How investors can participate in AI

Invesco · 2026-08-26 · English original

Key takeaways

The explosion in usage of ChatGPT and other generative AI tools has opened investors' eyes to their potential to boost profits and productivity throughout the economy.

Innovative companies like Amazon, Tesla, Honeywell, and Intuitive Surgical are among those leading the charge in pushing AI's boundaries.

Investing in the Nasdaq-100 Index provides exposure to some of the most innovative companies leveraging AI to drive their businesses forward.

Artificial intelligence (AI) may transform entire industries and create opportunities for investors. What once seemed like a trend could become a wholesale shift, with persistent, embedded intelligence woven into the fabric of our economy. As AI technology and applications have continued to evolve, opportunities have emerged beyond companies that run cloud platforms and build semiconductors. AI-related growth potential exists across the economy, driven by increasing adoption in various sectors.

The introduction of ChatGPT seems like it was a long time ago. Weekly users topped 700 million by the start of 2026, up from 100 million in late 2022.1 Generative AI apps have proliferated. Businesses have started to adapt. And AI investment has boomed. Capital expenditures have more than tripled since 2022 and been forecasted to exceed $650 billion in 2026 and $700 billion in 2027.2 With the emergence of agentic AI, which can determine its own actions and learn as it goes, the market has taken notice.

The Nasdaq-100 Index provides exposure to some of the most innovative companies leveraging AI to drive their business forward.

The focus within AI had been on innovative companies like Alphabet, Meta Platforms, and Nvidia to lead the charge. Alphabet's Google search engine added an AI overview to many of its search results pages. Meta Platforms enhanced Facebook and Instagram with AI algorithms that personalize content delivery and help optimize advertising. Nvidia led the semiconductor and hardware market upon which AI infrastructure was built.

While these companies remain important players, the narrative has started to evolve. AI requires a broad infrastructure that supports continuous, system-wide usage. Companies across every industry may soon leverage that infrastructure to push the limits of what's possible. Applications are expanding from digital AI into physical AI — artificial intelligence that moves beyond screens to interact in the physical world.

More companies are pushing the boundaries.

Amazon (AMZN)

Amazon has long been the world's leading online retailer. It leveraged this position to build the world's biggest cloud platform — Amazon Web Services (AWS) — and a thriving digital advertising business. In the last few years, the company has also invested in artificial intelligence initiatives that've supported further innovation and business growth.

Amazon has used AI to help personalize the shopping experience for customers, improving searches and suggesting products based on interests and behavior. Rufus, the company's chatbot shopping assistant, answers questions and helps resolve issues. Assisting customers in finding what they need may improve sales. Facilitating order tracking and returns/refunds consistently and efficiently may reduce costs. The technology that supports chatbots may also be sold to other companies through AWS, potentially adding new revenue.3

Tesla (TSLA)

Tesla builds and sells electric vehicles in a global market that could reach a quarter of all new car sales by the end of 2026.4 Many of those cars may soon operate themselves. The company is using AI to help realize the dream of self-driving. That means a car, properly supervised, can operate on highways and city streets, performing tasks like turning, changing lanes, and stopping at traffic lights.

Tesla's Full Self-Driving (FSD) system trains on billions of miles of real-world driving data from the company's fleet. Video teaches AI models to understand the various driving environments and react accordingly. Rare driving challenges are highlighted in the system, with regular enhancements pushed out to vehicles. The self-driving feature may make Teslas more attractive to buyers. The add-on is based on a subscription model that opens up a monthly revenue stream.

Honeywell (HON)

Honeywell develops technology for various industrial uses in buildings, factories, and aircraft. The company's industrial software platform, known as Honeywell Forge, has put it at the forefront of physical AI as well. An organization can apply this AI-powered intelligence layer to their various assets to connect systems, add insights, and potentially improve operations. The tools let it autonomously control and manage physical infrastructure or, as Honeywell frames it, move from automation to autonomy.

Forge has helped Honeywell expand its offerings beyond hardware and burrow deeper into its clients' day-to-day operations. The company sells its cloud-based AI software as a subscription with ongoing service, providing regular, recurring revenue.5 Sales have been brisk, according to the company. It expects 15% growth in annual recurring revenue in 2026 from Forge-related AI software.6 This, on top of their existing business, could strengthen revenue streams going forward.

Intuitive Surgical (ISRG)

Intuitive Surgical has long been a pioneer in robot-assisted surgery. Robotic instruments, controlled by a surgeon at a console, can improve precision and navigate tight spaces within the body. The company's surgical systems have helped perform a wide range of minimally invasive procedures for hernias, kidneys, lungs, and more, potentially improving accuracy, visibility, and outcome.

