PART 2: FROM TECHNOLOGY TO TRANSFORMATION

Maria Teresa Arnal 00:00

I saw Bill going through a very interesting moment this morning. So, we're here to have a conversation on applied AI, and I think this is a very interesting conversation given Jensen's view of the world and the five-layer cake. And this is supposedly where the economic value sits. In this panel we have Juan Sabater, we have Scott Sobel, and we have Neri Tollardo. And I have to say, we have two Valor companies here, and the joke tells itself. Valor in Spanish means value. So, we're in an AI panel with double the value.

Scott Sobel 00:51

Value and brave.

Maria Teresa Arnal 00:53

Yeah. We better deliver on returns, right? Yes. It's an interesting time. I've spent most of my career in the intersection between technology and business. So, for me, this is a fascinating time, and it's a great honor to be able to start a conversation with this amazing panel that we have this morning. Juan, let's start with you.

Juan Sabater 01:17

Okay.

Maria Teresa Arnal 01:18

So, tell us about where the AI cycle stands today. I think you have a very broad view of this. But also tell us where you see the strongest business opportunities emerging, beyond the technology companies itself.

Juan Sabater 01:36

Okay. We could be here all day with that, by the way.

Maria Teresa Arnal 01:38

Yeah, well, we don't have—

Juan Sabater 01:40

I know, and I won't. So, where are we in the cycle? I would say, and by the way—Juan Sabater, I'm with Valor Equity Partners, which is not quite as good as Scott Sobel here with Valor Capital Group.

Scott Sobel 01:53

We've been friends for over 15 years. This is the first panel we're doing together, so—

Juan Sabater 01:56

Exactly.

Scott Sobel 01:57

We're excited about this.

Juan Sabater 01:57

I've resisted. He's taller than me. Okay? So, I feel short.

Scott Sobel 02:01

You can only tell from my torso here.

Juan Sabater 02:03

Notice how he now stands up a lot more. Okay? So, have compassion for me. So, where are we with the AI cycle? We're at the very beginning of this. For those of us that are slightly older—most of you are younger than me here—we can remember back to the internet days, when there were many, many different companies. And as you could expect in those early days then, as is the case now, what you're seeing is a lot of the activity in the infrastructure side, the building the capacity for AI. It captures the press every day, while you talk about the financing, and where do you see the financing, and the data centers being built out, and how those express themselves. And the applications will start accelerating from there, and we still have to see the full expression of the physical AI component of this through robotics. The reason I was asked the question is because our firm invests heavily into these sectors in the US, and we have a history of backing companies from SpaceX, that most people know, obviously, to Hadrian, and Anduril, and Zipline, et cetera, which are at the convergence of all those factors. Now, to make it relevant to a conversation here, what you're seeing is a lot of activity in the US, a lot of capital going into the US. Fun fact about that, if you look at the acceleration of AI investments in the US, in the next 10 years or so, it will exceed the GDP of Mexico. And what that tells you is that the capital required to compete in this is great. But beyond capital, then you also need energy, and we all know that GDP growth and energy consumption go hand in hand, though efficiency might be there as a relevant factor. So, that is going as well. And all of these things are laying, basically, the foundation for what is a fundamental transition and transformation—I can only speak to this—of the US economy. And we're seeing it already across the board from reindustrialization to the way services are provided. So, that's where we are—the early days, which means there are a lot of opportunities out there. But discernment is key, and at the end of the day, the valuations, which may or may not come up, are going to be important discussion points, because what is the company with the sustainable product that leads to that transformation? And of course, then you have the broader conversation, which is how does that impact every

person in this room, and around Latin America and in the United States through the transformation? Does that answer—at least start to answer the question?

