

## **Jennison**

### **Context for the massive CapEx spending on AI**

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#### **Audio Starts**

##### **Zachary:**

All of the MAG 7 is involved in it. All of the stocks that I look at in International markets now have moved into this AI world. And so it really is touching almost everything. It's also touching the power sector in a major way. It's also touching, obviously, semiconductors, which I just mentioned. So you have the NASDAQ and the SOX, both basically being AI derivatives.

And so that clearly makes people nervous. The amount of CAPEX, both in absolute terms and in percentage of GDP terms, is massive. So there is a reason why people would be nervous. And it's because of the concentration around one idea.

So that's the why. The answer is to the what do we do with that is, if that opportunity warrants that much investment, then it's something that you have to continue to invest in. And I do believe that, again, going back to some of the points I made earlier, but this is the new electricity or a new type of digitalized intelligence. The demand for these types of products, I believe, is unlimited. And so when you have something with unlimited demand, that's going to be a pretty big investment opportunity. And I think that's what we're living through right now.

#### **Audio Ends**

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