SONA
ASSET MANAGEMENT

AI & CREDIT: THE ABSORPTION TEST

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EXECUTIVE SUMMARY

The AI buildout, which involves the largest debt-funded capex cycle since the construction of the railroads in the 1800s, is testing the limits of the US credit market – the deepest in the world – and the market seems to be doing its job. Because so much AI debt flows through the liquid bond channel, underwriting discipline arrived early in the form of wider spreads.[1]

KEY POINTS

- **Cycle:** At 8.0% of US GDP, cumulative AI investment already exceeds that seen for shale, cloud, and the nuclear grid. With $7tn of investment projected over 2026-30, AI becomes the third largest investment cycle in 150 years, nearly matching the internet, and behind only the US railroads. AI debt reaches 5.3% of US GDP by 2030; counting the off-balance sheet layer, it goes to 7.7%, making it the most significant credit cycle since US rail.
- **Funding:** 60% of the $7tn comes from internal cash flow ($4.2tn), 26% from debt ($1.8tn), and 14% from equity ($1tn). Debt carries 40% of funding in 2026 and this year's free cash flow after capex runs near zero. We expect the picture to improve with internal cash recovering to 68% of the mix by 2030.
- **Debt:** AI bonds now account for 8.1% of the US Investment Grade market and 4.2% of US High Yield, having held near 5.5% of IG for two years before breaking out 2.6pts in nine months. Our base case sees AI bonds taking 15%+ of the IG market and 10%+ of HY by 2030. Issuance is currently running at more than 3x last year's pace, with $417bn printed year-to-date.
- **Equity:** Equity has surprised to the upside: $250bn raised year-to-date, roughly half of external funding. Still, the IPO window has narrowed of late and may be temporarily closed: two recent big-ticket IPOs, SPCX and the SK Hynix US ADR, have traded poorly post-debut.
- **Off-balance sheet:** $600bn+ already stands off-balance sheet (OBS): $475bn of capitalised hyperscaler leases plus $125bn+ of SPV and JV non-recourse debt. This channel lives outside our $7tn AI investment base case because the capex occurs at developer level. Most SPV debt is designed to amortise fully.
- **Chip financing:** A parallel market in chip-collateralised debt is forming. Announced programmes total $1.3tn+. Only $58bn has funded across six closed deals, all private or 144A, with zero index bonds. Another $32bn is in market at the time of writing, with talk on the largest deal moving from UST+425 to a 9-10% yield. If this debt keeps printing off-index, roughly $500bn of our projected debt leg lands outside the index.
- **Scenarios:** The first 25-75bp of hyperscaler widening changes how the buildout gets funded, but the buildout proceeds. At +100bp the paths diverge: hyperscaler supply halves and capex drops 20%, while neocloud supply falls two thirds and capex is cut 40%. At +150bp the cycle breaks: debt shrinks from $1.8tn to $475bn and the neoclouds get frozen out.
- **Feedback:** The bond market gives the AI cycle a feedback mechanism that was not present in previous super-cycles. Issuers get a live mark on their cost of capital and adjust fast: Amazon and Meta deferred their plans, tenors shortened, the riskiest deals were pulled. That responsiveness argues for a longer cycle.
- **Demand:** Capex-generated revenue is arriving. Cloud revenues grew by an average of 54% yoy on a $260bn base across Amazon, Microsoft and Google. Backlogs stand at a combined $1.5tn. Amazon says "the lion's share" of its 2027 capacity is already reserved, with a meaningful share booked into 2028. The item to watch is unit pricing once capacity comes online; the same turn that hit telecoms, shale and rail.
- **Bottom line:** We are living through a generational buildout that already rivals some of the biggest investment cycles in modern history – and its pace keeps accelerating. The capital needs are extremely high and the capital markets have been adjusting rapidly. For large and well-capitalised companies, such episodes are

[1] Figures cited in this summary are sourced where they first appear in the body of the report.

heartburn, not a heart attack. With power, chips and now the cost of debt all rationing the buildout, owners of powered and funded compute hold the advantage.

