News Release Archive

# AI Infrastructure Investment To Exceed $1.3 Trillion By 2027, S&P Global Ratings Says

*New report examines how hyperscalers are funding rapid AI infrastructure expansion and the implications for credit quality.*

*New analysis shows:*

- *Combined hyperscaler capital expenditure is projected to exceed $1.3 trillion by 2027.*
- *Negative free operating cash flow is expected across the six largest hyperscalers in 2026 and 2027.*
- *Debt, leases, guarantees and other financing structures are playing an increasingly important role in funding AI infrastructure growth.*

NEW YORK, Aug. 27, 2026 /PRNewswire/ -- S&P Global Ratings published new research examining how the world's largest hyperscalers are financing rapid AI infrastructure expansion and the implications for future credit quality.

S&P Global Ratings

The report, "**S&P Global Ratings' View On Artificial Intelligence And Hyperscalers**", examines how Alphabet, Amazon, Microsoft, Meta, Oracle and SpaceX are funding this investment cycle.

"As AI infrastructure investment accelerates, the focus is expanding beyond the scale of spending to the funding models, financial commitments and long-term implications that accompany it," **said Naveen Sarma, Managing Director and Sector Lead at S&P Global Ratings**. "Understanding how these investments are financed and managed will be increasingly important in assessing credit quality across the sector."

Additional findings in the report include:

- S&P Global Ratings expects all six hyperscalers to generate negative free operating cash flow in 2026 and 2027 with recovery not projected until 2029.
- Hyperscalers are increasingly utilizing debt, equity issuance, lease commitments and other financing arrangements to support AI infrastructure investments.
- The growing use of joint ventures, special purpose vehicles (SPVs), residual value guarantees (RVGs) and other structures is increasing the complexity of credit analysis.
- Key areas being monitored include monetization of AI investments, demand durability, overcapacity risk and the treatment of contractual commitments and other debt-like obligations.
- S&P Global Ratings' models generally assume a 2028 inflection point, with revenues accelerating and capital expenditure growth moderating as monetization improves.

Consistent with its mission of bringing transparency to credit markets, S&P Global Ratings will continue to analyze the investment, financing, and monetization trends shaping the AI ecosystem and their implications for credit quality.

For more information and to read the full report visit S&P Global Ratings' Artificial Intelligence webpage.

The report does not constitute a rating action.

**About S&P Global Ratings**

At S&P Global Ratings, our analyst-driven credit ratings, research, and sustainable finance opinions provide critical insights that are essential to translating complexity into clarity so market participants can uncover opportunities and make decisions with conviction. By bringing transparency to the market through high-quality independent opinions on creditworthiness, we enable growth across a wide variety of organizations, including businesses, governments, and institutions.

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