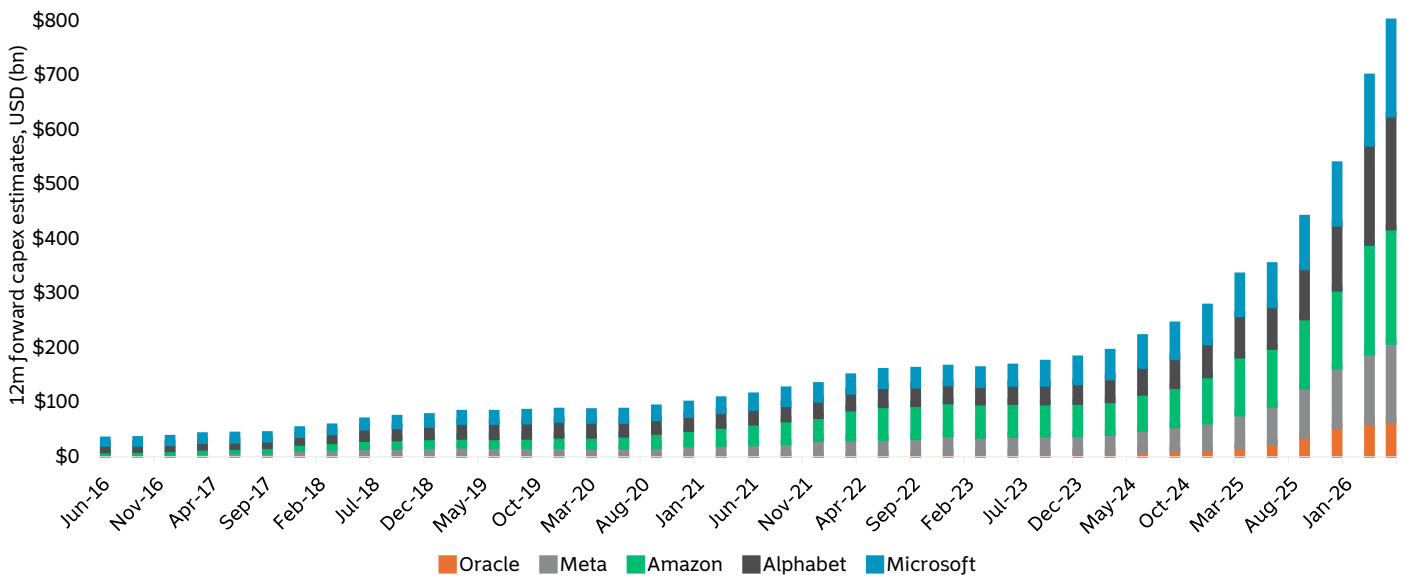


"Big Five" Hyperscalers Capex



Source: Momentum Global Investment Management, Bloomberg Finance L.P. Data to 22 May 2026.

Big Five, Big Spenders

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What does the chart show?

This chart shows the forward 12-month capital expenditure (capex) estimates for five major technology companies - Oracle, Meta, Amazon, Alphabet and Microsoft - from 2016 to May 2026. The scale of the increase is striking. Combined forward capex has risen from roughly \$30bn in 2016 to almost \$800bn today, highlighting just how aggressively these companies are investing in AI and cloud infrastructure. Amazon and Alphabet are now expected to spend around \$200bn each over the next 12m, with Microsoft close behind. Even historically smaller spenders such as Meta and Oracle have materially stepped up investment, with Oracle's forward capex rising from around \$2bn in 2016 to more than \$60bn by 2026. While markets have spent much of the last couple of years focused on the earnings potential of AI, this chart highlights the sheer level of spending required to support it. The buildout of data centres, cloud capacity and power infrastructure has effectively become an arms race amongst the largest technology companies.

Why is it important?

For investors, the chart is a reminder that today's market leaders are not just benefitting from the AI theme, they are spending enormous sums to maintain their positions within it. There are clear positives. The ability to deploy this level of capital creates a significant competitive advantage and raises barriers to entry for smaller rivals. It also supports broader areas of the market, particularly semiconductor manufacturers, infrastructure providers and parts of the industrial sector tied to data centre expansion, which ultimately supports the hyperscalers themselves by improving supply chains and enabling faster, more scalable buildout of AI capacity. However, the scale of spending also raises the bar in terms of execution. Notably, a few of these tech giants are now investing at a scale that consumes nearly all, or even more than, the cash they generate, leaving little room for disappointment if those returns fail to materialise. Investors are increasingly relying on a small number of mega-cap companies to deliver both earnings growth and a sufficient return on these investments. In many ways, this is the defining feature of the current market cycle: a handful of companies making extraordinarily large, long-term bets on the future of AI. Whether those investments ultimately justify the scale of spending will remain one of the key questions for markets over the coming years.

Global markets were primarily driven by geopolitics rather than macroeconomic data, with energy security becoming the key determinant of inflation and growth expectations.



US

- » Markets were driven by developments in the Iran–Strait of Hormuz crisis, with investors oscillating between optimism over a potential settlement and concerns following US strikes on Iranian missile and mining assets. Oil prices remained highly volatile.
- » Debate intensified around US fiscal sustainability as rising Treasury yields and concerns over federal debt levels remained a major focus for investors and policymakers.
- » Trade policy remained prominent, with markets digesting new tariff measures and their implications for global supply chains and inflation.
- » Preparations for the July 4 celebration of America's 250th anniversary intensified, with the commemorations becoming increasingly politicised as disputes emerged over funding, governance and the role of the White House.



