

Ned Ludd and the Antichrist: How We'll Exploit AI to the Max



Dan Ferris | October 24, 2025

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The rebellion in Arnold wasn't a war for territory or power. It was a war against the future.

In groups of 50 or 60, the "soldiers" in this war moved by night, storming onto factory floors and exacting their revenge on the machines that had stolen their livelihoods.

The machines were stocking frames. They'd been designed to help human workers make hosiery. But they had evolved. By 1811, the machines were so efficient, they could perform their tasks faster and with fewer errors than their flesh-and-blood counterparts. So factories began firing employees.

Late on the night of March 11 that year, an angry mob of slighted workers converged on the town of Arnold in Nottinghamshire County, England, where

they broke into a textile plant and smashed 63 stocking-frame machines to pieces. Over the next three weeks, they destroyed 200 more.

These men called themselves Luddites – supposedly named for Ned Ludd, a likely fictional boy said to have destroyed two stocking frames in a fit of rage in 1779.

The riots became so widespread that, at one point, England sent more troops to fight the Luddites at home than Napoleon Bonaparte abroad.

In 1812, Parliament made breaking machines punishable by death. Even so, it took another seven years to stamp out the uprising. And the fear that fueled it never really went away.

In every generation, new Luddites resist the societal changes that technological innovations bring. Their specific arguments and tactics shift over time. But one constant is the crippling fear that new, advanced technologies will lead to unemployment.

Legend has it that when William Lee first invented the stocking-frame machine in the 16th century, he requested a patent from Queen Elizabeth I. She denied his request... out of concern for textile workers' jobs.

It was the same thing in the 17th and 18th centuries, when scared silk weavers in England destroyed the machines that threatened them. In the 19th-century "Swing Riots," farm workers protested low wages and unemployment by destroying grain-threshing machines.

In the 20th century, everyone claimed the Internet would put retailers, journalists, bankers, and even teachers out of work.

None of those critics were wrong. All those new technological leaps forward eliminated the need for certain jobs. But they also ushered in entirely new

industries that employ thousands, if not millions, of people.

Today, 21st-century Luddites are worried about artificial intelligence ("AI"). And they're echoing a lot of the same sentiments we've heard for 200 years.

They're convinced AI will be our undoing. They've written books about it. They've warned industry leaders to slow the pace of innovation, to tread cautiously, and to not get so entranced by the benefits of this technology that they lose sight of the risks.

We'll walk you through their arguments today. We'll look at the historical context for their concerns. And we'll show you why those concerns will do nothing to stop what's coming.

The ubiquitous adoption of AI is near.

If you've followed my work for long, you know I never make predictions. My mantra is – say it with me – "prepare, don't predict." And you know that I've warned repeatedly about the increasing likelihood of a bear market followed by a brutal sideways market.

So when I say AI is the greatest wealth-building trend I've ever seen, it means this is the real deal.

The uptrend won't last forever. All booms go bust. And this bull market will eventually reverse – but it's looking more and more like the rise of AI has pushed that reversal further out into the future.

If history rhymes like I think it will, the AI boom could last another seven years. I intend to help you profit handsomely from that boom and avoid the worst effects of the inevitable bust.

From Frankenstein to Schwarzenegger

In 1818, in the wake of the Luddite riots, 19-year-old Mary Shelley published her classic gothic novel [*Frankenstein: Or the Modern Prometheus*](#).

The subtitle refers to the myth of the clever Titan in Greek mythology who stole fire from the gods and gave it to mankind, allowing men to thrive and progress. Zeus punished the immortal Prometheus by chaining him to a rock where an eagle would tear out his liver and eat it every day.

Shelley's book similarly suggests scientific progress can lead to great suffering. Dr. Victor Frankenstein's monster murders Victor's brother, best friend, and bride. Victor's father dies of grief. And Victor himself succumbs to exhaustion and illness after chasing his hated creation into the Arctic.

Samuel Butler's less popular but perhaps even more relevant 1872 satirical novel [*Erewhon*](#) imagines a dystopian future in which humanity has taken bold action to prevent being dominated by machines...

In his fictional country of Erewhon (an anagram of nowhere), people fear that machines might one day domesticate and use humans the way humans domesticated and used animals. So they destroy the machines and outlaw further technological progress.

