Capital Markets Strategy
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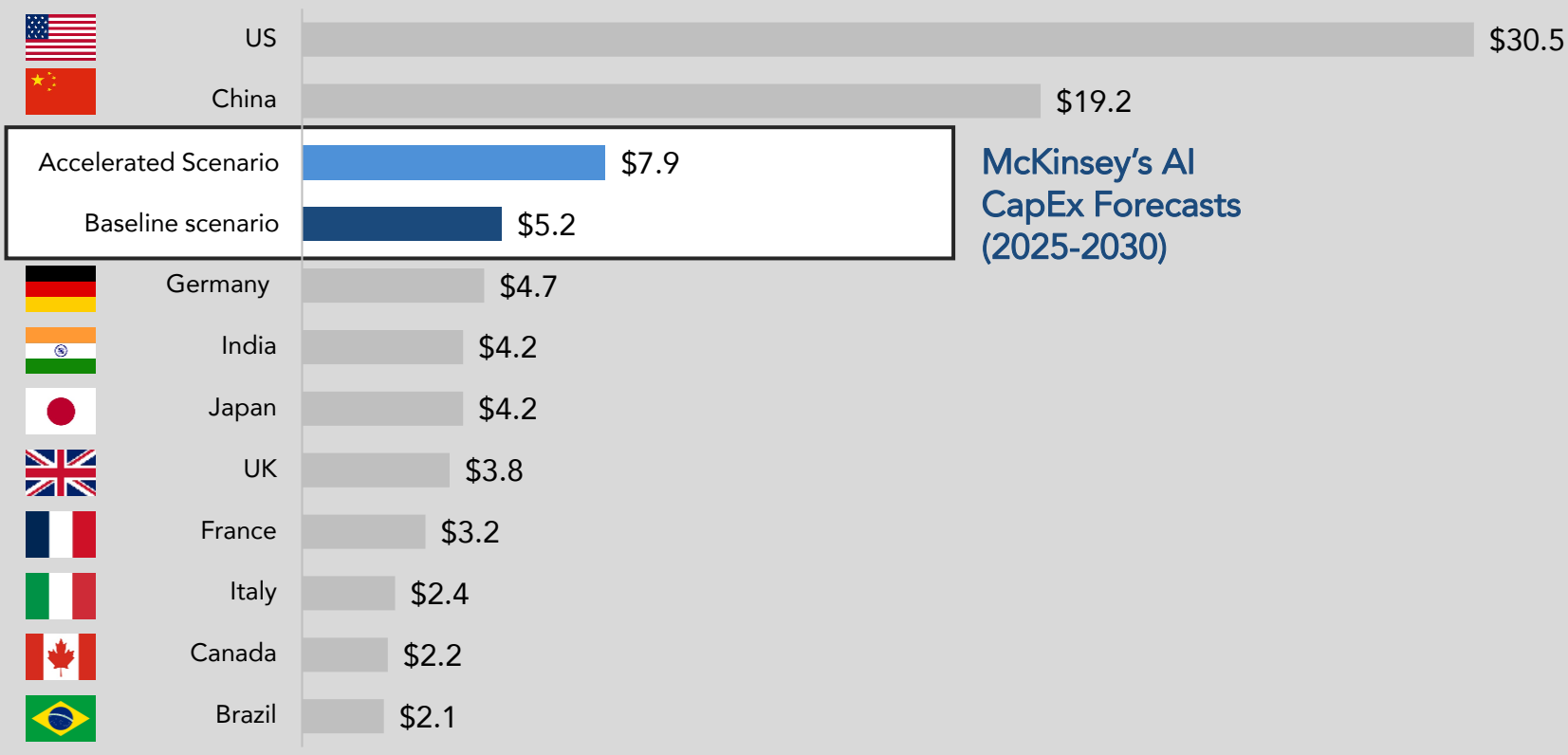
Chart of the Day

AI Capex Demands Larger than Most Global Economies

To put the scale of AI's capex requirements in context, McKinsey and Company's baseline and accelerated AI requirements over the next five years (2030) are larger than the GDP of every global economy, except the US and China.

