

# AI Compute Spending: 2026 mirrors 2025. Strong momentum, growth still underestimated

## Revenues of companies exposed to AI compute could beat expectations by 7% next year

AI and non-AI compute semi revenues<sup>1,2</sup> (US\$bn)

	2024	2025	2026
AI Compute <sup>1</sup>	123	208	279
YoY Growth		69%	34%
Non-AI Compute <sup>2</sup>	81	95	104
YoY Growth		19%	9%
Total Compute Spending	204	303	383
YoY Growth		49%	26%
YoY Growth – Consensus <sup>3</sup>		42%	23%
Delta vs. Consensus		5%	3%
Compounded Delta vs. Cons.		5%	7%

There are growing signs that AI Compute Spending will remain strong in 2026, driven by the inflection in inference demand and the industry going through [The Great Replatforming](#).

Early signals from the supply chain point to strong momentum:

- Microsoft and Meta indicated capex will [grow next year](#);
- Broadcom guided [AI revenues up 60%](#) next year;
- [CoWoS capacity](#) plans leave room for 30% growth.

2026 is shaping up like 2025 did [this time last year](#), with growth underestimated. Demand appears to be outpacing purchase plans, creating potential upside to our forecasts, and up to 7% upside versus consensus.

1: Includes GPU + ASIC spending

2: Non-AI revenues of AMD, Broadcom, Marvell, and Nvidia

3: Based on consensus expectations for Nvidia, Broadcom, AMD, Marvell

Source: FactSet and NSR estimates and analysis.

# Relevant Further Research

- Much ado about nothing: Tariff and DeepSeek effects were short-lived – (17 July 2025) - [Link](#)
- Nvidia: H20 Export Ban Lifted. Our Quick Take – (15 July 2025) - [Link](#)
- Framing the ROI question right: It is all about sustaining multi-year growth – (7 July 2025) - [Link](#)
- How big will the datacenter AI XPU TAM be in 2029? – (2 July 2025) - [Link](#)
- Could hyperscalers finance \$1.7tn annual Capex in 2035? – (2 July 2025) - [Link](#)
- Microsoft vs. OpenAI: Implications for investors? – (28 June 2025) - [Link](#)
- The Great Replatforming, part I – the Special Theory – (26 June 2025) - [Link](#)
- How profitable is AI Cloud? Diving into the disclosures of Microsoft – (18 June 2025) - [Link](#)
- Double-clicking on AI growth in 2026 – GTC Paris: the European AI buildout is on – (12 June 2025) - [Link](#)
- Hyperscale & Cloud: Inference inflecting, more hints on 2026 growth, green shoots of AI re-platforming – (6 June 2025) - [Link](#)
- Meta and the great re-platforming: guide increased for capex, lowered for expenses – (1 May 2025) - [Link](#)
- The token is the new transistor... on steroids – Facts & implications – (22 April 2025) - [Link](#)
- Tariffs @ Nvidia & Supply Chain: the baseline & what's next. – (11 April 2025) - [Link](#)
- Getting over Tariffs – Step back. Rethink. Move on. – (11 April 2025) - [Link](#)
- GTC 2025 – Making sense of the AI bull case. – (21 March 2025) - [Link](#)
- AI buildouts: How is 2026 shaping up? What do we know already? – (18 March 2025) - [Link](#)
- GPUs vs. ASICs – Clash of the Titans. – (11 March 2025) - [Link](#)
- Post-DeepSeek Disorder Syndrome (PDDS) – our recommended treatment – (10 February 2025) - [Link](#)
- DeepSeek and you thought they don't need to scale compute? Look again – (4 February 2025) - [Link](#)
- Nvidia: 2025 capex steadily making room for \$200bn DC revenues – (3 February 2025) - [Link](#)
- Stargate: The cornelian dilemma of frontier AI economics in a single slide. – (24 January 2025) - [Link](#)
- Hot Chips: The sky is the limit – reasons to remain bullish about AI infrastructure demand. - (4 September 2024) - [Link](#)
- Gen AI: Who is spending what? Where will revenues come from? The ultimate industry model. - (9 August 2024) - [Link](#)

# Disclosures

12 month historical recommendation changes are available on request

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