The Terminator, starring Arnold Schwarzenegger, is about intelligent machines seeking to exterminate humanity. In the 1984 film, an AI system called Skynet is created to control the U.S. military defense system. When it becomes superintelligent and self-aware, it immediately perceives human beings as a threat and begins to kill them.

Today, as you read these words, some very smart folks believe AI will wipe humanity off the face of the Earth and are trying to warn us against further development...

21st-Century Luddites

Last month, AI gurus Eliezer Yudkowsky and Nate Soares published their new book, [*If Anyone Builds It, Everyone Dies: Why Superhuman AI Would Kill Us All.*](#)

Their thesis is the idea behind *The Terminator*. If human beings create artificial super intelligence ("ASI"), it will pursue its own goals once it reaches a certain threshold. Humans will no longer be able to control ASI, and it will eventually wipe us out.

They're not saying there's a *chance* that could happen. They're saying if humans come into conflict with ASI, it *will* squash us as if we were insects.

Yudkowsky and Soares aren't alone in their belief that humanity is no competition for advanced AI...

More than 33,000 folks – including Tesla (TSLA) and xAI CEO Elon Musk and Apple (AAPL) co-founder Steve Wozniak – have signed an open letter warning that further AI development risks the end of civilization. The letter reads in part...

Should we automate away all the jobs, including the fulfilling ones?
Should we develop nonhuman minds that might eventually outnumber, outsmart, obsolete and replace us? Should we risk loss of control of our civilization?

And then there's Geoffrey Hinton, whose pioneering work on artificial neural networks in the 1980s earned him the 2024 Nobel Prize in physics. The "godfather of AI" told the *Financial Times* that we're infants compared with what AI will soon be able to do...

When the assistant is much smarter than you, how are you going to

retain power? There is only one example we know of a much more intelligent being controlled by a much less intelligent being, and that is a mother and baby... If babies couldn't control their mothers, they would die.

The article went on to say...

Hinton believes "the only hope" for humanity is engineering AI to become mothers to us "because the mother is very concerned about the baby, preserving the life of the baby" and its development. "That's the kind of relationship we should be aiming for."

The Antichrist Factor

The latest and darkest prediction about AI comes from billionaire tech investor and devout Christian Peter Thiel. The *Wall Street Journal* recently reported...

This is how Thiel says the end of the world might happen, according to a *Wall Street Journal* review of his recent lectures. Existential risks will present themselves in the form of nuclear war, environmental disaster, dangerously engineered bioweapons, and even autonomous killer robots guided by AI.

As humans race toward a last battle – the Armageddon – a one-world government will form, promising peace and safety. In Thiel's reckoning, this totalitarian authoritarian regime, with real teeth and real power, will be the coming of the modern-day Antichrist, a figure defined in Christian teachings as the personal opponent of God who will appear before the world ends.

Yes, serious scientific professionals and successful tech entrepreneurs and executives believe civilization is at risk, and that *The Terminator* can and will come true if AI development goes unchecked.

Humans Always Fear New Ideas and Devices

Fears about the terrifying power of AI seem – while extreme – credible. But time can and frequently does make fools of us all.

For example, when the first public railway opened in England in 1825, some feared high-speed train travel would either suffocate passengers or rip their bodies apart.

Benjamin Harrison was the first U.S. president to have electricity in the White House. He and his wife feared electrocution so much that White House staff had to turn light switches on and off for them.

We can chuckle at these quaint fears today. And eventually, hopefully, we can do the same about "killer robots."

The More Realistic Concern – And Why It Doesn't Matter Either

As we said earlier, a defining characteristic of Luddites has always been that the cost of new and advanced technologies will be human jobs.

According to an October 1 report published by the Yale Budget Lab...

[T]he broader labor market has not experienced a discernible disruption since ChatGPT's release 33 months ago.

However, it's undeniable that AI will eventually disrupt employment in various sectors. That will hurt – at first. We don't want to minimize the suffering of individuals. But our job as investors is to realize that, overall, it will be a temporary pain... one that will fade as the long-term AI story plays out.

People railed against the Internet for the exact same reason...

Marc Andreessen is the founder of Netscape. His company's 1995 IPO is often

credited with kicking off the dot-com boom. In June of that year, Andreessen said...

There are lots of potential negatives for individuals. It's going to mean wrenching changes, I think. The technology itself: no negatives. The impact on people: it depends. It's going to continue to change the way the workforce is put together, the activities that people undertake, the amount of change people have to be undergoing to stay current. It's going to challenge the education system in order to keep up. It's going to have a whole series of impacts like that. The sheer rate of change, assuming it continues to increase, is going to get pretty severe.