Maria Teresa Arnal 04:35

I do, and it opens the door to my follow-up question, which—we heard the Secretary of Finance this morning talking about the importance of Mexico and the supply chain, and the resilience of the supply chain that's being looked after the US. And we see Mexico supplying 35 percent of US server imports in the first half of this year, but most of those components are—or the value of those components is still imported. I guess, Juan and Scott, to both of you, how do you see—as manufacturing returns to the United States—how do you see Mexico and other Latin American countries competing in this AI supply chain? Where's the opportunity, if there is an opportunity here?

Scott Sobel 05:26

You want me to pick up on that?

Juan Sabater 05:27

You pick up on it, and I'll add.

Maria Teresa Arnal 05:29

Sure. Either.

Scott Sobel 05:29

Happy to. First I want to thank Milken Institute for having Valor Capital participate in this panel, and appreciate being on this esteemed panel here. I want to just pick up—before I talk about LATAM and the relevance in this AI supercycle, I do want to comment on something Juan said, in that I think we are at the early stages of this AI supercycle, and you just have to point to a couple of examples. Enterprise adoption, super early. If you're thinking about from the products and the tools that are being built, they're not improving on an annual basis or a quarterly or monthly basis, it's a weekly basis. And if you look at Anthropic, for instance—$100 billion of revenues—only 250 of their customers are spending more than $10 million with them per annum. And it's about 2,000 that are over a $1 million. That's just beginning. So, you see the Fortune 500 adoption of this, but you're not seeing yet in the real economy with SMEs and others, and that will happen in time. And if you just think about the amounts that I'm talking about, it's a fraction of these companies' payroll expenditures. So, you're going to see that shift. The second thing you just got to look at is the supply side. Well, before I go supply side, which you commented on, is more on the demand side and where tokens are being consumed. Within the last year or so, agents have been consuming more tokens. So, this will persist and you'll see that. I think OpenRouter reported in August that 70 percent of their consumption of tokens is through agents. So, that'll continue. And then on the supply side, chips are going to get better and more efficient. Software's going to get better and more efficient. They're going to create more tokens per megawatt. So, you're going to see this continue. And to Juan's point, you're going to see, like in any other innovation cycle, there's going to be corrections, there's going to be dislocation, there's going to be consolidations, there's going to be winners, there's going to be losers in that. But there's no doubt, and it's absolutely clear, we're in early innings of this undersupply of the market. So, that's just how I see where we are in this AI supercycle. Now let me relate it to all of us sitting here focused in Latin America, and that is, I think the greatest opportunity, not just of our generation, but for the civilization of the Western Hemisphere, is around energy independence and AI sovereignty. And AI sovereignty around models that are grounded in our core values sitting here today. And if you

look across Latin America, there's abundance of clean, renewable energy in certain countries—Brazil, Paraguay, others. So, to talk about the five stacks that Jensen talks about from the infrastructure layer, you'll see these data centers and neoclouds moving away from even the US, where there's a lot of headwinds with the policymakers and regulations there, to countries across Latin America. And then I think AI sovereignty also will be grounded in local datasets and proprietary distribution channels in our local markets. So, that's kind of my two views on where we are in the cycle, and I think the greatest opportunity for everyone sitting in this room, and globally for that matter.