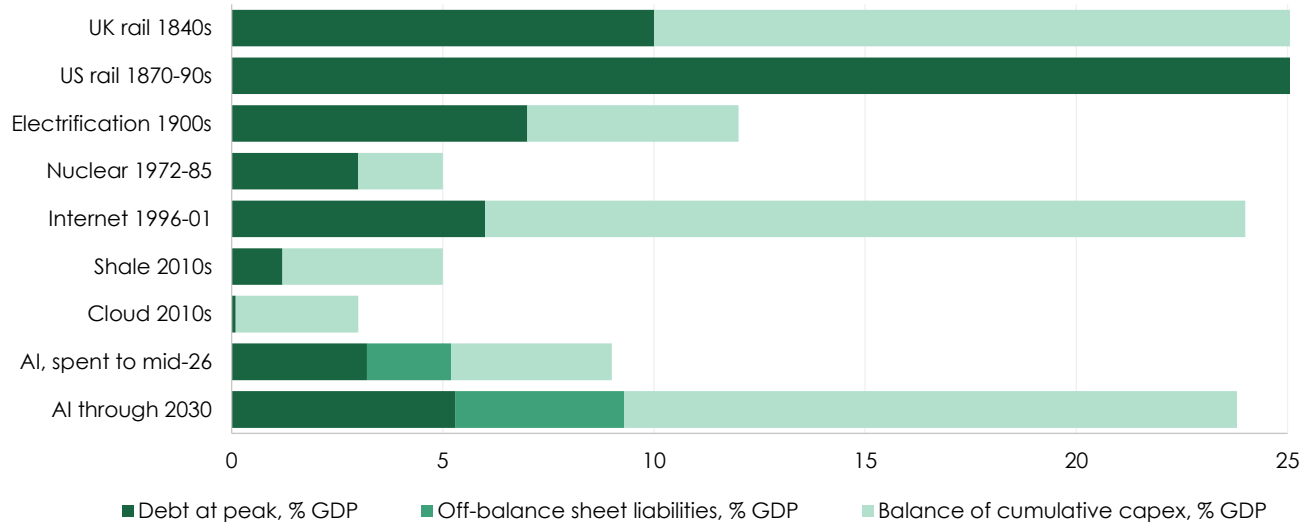
SCALE IN HISTORY'S UNITS

Since ChatGPT's launch in late 2022, cumulative AI capex has reached 8% of US GDP, exceeding US shale drilling in the early 2010s, cloud computing later that decade and the US nuclear grid buildout in the 1970s.[2] With $7tn in projected capex between 2026 and 2030, the AI buildout is on track to become the third largest investment cycle in the last 150 years, nearly matching the internet buildout and behind only construction of the US railroads in terms of cumulative capex/GDP.[3]

Buildouts of this scale tend to have similar phases: new technology, strong demand, heavy capex, a wave of external funding, and a subsequent repricing often triggered by a debt layer. How far along are we in the AI cycle? The evidence suggests we are still at the intersection of the strong demand and heavy capex phases. Indeed, most existing workflows continue to operate in largely the same way as they did in the pre-AI era, but we expect this to change. And as more workflows are converted to, or built for, the agentic world, token usage is likely to continue to grow exponentially.

The evidence is arriving that AI is being successfully monetised. Microsoft's AI business passed a $37bn annual run rate in April, up 123%; Google Cloud's contracted backlog reached $514bn in July after nearly doubling the prior quarter; and Google's models processed 22bn tokens a minute in Q2, up from 16bn in the prior quarter.[4] Nearly 90% of Microsoft's FY26 Cloud revenue of $214bn came from customers other than the frontier labs, and sequential growth in Microsoft's $678bn contract backlog came entirely from customers outside the frontier group. Demand continues to exceed Microsoft's ability to supply it: this is a good time to be selling compute. Meanwhile, Meta's Zuckerberg was explicit on a recent earnings call, saying "there's just nowhere near enough compute for all the demand".

A generational investment cycle is underway



Note: Two bars are truncated at the 25% axis cap: UK rail's actual full length is 40% of GDP (capital raised by 1850, est; debt 10%) and US rail's is 75% (1890 capitalisation vs GNP, watered capital included; bonds outstanding 38%).

Figure 1: Cumulative buildout capex and debt, % of GDP

Source: Sona Asset Management estimates, Federal Reserve, FTC, SEC, BEA, BOE

[2] Sona Asset Management estimates, Bureau of Economic Analysis.

[3] Railroad-era figures are estimates assembled from historical records rather than modern, auditable statistics, and we treat them as order-of-magnitude anchors. UK railways: capital raised by 1850 near 40% of GDP and debt near 10%, per A. Odlyzko, *The British Railway Mania of the 1840s* (2010). US railroads: 1890 nominal capitalisation near 75% of GNP and bonds outstanding near 38%, from Poor's *Manual of Railroads and Historical Statistics*.

[4] Company disclosures.

Price competition from new capacity coming online was a factor behind cyclical turns in many historical buildouts: (1) oil prices in shale in the mid-2010s; (2) bandwidth prices in telecoms in the early 2000s; and (3) freight rate wars in US railroads. In other cycles, miscalculated demand forecasts were sufficient triggers absent price declines (i.e. the US nuclear buildout in the 1970s and urban electrification in the 1920s). However, the AI cycle carries physical constraints that these historical buildouts lacked: gas turbine slots, transformer lead times and grid interconnection queues set the pace at which new power capacity comes online.

Over-reliance on external debt is often a good predictor of casualties in a given buildout. There was an absence of external debt in the cloud buildout, and that cycle didn't turn even as the technology matured, demand stabilised and unit prices deflated.