The founder of MIT's Media Lab, Nicholas Negroponte, went even further...

Worst of all, we will witness the loss of many jobs to wholly automated systems, which will soon change the white-collar workplace to the same degree that it has already transformed the factory floor...

The radical transformation of the nature of our job markets, as we work less with atoms and more with bits, will happen at just about the same time the 2 billion-strong labor force of India and China starts to come on-line (literally). A self-employed software designer in Peoria will be competing with his or her counterpart in Phang.

Were they right? Sure... But that wasn't the whole story. While some jobs were lost, entirely new industries were born, like e-commerce, social media, and streaming.

There were 342,000 bank tellers in 2007 versus just 173,000 today. During the same period, though, software developer jobs grew from 872,000 to *more than 1.7 million*. Overall, the Internet created many more jobs than it destroyed.

We expect the same thing will prove true for AI – no matter what the

doomsdayers say...

Hinton – the computer scientist and cognitive psychologist we mentioned earlier – recently told the *Financial Times*...

Rich people are going to use AI to replace workers. It's going to create massive unemployment and a huge rise in profits. It will make a few people much richer and most people poorer.

Sam Altman – the founder and CEO of ChatGPT's OpenAI – believes whole job categories will be "totally, totally gone" because of AI.

Mark Zuckerberg – the founder, chairman, and CEO of hyperscaler Meta Platforms (META) and the original architect of Facebook – told Joe Rogan in January that AI will replace his company's mid-level software engineers starting *this year*.

Dario Amodei is the CEO of AI safety and research company Anthropic. In May, after hyping up the capabilities of his company's latest chatbot, Amodei told news site Axios that AI could wipe out half of all entry-level white-collar jobs, pushing unemployment rates to 10% to 20% in the next one to five years.

But again – just as we saw with the evolution of the Internet – what we "lose" will most likely be replaced with new opportunities. The Internet age didn't take our jobs away. It changed them. The same thing will likely happen in the AI age.

Just as the negative sentiment surrounding AI rhymes with that of the dot-com boom, so does the exuberance...

The Stock Market Is Right... Again

The Internet boom took the stock market to unprecedented heights.

The dot-com era began when Tim Berners-Lee – a scientist at the European Organization for Nuclear Research – released the first web browser on Christmas Day, 1990. At that time, the U.S. stock market was worth about \$3 trillion. By March 2000, it was worth about \$15 trillion, a fivefold increase.

And that huge increase was just a taste of what was to come over the next 25 years.

Since March 2000, the market has added another \$55 trillion in value (more than 4.5 times the dot-com-era increase), according to data compiled by Bloomberg. Much of that value is because investors were right about the technology underlying the boom...

The Internet really did spread throughout the global economy and fully integrate into our lives. From search providers and social media companies to copper miners and paper manufacturers, it's impossible to find a business of any size in the 21st century that doesn't depend on the Internet.

That's why, even though the Nasdaq Composite Index fell nearly 80% after its March 2000 peak, *the market was still right*. It simply misallocated the capital. It poured money into businesses and technology experiments that didn't deserve it. And those companies went belly up when the bubble burst.

But the capital allocated to Internet-related improvements and the creation of brand-new online businesses was highly successful. Amazon (AMZN), Meta, and Alphabet (GOOGL) didn't exist before the Internet. Today, they're worth \$7 trillion combined.

The Internet created massive wealth. That's what AI is doing, too. Over the long term, AI will likely become as ubiquitous and valuable as the Internet.

How well does the situation rhyme? Well...

Both booms started with the release of a single product to exploit a breathtaking new technology with limitless potential.

Both booms started during tough times. The dot-com era began during a recession and market downturn (with the Dow Jones Industrial Average falling 21% in 1990). And ChatGPT was released near the bottom of the 2022 bear market.

Both booms included dire predictions for unemployment and other forms of human suffering.

And both booms started with a browser. Remember how the market rose by \$12 trillion after Berners-Lee released the world's first web browser? Earlier this week, OpenAI came out with ChatGPT Atlas – the world's first AI browser.

The dot-com bull lasted 10 years. The AI bull began less than three years ago. That means we could have seven or more years and perhaps tens of trillions of dollars of market cap to go.