UK

- » Foreign Secretary Yvette Cooper prepared for high-level visits to China and India aimed at strengthening economic, technological and geopolitical cooperation.
- » Public debate over renationalisation intensified, particularly around rail, water and industrial assets, reflecting broader dissatisfaction with privatisation.
- » BP experienced major governance turmoil following the removal of its chair, raising concerns about leadership stability in one of Britain's largest companies.
- » UK consumers continued to face pressure from elevated fuel and energy costs linked to Middle East tensions and higher oil prices.



Europe

- » EU leaders intensified engagement with Western Balkan countries as Brussels accelerated its enlargement and geopolitical integration agenda.
- » Markets focused on upcoming eurozone inflation and growth data amid concerns about the impact of higher energy prices.
- » Policymakers continued discussing greater strategic autonomy as uncertainty surrounding US policy encouraged diversification of trade and security relationships.
- » Concerns persisted regarding Chinese industrial investment and subsidised exports potentially increasing competitive pressure on European manufacturers.



Rest of the World/Asia

- » Investors monitored China's slower-growth economic strategy after authorities adopted one of the lowest GDP growth targets in decades.
- » Beijing remained a key diplomatic player in discussions surrounding Middle East stability and global energy security.
- » Japanese equity markets remained near record highs, supported by confidence in domestic policy and resilience to global trade tensions.
- » OPEC and major energy producers remained under close scrutiny as governments sought to stabilise oil markets.

Asset Class / Region	Currency	Cumulative returns				
		Week ending 29 May 2026	Month to date	YTD 2026	12 months	
Developed Markets Equities						
United States	USD	1.4%	5.2%	11.1%	29.3%	
United Kingdom	GBP	-0.5%	0.5%	6.8%	23.9%	
Continental Europe	EUR	0.5%	4.0%	7.4%	15.9%	
Japan	JPY	1.7%	6.2%	17.3%	44.1%	
Asia Pacific (ex Japan)	USD	3.9%	10.0%	25.8%	49.8%	
Australia	AUD	0.9%	1.1%	1.7%	7.2%	
Global	USD	1.3%	4.6%	10.5%	27.5%	
Emerging Markets Equities						
Emerging Europe	USD	2.6%	4.0%	16.0%	40.8%	
Emerging Asia	USD	4.5%	12.1%	29.7%	58.2%	
Emerging Latin America	USD	-0.1%	-4.2%	13.2%	40.1%	
BRICs	USD	-0.8%	-3.0%	-7.4%	1.2%	
China	USD	-1.4%	-3.0%	-8.5%	4.1%	
MENA countries	USD	0.8%	-1.0%	1.4%	3.2%	
South Africa	USD	3.5%	2.4%	1.7%	42.3%	
India	USD	0.1%	-1.7%	-14.3%	-13.7%	
Global emerging markets	USD	4.0%	9.7%	25.6%	52.6%	
Bonds						
US Treasuries	USD	0.6%	0.1%	0.1%	3.9%	
US Treasuries (inflation protected)	USD	0.9%	0.3%	1.6%	5.2%	
US Corporate (investment grade)	USD	0.8%	0.7%	0.8%	6.4%	
US High Yield	USD	0.5%	0.5%	1.6%	7.4%	
UK Gilts	GBP	0.7%	1.8%	-0.5%	3.5%	
UK Corporate (investment grade)	GBP	0.7%	2.0%	0.2%	5.6%	
Euro Government Bonds	EUR	0.8%	1.2%	0.8%	0.7%	
Euro Corporate (investment grade)	EUR	0.6%	0.9%	0.9%	2.3%	
Euro High Yield	EUR	0.5%	1.0%	1.2%	4.1%	
Global Government Bonds	USD	0.9%	0.1%	-0.1%	1.3%	
Global Bonds	USD	1.0%	0.4%	0.5%	4.0%	
Global Convertible Bonds	USD	2.3%	6.1%	19.6%	37.3%	
Emerging Market Bonds	USD	1.3%	0.9%	1.4%	11.2%	
Property						
US Property Securities	USD	-1.3%	-0.2%	13.6%	15.5%	
Australian Property Securities	AUD	2.6%	3.0%	-7.3%	-4.7%	
Global Property Securities	USD	-0.3%	-0.9%	7.7%	13.9%	
Currencies						
Euro	USD	0.5%	-0.5%	-0.5%	2.6%	
UK Pound Sterling	USD	0.2%	-0.8%	0.1%	-0.2%	
Japanese Yen	USD	0.0%	-1.6%	-1.5%	-9.4%	
Australian Dollar	USD	0.8%	0.1%	7.7%	11.5%	
South African Rand	USD	1.4%	3.1%	2.2%	9.8%	
Swiss Franc	USD	0.4%	0.1%	1.5%	5.3%	
Chinese Yuan	USD	0.4%	0.9%	3.3%	6.2%	
Commodities & Alternatives						
Commodities	USD	-3.0%	-3.6%	33.2%	44.4%	
Agricultural Commodities	USD	-1.4%	-2.0%	9.1%	4.2%	
Oil	USD	-11.1%	-19.3%	51.3%	43.5%	
Gold	USD	1.2%	-0.9%	5.7%	37.5%	

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