The AI buildout is not like cloud. AI's public debt stock is already 3.2% of GDP and we expect it to grow to 8.0% over the next five years, even as some moves off the balance sheet into structured products. Short-lived assets add a treadmill: GPUs depreciate in 3-5 years against 5- to 20-year liabilities, so reinvestment never stops.

However, the AI cycle benefits from a feedback mechanism not present in previous debt-funded mega-cycles: non-stop bond market pricing and repricing courtesy of the US IG market. When Meta's bonds trade at 120bp and Oracle crosses through 220bp, the market gets the management teams' attention. Compare this to the dotcoms, which carried little to no debt and therefore received no pricing signals from the bond market.

FUNDING CHANNELS

Seven trillion dollars is our estimate for the cumulative AI buildout cost over 2026-30. This reflects global ex-China capex with a very heavy tilt to the US (60-70%). The five major hyperscalers (Microsoft, Google, Amazon, Meta, Oracle) account for $5.3tn of the total, and neoclouds $850bn. The rest of the tracked universe (the chip, server, power and cooling equipment makers' own capex) adds $900bn.[5] The chips and servers the hyperscalers buy sit inside the $5.3tn above, since capex is done by the buyer, not the vendor. The $7tn perimeter is the reported capex of this tracked universe. Capacity leased from independent data centre developers as well as the shells, power plants and fabs sit outside this perimeter; the addendum at the end of this report estimates the wider perimeter at $8.6-9.5tn.

The biggest component of funding is debt, at 40% of the total in 2026. However, the proportion contributed by internal cash flows (ICFs) is expected to grow to 68% by 2030. The five-year-out estimates come with extreme uncertainty: issuers are not guiding past the next few months, with Meta and Alphabet deferring even 2027 capex guidance in July.

Internal cash flow: The largest leg of the current buildout, at $4.2tn of the $7tn base case, or 60% of the total. In recent months it has softened at the margin; hyperscalers' 2026 free cash flow is near zero after capex.[6]

Debt: Public bonds and loans contribute $1.8tn over 2026-30, or 26% of the total, of which $390bn printed year-to-date, $269bn of it from hyperscalers and neoclouds directly; counting SPV project debt, the tally reaches $417bn. Recent months marked the regime turn: NVDA's $29bn and SPCX's $25bn debuts, then AMZN's $25bn covered just 1.6x vs 3.4x in March, with long-end concessions +50bp since February and Meta's project debt paying 240-280 over at A+/AA-.[7] Alphabet issued more bonds this year than in the previous decade, taking its debt stock from $16bn to roughly $100bn in 12 months, across multiple currencies.

Equity: Projected to contribute $1tn over five years, or 14% of the total. So far this year, $250bn of AI equity has been raised, or about half of external funding; this has deferred roughly one year of the debt requirements. Notable prints

[5] Sona Asset Management estimates, built from company capex guidance and sell-side consensus forecasts. The $900bn is the tracked suppliers' own capex (chip, server, power and cooling equipment makers). It excludes semiconductor fabs, which sit outside the tracked perimeter and are carried in the addendum's wider-perimeter sizing.
[6] Aggregate 2026 free cash flow after capex for the five hyperscalers, per sell-side consensus estimates.
[7] Deal sizes, order-book coverage, and new-issue concessions from dealer runs and company prospectuses.

here included frontier lab private rounds and Alphabet's completed $85bn secondary, Intel's $20bn tap, as well as neocloud follow-ons.[8] Our base case carries a further $750bn equity projection fading over time as ICF recovers. Still, the window has narrowed recently: two recent big-ticket IPOs, SPCX and the SK Hynix US ADR, initially performed poorly after debut. While most of that weakness has subsequently reversed, this episode has provided a live preview of how the equity window could narrow considerably in a more pronounced downturn.

Off-balance sheet: Includes debt-like claims outside the standard bond and loan channels: capitalised committed data centre leases plus SPV/JV non-recourse project debt. Our current estimates point to $600bn+ already raised this way: $475bn of capitalised hyperscaler leases plus $125bn+ of SPV debt.[9] The template is standardising: JVs where private capital funds most of the equity and the tenant keeps a minority stake; fully amortising notes with no refinancing balloon; tenant leases plus parent guarantees; and residual-value support rated in the single-A to double-A range. Meta's two deals alone (Hyperion $27bn, El Paso $12bn) total nearly $40bn, a third of the SPV stock and over 40% of Meta-linked supply over the past nine months, printing 90-100bp behind the parent's own long bonds.