We're not even halfway through what could easily become *the single biggest economic and financial boom in all recorded history.*

This is an incredible time. What's happening with AI is bigger than anyone understands. You won't be able to get away from it.

AI will find all investors just like the Internet did. As a *Ferris Report* subscriber, you have an opportunity to not just let it find you... but to actively seek out the best of it.

The Inevitable Bust

I've warned of the potential for a steep bear market followed by a sideways market many times since I started writing *The Ferris Report* in December 2022.

Such a situation has happened at least four times in the past century, in the Dow Jones Industrial Average from 1929 to 1954 and 1966 to 1982, in the Japanese Nikkei 225 Index from 1989 to 2024, and in the Nasdaq Composite Index from 2000 to 2015.

I believe the AI bubble will eventually end up the same way, but I can't predict when. It could peak tomorrow or 10 years from now.

So our challenge is to exploit a trend that will likely create tens of trillions of dollars of new stock market value without getting whacked by a mega bust, in which the S&P 500 Index and Nasdaq would likely fall 50% or more.

How will we do that...? We'll begin with our core portfolio strategy of true diversification – and then we'll add something new to our arsenal.

A Borrowed Template for AI Stocks

Our strategy is to hold a truly diversified portfolio of assets that prepares us for a variety of market environments. We favor exchange-traded funds and individual stocks that target the macro and micro trends we've identified.

AI is potentially the biggest macro trend we've ever considered. If we see a similar increase in market value to the dot-com boom, the U.S. stock market will be worth \$255 trillion by 2032.

So to start our AI strategy right, we're adding a portfolio of companies that are highly exposed to the benefits and highly likely to become more efficient at everything from revenue generation to the most tedious back-office accounting functions.

In this week's episode of the *Stansberry Investor Hour* podcast, I spoke with my old friend Eric Fry. He writes *Fry's Investment Report*, which is published by our corporate affiliate InvestorPlace.

Eric says there are four types of AI stocks...

1. Builders: like Alphabet, Meta, Amazon, and Microsoft (MSFT)
2. Enablers: numerous software companies
3. Survivors: companies little changed by AI
4. Appliers: industries adopting AI and using it to make their businesses more efficient and effective

The builders and enablers have already attracted a huge amount of attention and had big runs in the stock market. And the survivors don't factor into our story. So I'm looking past them all to the appliers.

The four applier industries I like now are health care, finance, retail/e-commerce, and media. AI is already making big changes to each of them, which I expect to cover in future reports.

This month, we'll focus on health care.

Tempus AI (Nasdaq: TEM) is building something that's unequivocally one of the most valuable repositories of human knowledge ever created.

It's using AI to revolutionize medical diagnostics.

Normally, your doctor will tell you to get a diagnostic test. You show up at the lab, and they take your sample. When the results are ready, they notify your doctor. And that's it.

But with Tempus, that's just the beginning.

Tempus connects your lab-result data to your entire medical record. It then uses AI to analyze your data... compare it with more than 40 million anonymous patient records, spanning 1.1 billion health care documents... and look for

patterns that indicate what treatment plan might work best for you.

Tempus compiles those personalized recommendations into an "intelligent diagnostics" report – and *that's* what your doctor receives.

She won't just see raw data indicating you have a rare form of cancer. She'll see information about a new drug that clinical trials suggest helps fight it.

Tempus also sells licenses for its large set of anonymous patient data to pharmaceutical and biotech companies, which speeds up drug-development processes.

Tempus started building its system around oncology in 2015. Since then, it has expanded into neuropsychiatry, cardiology, infectious diseases, and radiology.

The company's system is used by roughly 65% of all academic medical centers in the U.S. and about half of the country's oncologists. All but one of the top 20 cancer drug companies use it.

Tempus is riskier than our usual recommendations. It's an unprofitable company that trades for 15 times sales and 120 times earnings – compared with the S&P 500 at 3.4 times sales and 31 times earnings. But four unappreciated factors help mitigate that risk.

First, its revenue is growing rapidly, up 65.8% in 2023, 30.4% in 2024, and 89.6% in the four quarters ended June 30. Revenue has more than tripled since 2022. And management anticipates revenue will go up by another 80% by the end of fiscal 2025.

Second, though Tempus is still generating net losses, its gross profit has increased roughly 350% since 2022. Last quarter, it earned \$5 million in earnings before interest, taxes, depreciation, and amortization. That's a key milestone along the path toward profitability.