Intuitive's da Vinci 5 surgical robots incorporate AI to monitor robot movements, annotate and benchmark procedures, and give performance feedback. The company is also working to deploy an anatomy identification feature that lets surgeons differentiate between tissue planes and critical body infrastructure. The addition of AI to this technology is meant to help surgeons, not replace them. But the systems may require accessories and service contracts which could create recurring revenue from hospitals.

Playing the AI trend with the Nasdaq-100

Amazon, Tesla, Honeywell, and Intuitive Surgical are just some of the many Nasdaq-100 companies pushing the boundaries of AI in discretionary, industrials, health care, and other sectors. As AI continues to evolve, the Nasdaq-100 is a straightforward yet powerful way to get exposure to the increasing adoption of AI technologies.

Access the innovators of the Nasdaq with the Invesco QQQ ETF and the Invesco NASDAQ 100 ETF.

ChatGPT usage and adoption patterns at work, OpenAI, Jan 22, 2026.

The AI trade is changing shape, Invesco, Apr 30, 2026.

EV Sales Hit Record High, Just Not in U.S., Kelley Blue Book, Aug 3, 2026.

Building automation helps lead Honeywell sales growth, Facilities Dive, Jan 30, 2026.

Second Quarter 2026 Earnings Presentation, Honeywell, Jul 23, 2026.

All investing involves risk, including the risk of loss.

Past performance does not guarantee future results.

An investment cannot be made into an index.

This does not constitute a recommendation of any investment strategy or product for a particular investor. Investors should consult a financial professional before making any investment decisions.

This content should not be construed as an endorsement for or recommendation to invest in Amazon, Tesla, Honeywell or Intuitive Surgical.

Artificial intelligence (AI) technology companies are sensitive to specific risks such as small markets, business cycle changes, economic growth, technological progress, obsolescence, and regulation. These companies may have limited products, markets, resources, or personnel, making their securities more volatile, especially for smaller start-ups. Rapid technological changes can adversely affect their results. AI companies often rely on patents, copyrights, trademarks, and trade secrets to protect their technology, but there's no guarantee these protections will be sufficient. Significant research and development (R&D) spending doesn’t ensure product or service success.

The health care industry is subject to risks relating to government regulation, obsolescence caused by scientific advances, and technological innovations.

The Nasdaq-100 Index includes 100 of the largest domestic and international non-financial securities listed on the Nasdaq Stock Market based on market capitalization.

QQQ/QQQM Investments focused in a particular sector, such as information technology, are subject to greater risk, and are more greatly impacted by market volatility, than more diversified investments.

There are risks involved with investing in ETFs, including possible loss of money. Shares are not actively managed and are subject to risks similar to those of stocks, including those regarding short selling and margin maintenance requirements. Ordinary brokerage commissions apply. The Fund's return may not match the return of the Underlying Index. The Fund is subject to certain other risks.

Please see the current prospectus for more information regarding the risk associated with an investment in the Fund.

The risks of investing in securities of foreign issuers can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues.

The Fund is non-diversified and may experience greater volatility than a more diversified investment.

Invesco NASDAQ 100 Index Fund: The Fund may become “non-diversified,” as defined under the Investment Company Act of 1940, as amended, solely as a result of a change in relative market capitalization or index weighting of one or more constituents of the Index. Shareholder approval will not be sought when the Fund crosses from diversified to non-diversified status under such circumstances.

Derivatives may be more volatile and less liquid than traditional investments and are subject to market, interest rate, credit, leverage, counterparty, and management risks. An investment in a derivative could lose more than the cash amount invested.

The risks of investing in securities of foreign issuers can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues.

Unlike many investment companies, an underlying fund does not utilize an investing strategy that seeks returns in excess of the underlying index of certain underlying exchange-traded funds. Therefore, it would not necessarily sell a security unless that security is removed from the underlying index.

Many products and services offered in technology-related industries are subject to rapid obsolescence, which may lower the value of the issuers.

The opinions referenced above are those of the author as of Aug 7, 2026. These comments should not be construed as recommendations, but as an illustration of broader themes. Forward-looking statements are not guarantees of future results. They involve risks, uncertainties and assumptions; there can be no assurance that actual results will not differ materially from expectations.

Leaving Invesco.com

This link takes you to a site not affiliated with Invesco. The site is for informational purposes only. Invesco does not guarantee nor take any responsibility for any of the content.