Chip financing: The newest funding layer, and the fastest-moving one. Vendor programmes headline it: Broadcom's 10GW custom-silicon programme with OpenAI at $400bn, Nvidia's 10GW systems programmes at $250bn and AMD's 6GW MI450 programme at $100bn.[10] Nvidia's August announcement with six financial sponsors (Apollo, BlackRock, Blackstone, Brookfield, Goldman Sachs, KKR) adds $500bn of capacity to warehouse and place the debt. The announced tally across programmes and identified deals reaches $1.3tn+, but the tiers overlap.[11]

SCENARIO SENSITIVITIES

The sell-side consensus sees the debt share coming in at 30% in 2026, peaking closer to 40% in 2027 and then sliding to 20% by 2030. That base case adds up to $1.8tn of debt over the five-year period, with the most recent hyperscaler-only projections at the upper end of that range.

Risk scenarios: We assume different levels of hyperscaler IG spread widening, from +25bp in the mildest case to +150bp in the most severe (exhibit below). Corresponding to each scenario is an equivalent shock to the neoclouds (HY) assumed at 3x the hyperscalers.

Some share of capex is non-discretionary and must be funded. As the cost of debt rises, we assume capex drops to this minimum non-discretionary level, and debt-share shrinks to give way to internal sources of cash. The issuers describe the same flexibility themselves: two thirds of Microsoft's capex now goes to short-lived assets, and its CFO says that if the demand environment changes, "you just slow down" that component.

The assumption behind a slowdown in capex as a result of an arguably immaterial increase in the cost of debt needs a clarification, given a widespread belief that the hyperscalers' return on capital is very high. We agree that even a +150bp spread widening on hyperscalers, taken in isolation, would not dramatically change their capex plans, given the return on capital they are seeing. However, our argument is that this is also not likely to happen in isolation: if hyperscalers were to widen that much, their spreads would end up in the 250-275bp area. This means overall IG is probably in the 200-250bp area, which implies generic HY at 650bp+. At those levels, credit conditions should be tightening significantly for everyone in the economy, and that is often a precursor to recession talk. Equities would come under significant pressure, and the whole narrative of buildout acceleration would start to unravel. So, realistically speaking, the +150bp hyperscaler spread scenario comes with significant second/third-order effects, and the argument is that planned capex comes down as a result of the cumulative impact, not just the cost of debt alone. To be clear, this is not our forecast or even a realistic near-term risk scenario. We present it here purely as a hypothetical exercise to demonstrate sensitivity to market feedback.

[8] Bloomberg and company announcements; Sona Asset Management estimates.
[9] Sona Asset Management estimates. Capitalised lease commitments from company disclosures.
[10] Company announcements.
[11] Sona Asset Management estimates. Programme figures are programme-scale estimates rather than priced debt; deal figures from company announcements and dealer materials.

