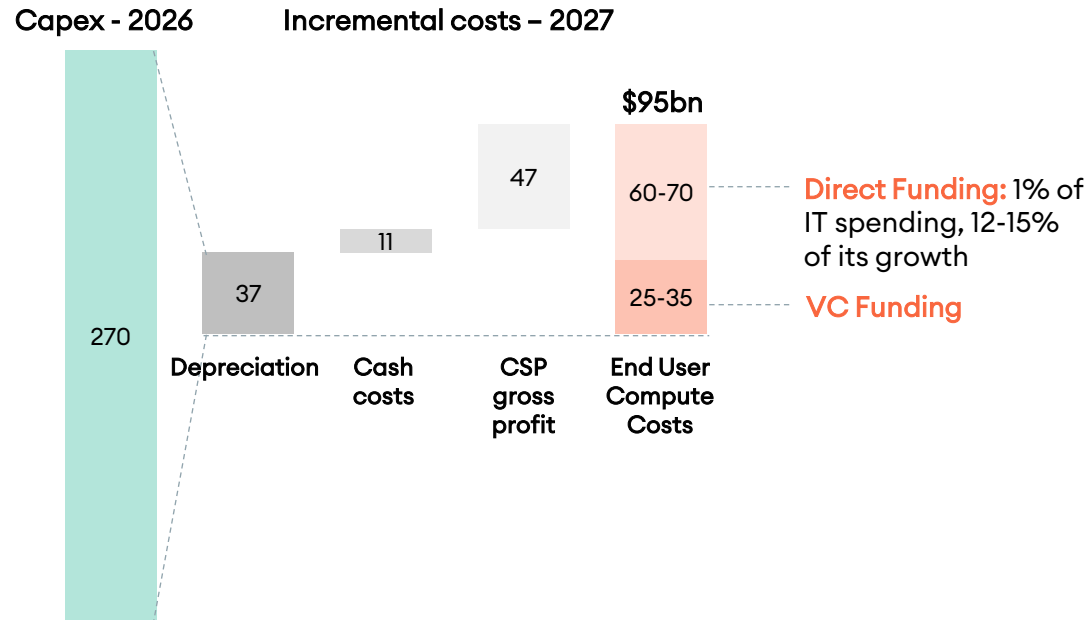


# Grasping the AI Infra buildout (VI): Who pays for all these Enterprise Cloud AI bills?

## 2027: VC funding and less than 15% of IT spending growth

### Enterprise & Native AI '26 Capex & '27 Incremental compute (US\$bn)

Capex spent for Enterprise workloads this year implies a \$95bn increase in compute costs in 2027. This will be funded by a combination of rising Enterprise IT budgets, VC capital flowing into native AI start-ups, and incremental revenues from those start-ups as they scale.



## Long-term: 10% of IT spending & 30% of its growth

### Capex for Enterprises & Corresponding Cloud Costs (US\$bn)

In our base-case, we model capex for Enterprise workloads growing 17% p.a. beyond 2026, implying \$610bn enterprise AI cloud spending in 2030. This represents 9% of overall Enterprise IT budgets, and 25% of incremental Enterprise IT spending over 2026-30.

	2030	Comment
Capex	500	17% p.a. growth. NSR Base-case
Cumulative Capex to 2029	1,700	
Depreciation	240	7-yr depreciation schedule
Total COGS	310	D&A = 78% of COGS
CSP Gross Profit	300	50% GM on enterprise deals
<b>Enterprise Cloud Costs</b>	<b>610</b>	
% of Enterprise IT spending	10%	>\$6tn spending in 2030
% of incremental Enterprise IT spending	30%	\$2tn incremental spending 2026-30

Source: Company reports and NSR estimates & analysis.

Note: Updated Mar 18 to reflect our latest bottom-up capex estimates & feedback from Nvidia management. Work in progress.

# Relevant Further Research

- Grasping the AI Infra buildout (V): How can frontier labs fund rising compute costs? – (6 March 2026) - [Link](#)
- Grasping the AI Infra buildout (IV): How can hyperscalers swallow so much Capex? – (5 March 2026) - [Link](#)
- Grasping the AI Infra buildout (III): Who will pay for cloud AI services? – (2 March 2026) - [Link](#)
- Grasping the AI Infra buildout (II): How is it financed? – (2 March 2026) - [Link](#)
- Grasping the AI Infra buildout (I): Who builds what, for whom? – (2 March 2026) - [Link](#)
- The market has it backwards: Meta is the only hyperscaler overspending on AI – (9 February 2026) - [Link](#)
- Hyperscalers to nearly double AI capex again in 2026. Implications. – (9 February 2026) - [Link](#)
- What returns to expect on Cloud AI? – (28 January 2026)- [Link](#)
- AI infrastructure in 2026: Updated perspective & top picks – (7 January 2026) - [Link](#)
- The Tech Infrastructure Quarterly Bible 3Q25 – (22 December 2025) - [Link](#)
- 2026 AI Infra. outlook forming: XPU spending catching up with capex, up 95% YoY! – (30 October 2025) - [Link](#)
- OpenAI buildout plans – what do they tell us about best 5-year investment opportunities in tech? – (23 October 2025) – [Link](#)
- AMD/OpenAI: much larger than you thought... – (6 October 2025) – [Link](#)
- The NSR AI datacenter economics cheat sheet – (26 September 2025) – [Link](#)
- Nvidia-OpenAI deal magic: cutting the ground from under the ASIC threat? – (22 September 2025) – [Link](#)
- Oracle RPOs: Who will buy all this compute? How big does than make Oracle? Implications for Microsoft? – (12 September 2025) – [Link](#)

# Disclosures

12 month historical recommendation changes are available on request

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