Juan Sabater 09:27

If I could add to that a little bit, just a different perspective from—I think the starting point of your question. I think if you are in Mexico, building on what you just said, Scott, and you're looking at the near-to-medium-term, you're enthusiastic with the acceleration of the US GDP growth as expressed in manufacturing because of the importation of products assembled here in Mexico. And that will benefit a lot of people. However, when you then take a medium-to-longer-term view on this, you have to be concerned because the ability to compete is predicated on important attributes like capital, I mentioned, energy, I mentioned, and a few other very important resources that if you do not have, you cannot sustain. And in fact, if you macro that out, you will see pressure on GDP growth. And then if you look at manufacturing, I'll give you guys an easy example. There's a company in which we've invested called Zellerfeld. Zellerfeld, started actually in Germany, in Hamburg—in Hanover—came to the US and is building one of the largest 3D printing farms in the United States making sneakers. Okay? All of a sudden, you now have a 3D printing farm making sneakers in the United States at a cost that would surprise you. Why? Because as you shift from a world where labor costs are the driving force of economic activity, and energy costs—as Scott mentions—are more important, and availability of energy, the advantages that you may have otherwise had in countries that use labor costs as a competitive tool disappear. And then when you then look at supply chain resiliency and the importance of manufacturing near the supplier—because one thing you know if you run a company is your working capital always benefits the closer your suppliers are, and your ability to innovate benefits the closer you are to the product—it does not bode well for distance from the US market. And how does that express itself? Right now, in the US, we are at a record level in new company creation. That is just a fact. And you're seeing that express itself writ large across the economy. So, in the medium term, people who are smarter—than at least me—need to be thinking about how do you prepare the economy to compete in that world, and how do we get the resources to Mexico and others so that they have the infrastructures needed to win.

Maria Teresa Arnal 12:00

So, where can a Latin American country then build a lasting advantage in AI? You talked about proprietary data distribution. Neri, I'd love to hear about your thoughts on this as well. But if we are to play in this market, where should we look for opportunities?

Neri Tollardo 12:23

First, thanks for inviting me. Great to be here. And just to set the scene, I'm probably not as well equipped to talk about the macro global AI themes as these guys, but I can definitely bring it down to Mexico and bring it down to financial services. The first thing I will say is that Mexico is the last country on earth of this size and wealth with such low penetration of financial services. So, it's just one of those opportunities that really stands out on a global basis. And having started Plata just over four years ago, we've been able to actually build our entire tech stack and think about the business model, effectively leveraging all these AI technologies that were just being rolled out. And so, it's one of those cases where actually being a late mover has been a great thing because there is not a single

area, department, or function where we're not implementing, using, or thinking about AI, and it's really embedded in everything that we do. And so, what that means is that we effectively have a superpower to actually go and finally tackle this problem of financial inclusion in Mexico, where for decades people have been talking about 50 percent of people not being banked, 60 percent of people not having access to formal credit. And we're a key beneficiary of this because whether it's on the risk underwriting side—where, again, in a country where data is sometimes quite scarce, the amount of conclusions and correct conclusions that we can come to because of the AI tools that allow us to derive so much more information from the available data—to the way we build a cost advantage versus the incumbents, cost-to-serve operations, customer service, fraud prevention, with a lot of AI tools that, again, give us this cost advantage, which is virtually irreplicable by the incumbents, all the way to actually how does a product—a banking product—look in the era of AI. Because I'm a strong believer that one of the reasons why a lot of Mexicans do not use banking products is because they're not very good products. And actually, AI allows you to develop things that can go viral, that can do the work for you, that can manage your finances. And so, actually providing products that finally give an incentive to people to change their behavior and to move online and go into digital and go into banking in the first place, these are all just a few examples of areas where AI has given us this superpower. And that's why even though we are the last kid on the block, if you want, having started in Mexico only in 2022, we are now one of the most relevant players in the market. And I think that just also tells you that the speed at which AI is allowing new companies to be formed and new companies to take significant share and relevance is going to mean that things are going to change very quickly. And specifically to Mexico, I am confident that we'll see—thanks in part to all these AI technologies—more happen for financial inclusion in the next two to three years than we've seen in the last two to three decades.

Maria Teresa Arnal 15:59

I want to delve into that, but let me come back to the macro part for one second, because I think, Juan, you bring up a point that seems to be like winner takes all. That's a strong statement, but seems to be like a winner-takes-all scenario. So, how can Latin America—how can we look at what we can own and where we have a right to win? And Scott, maybe—you have a cross-border fund looking into these opportunities on a day-to-day basis. What do you think Latin America—where should we play with global players? Where should we own? And this maybe touches on the sovereignty point that you said, but how do we avoid being left out of this?