Debt as a share of capex is projected to shrink over time

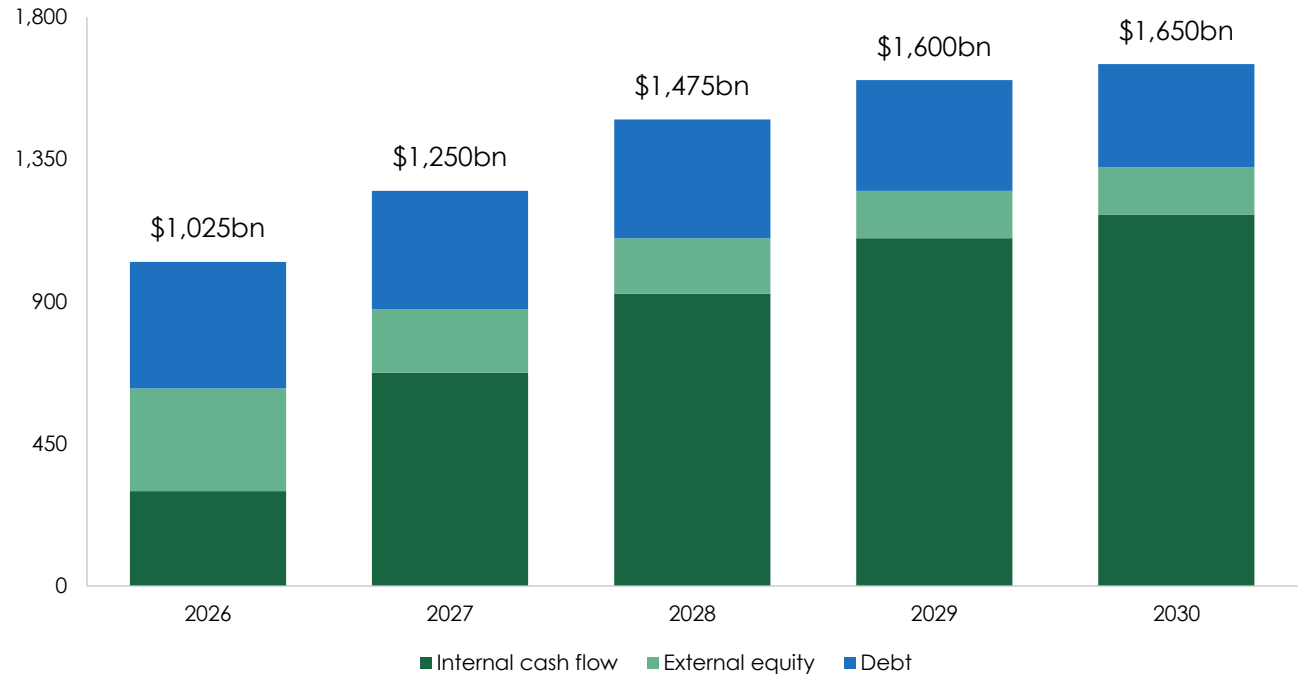


Figure 2: AI base-case capex by year, broken out by source of funding
Source: Sona Asset Management estimates

The first 25-75bp mostly changes how the buildout gets funded: capex holds at $7.0tn while supply moves shorter, into other currencies, and gets better telegraphed. By +100bp the hyperscalers and the neoclouds part ways: hyperscaler supply runs at half the base case while their capex drops 20%; neocloud supply falls by two thirds and their capex is cut 40%. At +150bp, we assume the investment cycle breaks and the residual gets constrained to internal sources of funding, with neocloud capex -85% with little scope to borrow.

Scenarios around debt cost and impact on capex 2026-2030

H.S. SHOCK	NEO SHOCK	CAPEX ($BN)	ICF	EQTY ($BN)	DEBT ($BN)	ICF SHARE
Base	0	7,000	4,175	1,000	1,825	60%
+25bp	+75bp	6,875	4,175	950	1,750	61%
+50bp	+150bp	6,675	4,150	900	1,625	62%
+75bp	+225bp	6,075	4,050	700	1,325	67%
+100bp	+300bp	5,450	3,950	500	1,000	72%
+150bp	+450bp	4,475	3,750	250	475	84%

Notes: H.S. = the five major hyperscalers (MSFT, GOOG, AMZN, META, ORCL); Neo = neoclouds; ICF = internal cash flows
Figure 3: Overall debt and capex impact scenarios
Source: Sona Asset Management estimates

We believe timing matters as much as severity. The table assumes the shock arrives now and stays (the worst case for cumulative supply); the same +150bp arriving in 2028 leaves capex near $6.25tn. Each year of delay adds back roughly $0.4tn of capex and $150bn of debt, because the out-years carry the biggest spending plans and the most

discretion. Equity was the biggest single valve, but a smaller IPO window now puts that flexibility in question; the $250bn raised this year has already deferred about a year of bond issuance.

WHAT COULD CAUSE SPREAD WIDENING

While a scenario analysis where spread widening leads to material curtailment in capex is mostly hypothetical at this point, we continue to closely monitor potential factors that could take us there, even if remote at this point:

- **Unit pricing:** the 54% cloud growth reported by hyperscalers in Q2 likely reflects immediate shortages. As 2027-28 gigawatts energise, token prices will deflate. Renewals would then reprice backlog expectations lower and revenue per installed GW would undershoot underwriting.

- **Backlog quality:** $1.5tn of backlog leans on cash-burning frontier labs; Oracle carries roughly half with one customer. Labs fund commitments with equity that has to keep arriving. One lab stumble could convert backlog into cancellations and turn vendor-financing circularity into correlated repricing.

- **Enterprise ROI disappointment:** the exponential token assumption does the heavy lifting: if agentic conversion stalls, cloud growth would decelerate against record capex guides and near-zero FCF.

- **Efficiency shock:** model and chip efficiency gains cut compute per revenue dollar; healthy for adoption, but potentially damaging for marginal gigawatts and for 3-5-year GPU collateral against 5-20-year liabilities.

THE ABSORPTION TEST

AI-related debt has already expanded massively across both US IG and HY indexes. This is most visible on the IG side, where roughly $770bn of AI bonds account for 8.1% of the largest credit index in the world. On the HY side, AI bonds have gone from a rounding error to 4.2% of the index, helped by 15 neocloud and data centre senior secured notes totalling $32bn year-to-date. In the peak quarter this year, a quarter of new corporate supply was AI-linked.[12]

Our base case does not flatten from here: we expect 15%+ of US IG and 10%+ of US HY to be AI-linked by 2030. If chip-collateralised debt keeps printing as 144A project bonds and private loans, roughly $500bn of the projected debt goes off-index and the IG floor reads closer to 13-14%.

[12] Bloomberg index and issuance data.