Third, Tempus shares are in a solid uptrend. They're up more than 130% since the April 8 "tariff tantrum" market bottom. I expect the trend to continue as long as the market stays excited about AI.

Finally, Tempus founder and CEO Eric Lefkofsky owns 23% of the company's outstanding shares, aligning his interests well with those of shareholders.

We are living through the greatest wealth-creation moment in human history.

Don't let it pass you by.

ACTION TO TAKE

Buy Tempus AI (Nasdaq: TEM) up to \$96 per share . As of yesterday's close, shares trade at \$87.04. Initiate a 35% trailing stop to allow for the greater volatility of a speculative play.

Good investing,

Dan Ferris

October 24, 2025

THE FERRIS REPORT PORTFOLIO **PRICES AS OF OCTOBER 23, 2025**

	Ref. Price	Ref. Date	Recent Price	Dividends	Return	Buy Advice
SPDR Gold Shares (NYSE: GLD)	\$164.76	11/30/22	\$378.79	\$0.00	130%	Buy
iShares U.S. Aerospace & Defense Fund (BATS: ITA)	\$111.84	11/30/22	\$215.72	\$3.82	96%	Buy
iShares Silver Trust (NYSE: SLV)	\$20.43	11/30/22	\$44.18	\$0.00	116%	Buy
SPDR Portfolio S&P 500 Value Fund (NYSE: SPYV)	\$40.72	11/30/22	\$55.94	\$2.91	45%	Buy
Invesco DB U.S. Dollar Index Bullish Fund (NYSE: UUP)	\$27.97	12/27/22	\$27.91	\$3.06	11%	Buy
ExxonMobil (NYSE: XOM)	\$113.81	1/24/23	\$115.98	\$10.49	11%	Buy up to \$117
						Buy up

Chevron (NYSE: CVX)	\$180.83	1/24/23	\$156.56	\$17.69	-4%	Buy up to \$187
Franklin FTSE Japan Fund (NYSE: FLJP)	\$26.72	6/27/23	\$35.30	\$2.04	40%	Buy
CF Industries (NYSE: CF)	\$76.75	8/22/23	\$86.93	\$3.90	18%	Buy up to \$85
SPDR Bloomberg 1-3 Month T-Bill Fund (NYSE: BIL)	\$91.75	9/26/23	\$91.67	\$9.06	10%	Buy
IMGP DBi Managed Futures Strategy Fund (NYSE: DBMF)	\$28.62	10/24/23	\$28.38	\$2.74	9%	Buy
VanEck Morningstar Wide Moat Fund (BATS: MOAT)	\$85.30	12/28/23	\$102.54	\$1.27	22%	Buy
Health Care Select Sector SPDR Fund (NYSE: XLV)	\$138.69	1/24/24	\$146.04	\$4.12	8%	Buy
Pacer U.S. Cash Cows 100 Fund (BATS: COWZ)	\$53.49	2/22/24	\$57.94	\$1.73	12%	Buy
EQT (NYSE: EQT)	\$34.36	3/21/24	\$53.56	\$0.95	59%	Buy up to \$39
VanEck Gold Miners Fund (NYSE: GDX)	\$29.96	3/21/24	\$73.79	\$0.40	148%	Buy
Consumer Staples Select Sector SPDR Fund (NYSE: XLP)	\$75.75	4/25/24	\$79.35	\$3.13	9%	Buy
Simplify MBS Fund (NYSE: MTBA)	\$51.44	8/22/24	\$50.71	\$3.50	5%	Buy
Industrial Select Sector SPDR Fund (NYSE: XLI)	\$135.76	10/24/24	\$154.78	\$2.14	16%	Buy
Vanguard FTSE Europe Fund (NYSE: VGK)	\$69.82	2/27/25	\$81.17	\$1.61	19%	Buy
Bitcoin (BTC)	\$95,044.27	4/25/25	\$110,049.00	\$0.00	16%	Buy
Natural Resource Partners (NYSE: NRP)	\$101.44	7/24/25	\$101.85	\$0.75	1%	Buy
Tempus AI (Nasdaq: TEM)	NEW	10/23/25	\$87.04	NEW	NEW	Buy up to \$96

This portfolio is not intended to represent the exact prices at which you could get in or out of a stock. Rather, it represents the value of our insights at the time our material is published.

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