Juan Sabater 16:56

So, I'll do the government, kind of, and then I'll throw it to Scott.

Scott Sobel 17:00

I'll pick it up locally. Sounds good.

Juan Sabater 17:01

Yeah, exactly. We'll tag-team that one. First of all, it's winner take all if, as a policy point of view, we don't look at the factors and react to them. So, we can navigate that which we can understand, right? And you can only achieve that which you can conceive. So, I start by the point that let's acknowledge the challenge and understand that there are others in the world that, like us, want to accelerate sovereignty around AI, ensure that the model is relevant to the culture in which we live, and who have resources that are complementary to those that we have. She asks because, as an example, we've been encouraging greater integration between certain countries in the Middle East, specifically in the Gulf and Latin America, where they can bring in capital to help accelerate the development of initiatives here in the region. And my colleague, Manuel, who is right there, has been a key part of

this. And what that does is it begins to address the challenges around funding. Latin America has population, has entrepreneurial drive, has values, has the desire and an ambition to overcome and achieve, and these are things that are incredibly valuable. So, if we can identify these challenges and start addressing these challenges and look for allies in the region, I think you will find them. Moreover, I think geopolitically, you will find that no one wants a winner-take-all. And in fact, if you look at the way the world looks, let's not forget that the People's Republic of China is out there. You have models of different prices. Not everything is paid for by token, so utilization will expand. We can then build discussions and alliances that will help fund that. That's what I would say, and it's an infrastructure. No one wants to talk about AI as an infrastructure, but ultimately it is an infrastructure, and people will invest where they see a market and there's an infrastructure. And what we haven't talked about is all the beautiful things it can also do, which actually you started to discuss, actually. I correct myself. So, you and the implementation, Scott.

Scott Sobel 19:33

I'll pick up from there. And I'll just give you from our vantage point. So, Valor Capital has been investing—started in Brazil and across broader Latin America and the US for the last 15 years. And one of the things we take a lot of pride in is helping develop the ecosystem. And I still think we are at the early stages. And just thinking about capital flows, venture capital flows, it's extremely important to fuel all the things that we're talking about. And capital, I always say, chases talent and outcomes, and the talent exists, like Juan says, across Latin America. It's global. And there's been some big outcomes starting in Brazil, and soon we'll follow with folks like Plata and others. And so, you'll see more capital flowing into these markets as a result of it. But I think on the other side of the equation is—and I think Brazil is actually a good example of this—is where the policymakers and regulators there, particularly within the central bank, have been very innovative. They've opened up the financial services sector there and deregulated it and had their open banking initiatives. And many of you, I'm sure, are familiar with Pix, which is their peer-to-peer payment platform, which is the fastest-growing FinTech application globally, as a result of that. And I think you'll see the policymakers and regulators here follow suit. We were together yesterday, and this was a big conversation which we were having. And the other thing that will happen there that'll give the policymakers and regulators confidence in doing that is the public and private sector partnerships that are critical to make all of this happen, and the build-out of the economy. I do want to focus back where Neri is—and we're proud investors in Plata—and I don't need to repeat a couple of the things that he said, but I do want to reinforce it because I think financial services is a great example of where, particularly in Mexico and across the region, companies like Plata can leapfrog the market with agentic finance. And that's what Plata has done in building their core banking platform, their AI risk management systems. And back to your original point, it will not be a winner-take-all. Look, 50 percent of the population here is unbanked. It has low levels of credit. I think it's still an extremely cash-intensive country. So, there's a lot of room for these opportunities.

Maria Teresa Arnal 22:20

Yeah, there's a market. There's talent, there's resources and we have the global investor community here to bring the capital. So, thank you for that. So, Neri, going back to your experience, which is fascinating, tell us more—in the actual work that you're doing with AI, what has worked best at Plata? And what has taken longer than expected in this experimentation?