Share of credit indexes related to AI

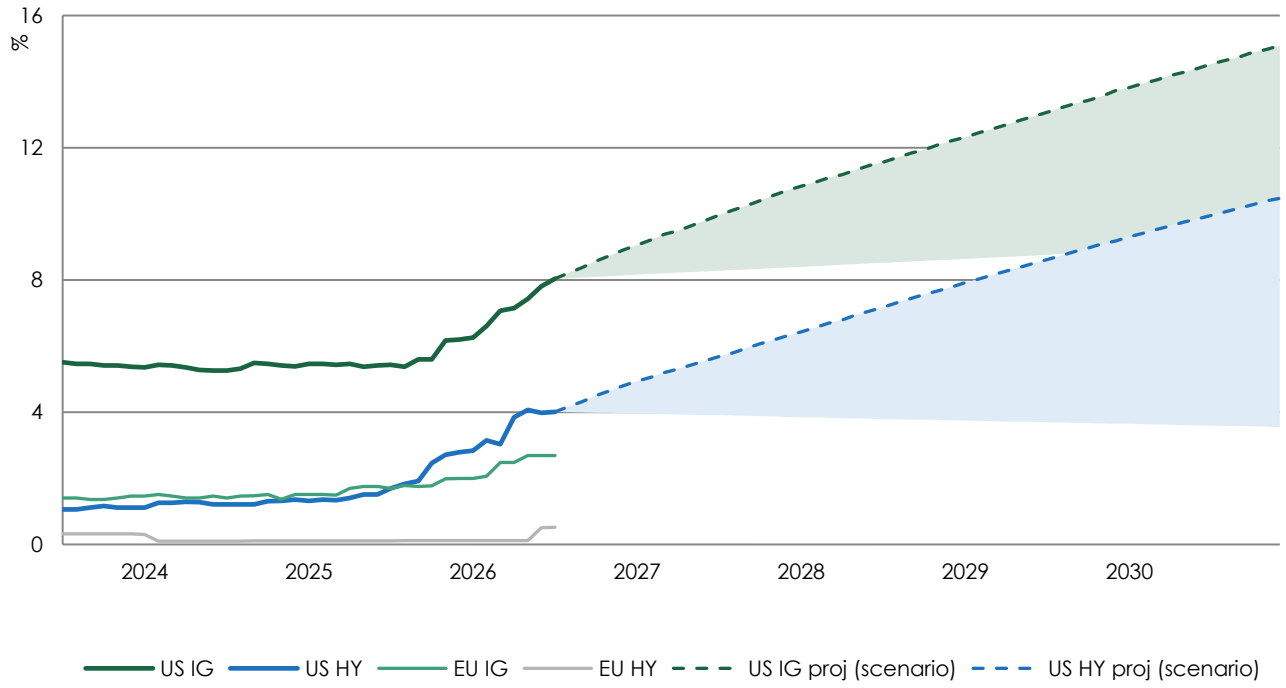


Figure 4: AI-related public debt as a share of IG and HY indices, US and EU
Source: Sona Asset Management, Bloomberg

In a July market volatility episode, debt indigestion was local initially but later spread to engulf most of the AI-related names. CDS on Oracle printed 215bp, Nvidia 80bp and Alphabet 70bp, all records, while Microsoft, which has issued nothing this year, nonetheless repriced 60bp off its lows. In HY, CoreWeave was +350bp against +85bp for the rest of the neoclouds. Forced deleveraging emerged as a meaningful part of that July repricing; once most of that event passed, the market went back to pricing the fundamentals of the buildout.

Therefore, we think this is not a capacity problem (yet): we estimate roughly $1tn a year of total funding channel bandwidth across IG, HY, equity, converts, private, non-USD, structured, and bank lending against $400-500bn annual funding needs.[13]

Issuers appear to be responding to market signals. Amazon and Meta have deferred some of their immediate borrowing plans and the market now expects a more predictable cadence from hyperscalers – perhaps twice a year. Other avenues of adjustment include (1) shorter tenors; (2) currency diversification into euros and yen (the dollar share of AI funding fell from 85% to 63% in a year); and (3) more debt moving off the balance sheet. For example, hyperscaler lease commitments grew $238bn in Q2, to $693bn.

So far, the adjustment is confined to the funding mix; every hyperscaler raised their capex guide again when reporting Q2 results on the other side of the July volatility event.

The test from here is communication: issuers guiding on funding the way they already guide on capex, and funding costs settling as predictability improves.

When public debt markets suffer indigestion, funding shifts to private and more opaque debt categories, including leases. In past cycles the opacity moved with the leverage, and we treat it as a warning sign to be watched.

[13] Sona Asset Management estimates.

