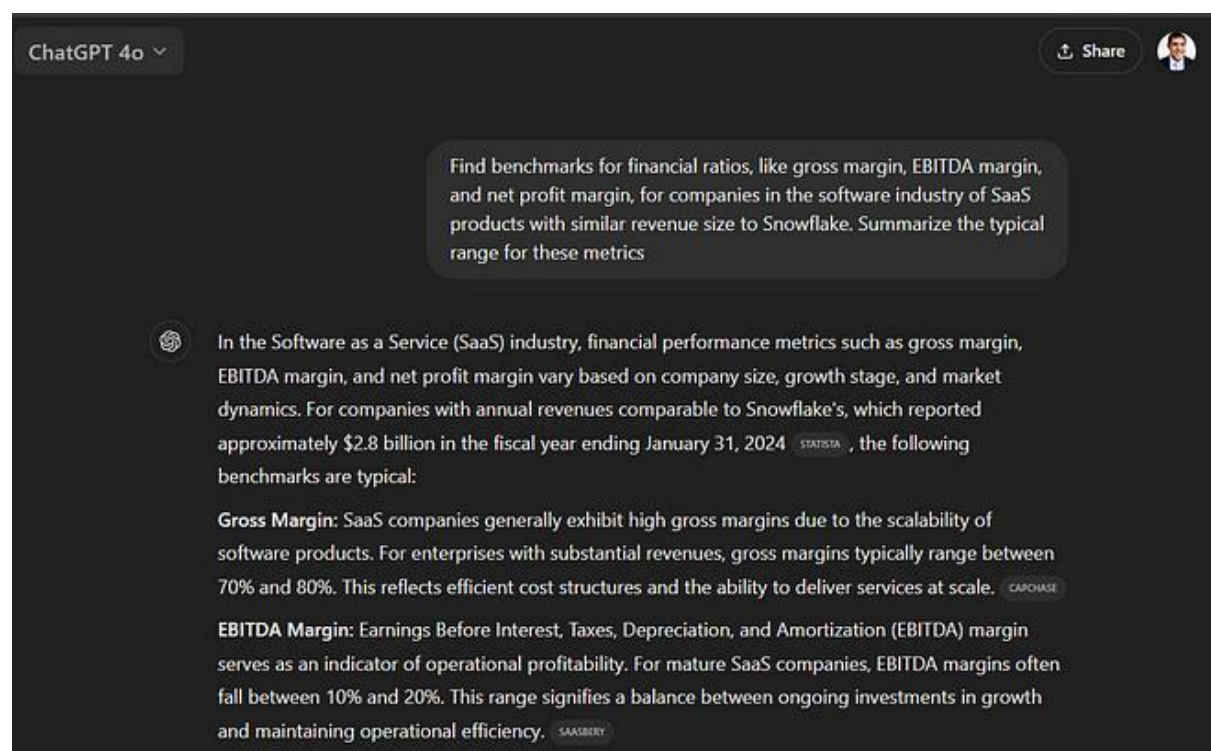
FP&A and finance professionals can use this information to set realistic performance targets, identify areas for improvement, and communicate effectively with stakeholders.

This will be the prompt to use:


### Prompt:

*"Find benchmarks for financial ratios, like gross margin, EBITDA margin, and net profit margin, for companies in the [industry, e.g., software or retail] sector with similar revenue size to [Your Company's Revenue]. Summarize the typical range for these metrics."*


And the result:



The screenshot shows a ChatGPT 4o interface with a dark theme. At the top left, it says "ChatGPT 4o" with a dropdown arrow. At the top right, there is a "Share" button and a user profile icon. The prompt area contains the text: "Find benchmarks for financial ratios, like gross margin, EBITDA margin, and net profit margin, for companies in the software industry of SaaS products with similar revenue size to Snowflake. Summarize the typical range for these metrics". The response area, marked with a GPT icon, provides a detailed answer. It starts with a general statement about SaaS financial metrics, then lists specific benchmarks for Gross Margin and EBITDA Margin, each with a brief explanation and a citation (STATISTA and SaaSIBERY respectively).

ChatGPT 4o ▾ Share 

Find benchmarks for financial ratios, like gross margin, EBITDA margin, and net profit margin, for companies in the software industry of SaaS products with similar revenue size to Snowflake. Summarize the typical range for these metrics

 In the Software as a Service (SaaS) industry, financial performance metrics such as gross margin, EBITDA margin, and net profit margin vary based on company size, growth stage, and market dynamics. For companies with annual revenues comparable to Snowflake's, which reported approximately \$2.8 billion in the fiscal year ending January 31, 2024 STATISTA, the following benchmarks are typical:

**Gross Margin:** SaaS companies generally exhibit high gross margins due to the scalability of software products. For enterprises with substantial revenues, gross margins typically range between 70% and 80%. This reflects efficient cost structures and the ability to deliver services at scale. CAPOMASE

**EBITDA Margin:** Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) margin serves as an indicator of operational profitability. For mature SaaS companies, EBITDA margins often fall between 10% and 20%. This range signifies a balance between ongoing investments in growth and maintaining operational efficiency. SaaSIBERY



### **Last Tips for Effective Use of ChatGPT Search in FP&A**

- **Stay Specific:** Be clear and detailed in your prompts. Mention specific industries, competitors, or economic indicators you want information about.
- **Source Verification:** Rely on reputable sources. ChatGPT Search typically retrieves information from credible sources, but double-checking critical data is a best practice.
- **Regular Updates:** Financial data and market trends change frequently, so make it a habit to check for updates regularly.
- **Use Summaries Wisely:** ChatGPT can summarize lengthy reports, making it easier to access key information quickly. Use these summaries to save time but delve deeper into the original source if needed.