Neri Tollardo 22:55

So, as I mentioned, there's not a single part of Plata where AI is not part of the implementation, the conversation, or already part of what we're doing. I would go on and say that where we have seen the most measurable impact

has been on the underwriting side. So, we are predominantly, for now, a credit business. 30 percent of all the credit we give is to people for whom we are the first credit card. So, talk about financial inclusion. And of course, a lot of these people cannot necessarily provide the amount of data required for the more traditional underwriting models to really make a good credit decision. With the implementation of our first neural networks that we implemented about six months ago, we've started to see a significant step change in the ability to make the right decisions, the right calls, and really tailor the credit decision to a specific customer. Without necessarily getting too much into the details, the last implementation of our neural network model has allowed us to, on average, give 40 percent higher credit limits when the customer applies for a credit card. And that's without taking into consideration all of the data that now we're getting because we became a bank in March this year, and so we have data about your deposits, about your transactions, about your salary, about your employer. Once we put all of this into the same models, I'm confident that we will see many more step changes like that. And that means that people that were previously not getting credit get access to credit. People that were getting credit, but it was irrelevant to them, they were getting a $50 credit line, now can get a $500 credit line. And obviously the economic repercussions and ramifications of this are extremely positive for everyone. Other areas where we are seeing really good progress is operations. The old-school customer service agent that will pick up the phone and tries to answer your questions. We still have a big part of that human aspect, partly actually for cultural reasons, I would say, but the implementation of technologies, voice technologies, agents that actually can replace that human, and provide a very tailored analysis of what needs to be done in a specific case because they can look at your entire history with the bank, with your transactions, et cetera, that's also being transformative in terms of driving down our cost-to-serve. Our cost-to-serve is less than $1 per active customer per month. And that's when we have five million active customers. When we get to the 20, 30, maybe 100 million customers that we target, that will go down to a very, very low level, which again, will make it impossible to compete with us for a lot of the incumbent players. And then the last one that, again, is probably the most exciting and more at the frontier—and frankly, I don't have the answer yet as to what it's going to look like—is again, what is a banking product in the era of AI? Scott's app should be different to my app. It should be very relevant and tailored to what he needs to see. When I open my app, it should be picking it up from where I last left off. The agent that's answering the questions for Scott should be not the same person that's answering to me, not the same agent. And you can get very creative here, all the way to saying maybe your banking app should just be a ChatGPT prompt when you open it, and then you tell it what you want it to do, you tell it what you want it to see. So, this is where I think we're going to see the most exciting stuff happen over the next two to three years because, again, we're all going to start experimenting with things that no one's really done before. This will bring in a conversation that I think we're probably going to touch on about regulation, because, for better or worse, we are an extremely regulated industry and so we cannot just do whatever we want and test a lot of these things out. But I do see that, at least over the last six months, the Mexican authorities have really picked up the pace of changing regulation because they understand that the world has moved past what is written currently in the law.

Maria Teresa Arnal 27:36

Well, that's great news, and I'm sure there are regulators in the room, so there's a message there. Neri, back in the day, when I was running Stripe for Latin America, my good friend from Europe, he had his life a lot more easier than I did because scaling for him was—There's the European Union and the silver lining of it—there's a lot of bad things and good things about that—but the silver lining was you roll out in one country and it's very easy to scale. For both Scott and you, who are looking at these Latin American opportunities, do you think AI will allow us to finally tap into the integration opportunity into Latin America? Do you think that the 100 million users that you just talked about would be not only users from Mexico, but that you will be able to expand much faster into other countries because you're building AI-enabled or AI-first bank?