Spread scenarios and debt-issuance impact 2026-2030

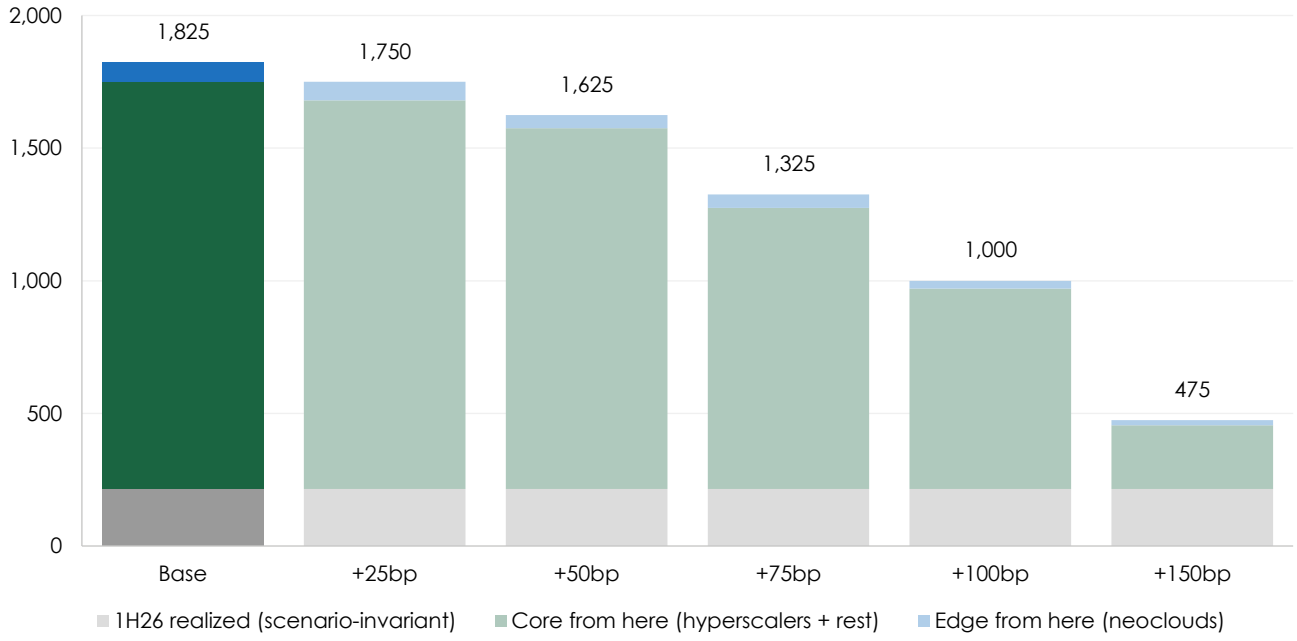


Figure 5: Public debt issuance impact in various spread scenarios
Source: Sona Asset Management, Bloomberg

Nvidia's 10GW systems programme with OpenAI, which we size at $250bn, belongs in this category. A supplier standing behind its largest customer's debt is inducing demand, but this is circularity at a new scale, and such loops have historically unwound together. The programme is contingent and off-balance sheet, and in August it was extended to a $500bn six-sponsor platform.

Broadcom is moving down the same vendor financing path with its own 10GW custom silicon programme for OpenAI, with phase one at 1.3GW and $18bn. AMD's $100bn programme is the only one of the three with no chip-collateralised debt against it (yet). This keeps the show going and moves the risk along the chain: incremental pressure on NVDA and AVGO spreads.

The actual funded share of this chip financing category remains small and expensive. Six transactions have closed for $58bn since September 2025, led by a $35bn vehicle that owns the chips and leases them to an AI lab. Another $32bn was in-market at the time of writing. Zero chip bonds sit in any index. Price discovery is live: talk on the largest deal in market has moved from UST+425 to a 9-10% yield, and on another from UST+570 toward the low-to-mid 10s. The debt still clears, but it reprices the category, and relieves the public bond indexes.

ISSUER CONCENTRATION

Every part of the market is being tested in a different way: (1) IG buyers are being asked to take 30-year duration from borrowers whose spending plans move quarterly and in tens of billions; (2) HY buyers are being asked to underwrite companies with one or two customers and no market history; and (3) structured buyers are being asked to lend against hardware that depreciates in 3-5 years. Within all that, "hyperscaler" has stopped being a uniform category. Microsoft is AAA, holds $34bn of index debt, borrows by choice and has issued nothing this year. Oracle is BBB-, carries $117bn of debt, borrows because it has to, and has roughly half its backlog with one customer.[14]

[14] Bloomberg; company's obligation disclosures.

Neoclouds and other first-time issuers are a different segment altogether: leverage of 8x and up, funding at 9-12% against 3-5 year collateral, and revenue concentrated in one or two offtakers.

Separately, there is a potential problem with index concentration. Presently, the largest hyperscalers by debt each account for 1.2-1.3% of the IG index. However, as they continue to scale their debt-funded capex plans, we see them crossing the 2.0% threshold at some point in the next few years. If our forecast holds true, they would overtake the biggest US banks to become the largest issuers in the market.

A 2.0%+ index weight is not a universal regulatory limit in itself, but it can exhaust capacity for insurers and SMAs subject to issuer, sector or internal concentration caps. Because insurers own about a quarter of corporate bonds,[15] this could make the marginal buyer base less elastic as hyperscaler issuance grows. SPV issuance blurs the maths from the other side: legally separate issuers carrying one tenant's credit means index weight understates portfolio-level single-tenant exposure.

