

Daily: AI demand remains robust despite market jitters

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Thought of the day

Tech stocks led the declines in US equities on Thursday, as reports of a lower-than-expected revenue run rate at OpenAI raised concerns about the pace of AI demand growth. The Nasdaq fell 1.25%, its largest one-day drop since August.

However, the gap between earlier market expectations and the latest figures cited in media reports may partly reflect differences in revenue-recognition methods. Without taking a view on individual companies, recent industry data continue to indicate robust demand for AI.

Early adoption of consumer AI agents points to growing demand. Since its launch a month ago, Meta's Muse AI assistant has recorded over 6.6 million downloads, while daily active users have reached 1.8 million, according to data from Sensor Tower. While uptakes of other recently launched consumer AI agents remain to be seen, these early numbers offer an encouraging indication of how rising adoption of consumer AI agents could further add to AI demand.

Recent semiconductor revenue figures suggest sustained compute demand. TSMC this week reported a 51% rise in quarterly revenue, after Samsung flagged an almost nine-fold jump in quarterly operating profit ahead of its full earnings reports in the coming weeks. AI server assembler Hon Hai Precision Industry also beat its quarterly sales estimates, while Marvel raised its fiscal 2028 revenue forecast and provided an upbeat long-term earnings outlook. With upcoming third-quarter earnings likely to offer further evidence of robust demand for AI compute and infrastructure, we expect fundamentals to drive the AI trade in the coming weeks.

Hyperscaler monetization should accelerate further. Progress on hyperscaler monetization will be another key focus during the tech earnings season. We expect average cloud revenue growth of 58% year over year for the September quarter, further accelerating from the June quarter's 48% increase. In fact, consumer AI agents could be the next growth driver that expands monetization opportunities, from subscriptions and advertising to transactions. Broader adoption would also increase cloud utilization, providing a clearer link between hyperscalers' infrastructure spending and revenue growth.

Of course, none of these suggests there are no risks to keep an eye on. As the AI trade approaches its fifth year, ongoing concerns over growth, financing, and safety could continue to lead to periods of volatility. We think investors should remain engaged with the structural opportunity while becoming more selective and disciplined in their positioning. We recommend a diversified approach to tech, favoring high-quality semiconductor and hardware beneficiaries of AI spending, megacap platforms, and defensive tech firms.

Source: <https://www.ubs.com/global/en/wealthmanagement/insights/chief-investment-office/house-view/daily/2026/latest-09102026.html>