Neri Tollardo 28:42

Absolutely. And so actually, as of two months ago, Plata is now actually an international operating company because we do have a big, fast-growing business in Mexico. But two months ago, we also launched Colombia as our first international market. And I can safely say that the speed at which we were able to adapt the platforms that we had built, the product to the specificities of the Colombian market, regulation, customer behavior, what the license allows you to do—that was much faster than we thought we could do it. And that was our first attempt. So, actually, we have huge learnings there now about what it is that can be adapted quickly, what it is that requires a little bit more work. And once we have the more, I would say, commercial confirmation that Colombia's doing well, which I'm confident we will get over the next six to nine months, then it will make it a much easier conversation to say, well, why don't we look at Brazil? Why don't we look at other countries? Because again, with these models, you are able to adapt what you've built much faster. And in general—just the last thing—financial services don't travel very well. Stripe is maybe a little bit of a different case because it's payments, even though there's obviously a lot of specificities, but take credit. Credit is an incredibly local business. Its sources of data, its integrations, its regulations—and so for a very long time, financial services traveled very poorly. And I think this can finally be the instrument that actually allows companies like ours to be a little bit more nimble.

Maria Teresa Arnal 30:26

Sounds exciting. Sounds like there's an opportunity here. So, if you were to tell this group of investors what to look for in a Latin American company that uses AI well, or is being built in AI, what should they look for? What are you looking for when you're looking at opportunities in LATAM?

Scott Sobel 30:49

I'll start. I was listening to Neri here, and I was just thinking about technology, and AI in particular, is able to cross borders very quickly. What holds it up—and I like the terminology you just used—financial services don't travel well cross borders. And I'll tie that into what you just asked about around what we're interested in investing in. It starts with the entrepreneurs, of course. Extraordinary founders that think really big. And what we've seen happen over the last decade in Latin America is the ambitions of the venture—the founders here—have grown tremendously. Look what you're hearing here with Plata expanding from now Mexico to Colombia, Brazil, et cetera. And there's many cases of that happening across the region, and globally for that matter. So, it always starts with really high ambitions, and that's actually what I would encourage for the policymakers and regulators—to equally have those ambitions. And when thinking about AI sovereignty, thinking about that, how, yes, it's important for your country, but back to Juan's point, proximity creates opportunities. And what I'm talking about and where I started my comments today is thinking across the Western Hemisphere, thinking across the Americas. That's the opportunity we all have here, and I think we should seize it. And it happens at the micro level, and at the macro level, of which we're talking about today.

Maria Teresa Arnal 32:28

I just want to do a quick check on time, because we lost our—

Scott Sobel 32:31

Our clock went out.

Maria Teresa Arnal 32:32

Yeah. We went black on our screen, so if someone here can tell us where we are, that would be great. Well, we'll keep going till they—

Scott Sobel 32:39

We have enough time to hear Juan's view of this, too.

Maria Teresa Arnal 32:41

Yes. Juan, please go ahead.

Juan Sabater 32:43

I didn't have to say anything. You guys are—

Scott Sobel 32:46

No, please.

Juan Sabater 32:48

So, I've been listening to this and reflecting, and you know what we haven't talked about? The one thing that the entire world would agree with. Everyone, especially in the younger generations, is afraid of AI. Right? So, we've talked about the possibilities of AI, but as you talk about what you're talking about, I'm thinking, okay, how many people are going to get unemployed, potentially? That's the young mind thinking. I'm not saying it's bad or good, I'm just saying that's the young mind thinking. What's the educational requirement to have that job? And that fear is true in the United States. We're seeing it broadly. I think it's going to be true here in Latin America. I know it's true in Europe, et cetera. So, what I would say as a starting point is, what we all need to do is educate people on AI. I don't think people understand what AI is. Actually, if we took a survey right now of this room of AI, I'd probably get 30 different responses. And where I'm going with this is—is AI a tool to make an existing company better? Is AI a tool to offer a better service? In other words, we haven't talked about medicine and AI, how you improve education with AI. Is it that? Is AI the starting of a new industry in and of itself? Are we talking about robotics and AI, physical expression of AI? All of these things are going to come together, and we have to frame it around a way that allows people to conceive a better future than otherwise. It's not simply the end user that now has the financial services, but how then those users contribute to the economy, and that's what makes, in my eyes, your business so powerful. You're empowering people to do other things. And as we navigate that, my view is you're going to see AI adoption across Latin America. Many, many, many years ago, I remember in Venezuela, people leapfrogging CANTV using cell. Hmm. And all of a sudden, you had telephonic engagement in a broader way. No one's talked about the iPhone or the Samsung device, but the fact of the matter is, that has fundamentally shifted the life of everyone, not simply the upper middle class or the wealthy. Everyone can engage with that device. And what I don't know is how we're going to engage through those devices or other devices in AI. But that is the big question and the education that needs to occur.