Hyperscalers to become largest US IG issuers this cycle

#	ISSUER	FACE $BN	% OF INDEX	2030E
1	JPM	178.4	1.9%	
2	MS	171.9	1.8%	
3	BAC	165.4	1.8%	
4	GS	140.7	1.5%	
5	**AMZN**	**120.5**	**1.3%**	**2.4%**
6	**ORCL**	**117.2**	**1.2%**	**2.3%**
. . .				
12	**META**	**83.9**	**0.9%**	**1.7%**
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27	**GOOGL**	**51.0**	**0.5%**	**1.0%**
. . .				
51	**MSFT**	**33.5**	**0.4%**	**0.7%**

Figure 6: Largest US IG issuers
Source: Sona Asset Management, Bloomberg

OUR EXPECTATIONS

We are lenders into the AI super-cycle. A bond collects its coupon when the buildout succeeds and wears the drawdown when it stumbles; the upside is measured in basis points, the downside in dozens of points.

Funding a buildout of this size in public markets guarantees recurring bouts of indigestion. The July episode was violent while it lasted but has since faded; even so, more is likely to come.

However, the ultimate test will come when the cycle eventually turns. Every debt-funded buildout in modern history has led to a credit cycle reversing, with debt holders facing steep losses on risk they have not properly understood, underwritten and secured. As always, we are intensely focused on getting these things right, while acknowledging that the precise timing of, reason for, or severity of such a turn are inherently unpredictable factors.

We aim to learn from historical parallels, and the shale bust provides a useful template. The well-capitalised hyperscalers today play the oil majors of that cycle: well-capitalised and positioned to buy assets at the bottom. The neoclouds play the independent oil producers, with GPU-secured facilities the equivalent of reserve-based lending: senior in structure but still exposed to the collateral markdown risk.

[15] Federal Reserve, Financial Accounts of the United States (Z.1).

Historical cycles of this magnitude created lasting value but broke many capital structures along the way. The AI cycle will be no exception: as the technology thrives and changes the world, the path to the future will be marked with substantial credit losses. For investors, that argues for underwriting discipline rather than blanket exposure to the theme.

The opportunity set extends across public and private markets, and across the capital structure. We believe this creates attractive opportunities in senior capital for investors who are able to underwrite both the credit *and* the structure.

ADDENDUM: THE WIDER PERIMETER

Our $7tn base case counts capex only when it appears on the books of the companies we track: the five hyperscalers, the neoclouds and their direct suppliers. We set that perimeter deliberately. When Microsoft builds its own data centre, the building lands in Microsoft's capex and gets counted; when it leases the same building from a developer, the capex lands with the developer, and outside our universe; Microsoft's books show only a lease. The same buildout also consumes power plants, grid, chip fabs and sovereign projects abroad, none of which report through our tracked names.

Widening our perimeter to everything the buildout physically consumes, with each asset counted once, takes 2026-30 expected capex from $7tn to $8.6-9.5tn (call it $9tn). On the scale of Figure 1, the AI capex-through-2030 bar therefore extends from 19% to roughly 24% of GDP.

The table below maps the additional layers, which push new debt to $3tn, a third of total capex. Of the $2.4tn we score as IG-quality, only $1.1tn or so is index-eligible; the larger $1.3tn piece prints as 144As, private placements, bank term loans and project debt.

The wider buildout perimeter: capex and debt by layer, 2026-30

LAYER	CAPEX, $BN	DEBT, $BN	DEBT %	SOURCE OF EQUITY	WHOSE BALANCE SHEET	FORM OF DEBT
Tracked core	7,000	1,800	26%	Retained earnings, public raises	Hyperscaler, neocloud corporates	IG/HY unsecured, chip 144A
Developer shells	700	500	71%	Private infra equity	Non-recourse SPVs, devcos	Project bonds, TLs, CMBS
Power and grid	500	300	60%	Utility equity, infra funds	Utilities, IPPs, SPVs	IG utility, HY IPP, project
Fabs and memory	400	125	31%	Retained earnings, subsidies	Chipmaker corporates	IG unsecured
Sovereign and RoW	300	150	50%	Sovereign wealth, states	State-linked vehicles	Bank, ECA loans
Lab-direct chips	150	125	83%	Thin SPV equity	Bankruptcy-remote SPVs	OEM-guaranteed 144A, DDTLs
Total	**9,050**	**3,000**	**33%**			

Note: DDTL = delayed-draw term loan; IPP = independent power producer; ECA = export credit agency; devco = development company, the sponsor entity that builds and owns data centre shells. Debt shares computed at midpoints of the estimate bands.

Figure 7: Broader buildout categories away from hyperscalers/neoclouds
Source: Sona Asset Management estimates

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