AI capex forecasts through 2030 compared to size of top 10 global economies, US$ Trillions

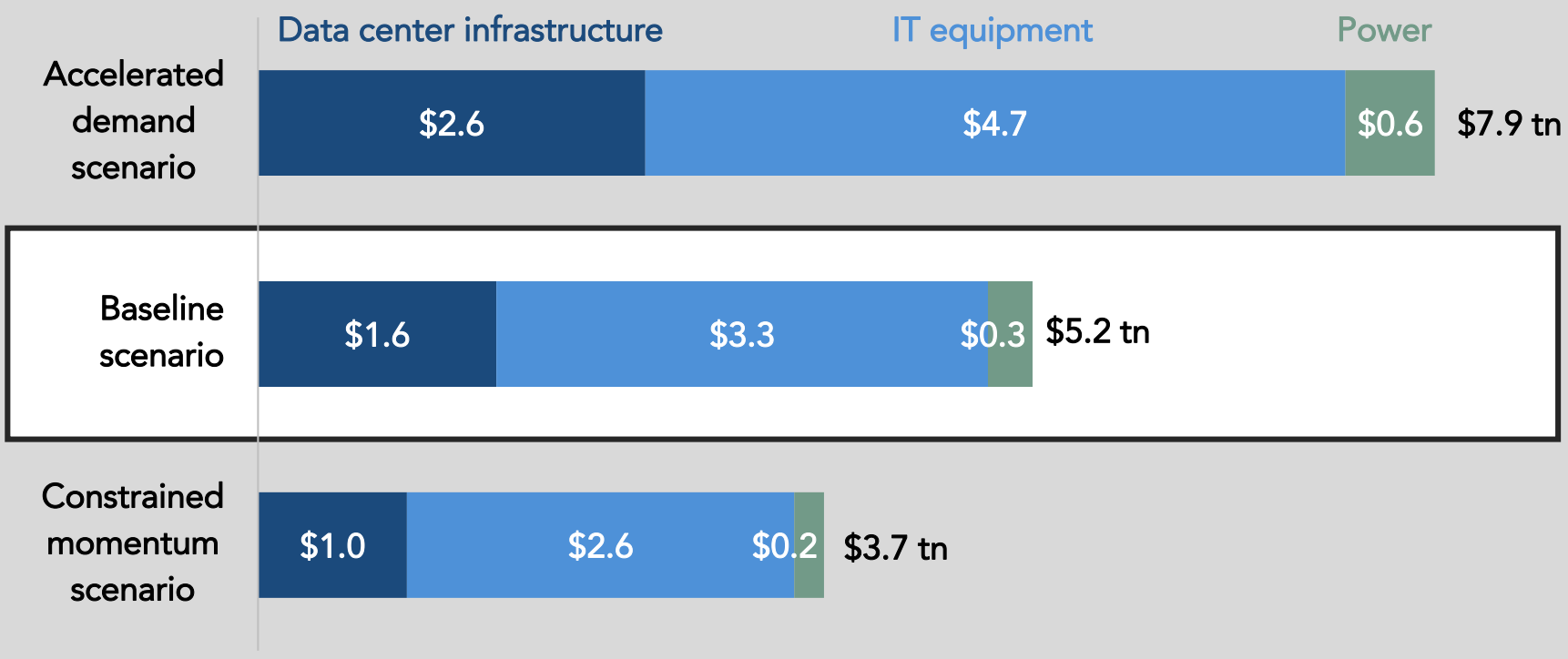


McKinsey's AI CapEx Forecasts (2025-2030)

AI Driven Capex To Reach $5 Tn by 2030

In its baseline scenario, McKinsey estimates that companies will need to invest over $5 trillion into data centers by 2030 to meet worldwide demand for AI alone.

Global data center total capex driven by AI, USD tn



Source: (1) McKinsey, "The cost of compute – a $7 trillion dollar race to scale data centers." McKinsey Data Center Capex TAM model. McKinsey Data Center Demand Model. Data center infrastructure excludes IT services and software (e.g. operating system, data center infrastructure management), since they require relatively low capex compared with other components. IT equipment includes server, storage, and network infrastructure, IT capex also accounts for replacing AI accelerators every 4 years. Power assumes $2.2 - $3.2 billion/gigawatt (including power generation and transmission cost) to account for a range of power generation scenarios (e.g. fully powered by gas, a combination of gas power and storage, and solar) and regional cost differences. Distribution cost is neglected, as most AI centers are expected to be >50 megawatt scale and connected to a transmission grid. Figures may not sum to totals, because of rounding. GDP forecast is 2025 IMF.

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"Macro stability isn't everything, but without it, you have nothing."