Scott Sobel 35:08

Well, I think just on that point, I think AI has the ability to be a leveler and democratize more access, but the cost could end up being prohibitive to allow that to happen.

Juan Sabater 35:20

And that's why we were talking about capital to begin with. Right? Because ultimately, if we all agree on another thing, is that no one wants anyone left behind. We want everyone to benefit. So, the question is, how do you get that capital in there in a way that allows everyone to benefit?

Scott Sobel 35:37

The rising tide.

Juan Sabater 35:38

Exactly right.

Maria Teresa Arnal 35:41

So, I think AI creates opportunities for the many Neris of the world to do what he's doing. And hopefully creating—you just said the US is having a record new business creation. So, certainly that. Capital is a requirement, for sure, and we have this conference in Latin America for a reason. We have all of, again, family offices, investors, government officials here. So, to close, what is that one decision that leaders in this room should be making in the next year to bring more capital to Latin America, because I think that's—Juan, in your words, that's going to be probably the thing that unlocks all the opportunities that we have here, which is great talent, great resources. What is that one thing that you would advise people in this room to do so we can get this going?

Juan Sabater 36:37

First of all, I would never purport to advise a regulator what to do. For all the regulators here, I listen to you, it's not the other way around. And you can quote me on that, right? So, I'll start simply. It's a mindset. Let's embrace the new technology in a way that encourages people to see the market as an attractive market for them. I'll leave it at that.

Scott Sobel 37:03

Building on the mindset, I would say participate. This is one of the greatest innovation cycles that—I've been an entrepreneur and investor for the last three decades, and participated in the dot-com era, and I saw the growth of venture capital and the boom of it in Asia and China. And now what we're seeing is unprecedented. So, you participate, and you learn from making your investments. That's what I would encourage. And I think there's an opportunity—speaking specifically in this room—to further institutionalize venture capital as an asset class in Mexico, in the region, broadly speaking. I think you've seen a nice growth, but there's a lot more growth ahead. And so those would be my recommendations.

Maria Teresa Arnal 38:05

Thank you, Scott. Neri, what about you?

Neri Tollardo 38:07

From my side, I would encourage more conversations around the benefits of all these new technologies, because I think forums like these are one way, but just meeting with a regulator, with a minister, with a part of the

government to really hear from the investors that can tell them, “If you do this and this and this, you could be getting tens of billions of dollars more investment, but right now it’s making it difficult because of this and this reason.” There’s obviously AI, and all these changes that are happening so quickly can be scary, and if not understood, the immediate knee-jerk reaction is to say, “Let’s slow down.” We need to all work together, and unless we sit down, explain, maybe set the rules of the game together, what are the boundaries within which we’re willing to play, that can help to make things move faster, whether it’s changing the regulation, whether it’s promoting a certain investment program, whether it’s supporting capital markets that, for example, in Mexico, are quite shallow in many aspects. I think until there’s that understanding from all the relevant parties and decision-makers, we’re not going to have the speed necessary to take advantage of a lot of these technologies.

Maria Teresa Arnal 39:29

Thank you, Neri. I think that’s a great closing. I would just say, it’s clear there’s a great opportunity in Latin America, and we want you to come, we want you to learn, and participate. So, this is a great forum to continue to do that. Have a great rest of your day, and thank you for the great insights.

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