

Macro Signposts | The AI Investment Boom Goes Beyond America

PIMCO · Tiffany Wilding · 2026-10-15 · English original

In light of accelerating global fragmentation and geopolitical conflict, many governments and businesses are investing in resilience. That imperative has coincided with the emergence of AI, a technology that can expand the frontier of what is possible. As a result, technology security is becoming a pillar of national economic security strategy.

As we discuss in our latest Cyclical Outlook, “Growth Holds, Risks Widen,” the result has been an unprecedented wave of investment commitments to expand AI-related infrastructure. At the time of this writing, announced capital spending by large U.S. technology companies points to more than \$1 trillion of investment in 2026, according to company filings, with roughly \$1.5 trillion in additional outlays forecast thereafter.

But AI was never simply a U.S. investment story. The infrastructure buildout is supporting U.S. demand, production across the global technology supply chain, and increasingly investment in other economies. That has made AI an important source of support for both the U.S. and global expansions.

By the same token, it is also becoming an important cyclical risk. Crucially, AI investment does not have to collapse for its contribution to growth to fade. Because economic growth depends on the change in spending rather than its level, even still-high investment can provide a diminishing impulse if its growth rate slows.

Below, we highlight three observations about how the AI investment cycle is already reshaping the global economy.

But that substantially understates the scale of the investment boom itself. We estimate AI-related investment has contributed roughly 1.2 percentage points to the 2.7% average annualized growth in U.S. domestic demand over the same period (see Figure 2). In other words, the boost to U.S. spending has been much larger than the boost to U.S. production because a significant share of that spending has been on imported goods.

Direct investment is not the only channel through which the AI boom is supporting the U.S. economy. AI-related optimism also appears to be supporting growth through financial conditions. Expectations for higher future productivity and earnings have contributed to strong U.S. equity valuations, boosting household wealth and supporting consumption.

Using the Federal Reserve’s framework for estimating the growth impulse from financial conditions (see our 30 September 2026 Macro Signposts), we estimate that the equity wealth channel has provided roughly an additional 0.5–0.7 percentage point of support for growth – roughly 1x to 1.5x the growth impulse of the investment itself.

Taken together, these estimates suggest that AI-related forces have provided meaningful support to U.S. growth, even though the direct domestic investment effect is considerably smaller than the headline capex figures might imply.

In other words, high import content limits the direct U.S. growth contribution from AI investment, but the U.S. simultaneously exports part of the investment impulse to the rest of the world. The U.S. capex boom is therefore increasingly supporting a much broader manufacturing and trade cycle, particularly across the Asian technology supply chain.

1 François de Soyres, Alex Haag, Mike Liu, and Eva Van Leemput. "The Global Trade Effects of the AI Infrastructure Boom." U.S. Federal Reserve FEDS Notes (13 February 2026). [Return to content](#)

Related Topics

- Artificial Intelligence (AI)
- Economics
- Global

Source: <https://www.pimco.com/us/en/insights/the-ai-investment-boom-goes-beyond-america>