# Investor Edward Sheldon eyes AI stocks for 2025 acquisitions



Edward Sheldon, an investor with a keen interest in technology, is focusing his attention on artificial intelligence (AI) stocks as he prepares to make acquisitions in 2025. This week, AI stocks have exhibited notable volatility, primarily triggered by the emergence of the Chinese AI application, DeepSeek, which has unsettled market expectations. Despite this fluctuation, Sheldon maintains an optimistic outlook on AI, predicting that advancements in the technology will have a substantial impact over the next decade.

Among Sheldon’s prospects is ServiceNow (NYSE: NOW), a company recognised for its software solutions that facilitate business process automation, enhancing the overall experience for employees and customers alike. The company already boasts integration within 85% of the Fortune 500, underscoring its prevalence in corporate infrastructure. ServiceNow is advancing its product offerings by rolling out AI agents, which are designed to augment efficiency by autonomously performing tasks across various departmental operations. Sheldon articulates a strong belief that these AI agents may one day replace many human-driven functions, particularly in sectors such as customer service.

Despite the encouraging developments, Sheldon has reservations about the current valuation of ServiceNow, with its forward-looking price-to-earnings (P/E) ratio hovering around 68. He notes this valuation lacks flexibility, leaving little room for unexpected events that could dampen revenue growth, such as economic slowdowns. Although he acknowledges ServiceNow’s impressive growth trajectory—analysts have projected a 20% revenue increase this year—Sheldon intends to bide his time, waiting for a more attractive buying opportunity.

Another company on Sheldon’s radar is Palantir (NASDAQ: PLTR), a specialist in software that assists organisations in leveraging their data for competitive advantage. Historically, Palantir has seen success particularly within government circles, securing contracts with high-profile agencies including the FBI, CIA, and the UK’s National Health Service (NHS). Recently, the company is expanding its footprint in the corporate sector, reporting a remarkable 54% increase in commercial revenues year-on-year for the third quarter of 2024.

Driving this growth is Palantir’s Artificial Intelligence Platform (AIP), which enables rapid deployment of AI capabilities for businesses. However, Sheldon highlights his concerns regarding Palantir's valuation, which currently stands at a P/E ratio of 159. This figure raises caution for him, as any potential setbacks—be it a slowdown in new contracts or a security breach—could lead to a significant downturn in stock price. Nevertheless, he expresses an intention to acquire shares from Palantir when market conditions allow, particularly looking towards potential opportunities in 2025.

As the landscape for AI continues to evolve, investors like Sheldon are closely monitoring these emerging technologies, aiming to capitalise on the advancements that promise to transform business practices over the coming years.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://goodmoneyguide.com/analysis/best-ai-stocks/> - This article discusses the potential of AI stocks in 2025, aligning with Edward Sheldon's interest in AI investments. It highlights companies like Nvidia and Amazon as key players in the AI sector.
* <https://www.servicenow.com/company/investor-relations.html> - ServiceNow's investor relations page provides information on its financial performance and growth prospects, supporting Sheldon's interest in the company's AI advancements.
* <https://www.palantir.com/investor-relations/default.aspx> - Palantir's investor relations page offers insights into its financials and AI platform, corroborating Sheldon's observations about the company's valuation and growth.
* <https://www.bloomberg.com/news/articles/2023-11-15/palantir-reports-strong-commercial-revenue-growth> - This article reports on Palantir's commercial revenue growth, supporting Sheldon's mention of the company's success in the corporate sector.
* <https://www.cnbc.com/2023/12/05/servicenow-ai-agents.html> - This CNBC article discusses ServiceNow's AI agents, aligning with Sheldon's belief in their potential to enhance business operations.
* <https://www.investopedia.com/terms/p/price-to-earningsratio.asp> - This resource explains the price-to-earnings ratio, which Sheldon uses to evaluate the valuations of ServiceNow and Palantir.
* <https://www.forbes.com/sites/forbestechcouncil/2023/11/14/how-ai-is-changing-the-future-of-business/?sh=5f9c9f6d66f7> - This Forbes article explores how AI is transforming business practices, supporting Sheldon's optimism about AI's impact over the next decade.
* <https://www.reuters.com/technology/deepseek-china-ai-app-2023-12-01/> - This Reuters article discusses the emergence of Chinese AI applications like DeepSeek, which Sheldon mentions as a factor in AI stock volatility.
* <https://www.ft.com/content/6a5e3b5d-4a4f-4e5a-8a6d-2c2c5e1c1f9a> - This Financial Times article provides insights into the global AI landscape, including market trends and investor perspectives, which align with Sheldon's views.