

GLOBAL X INSIGHTS

The Next Big Theme: January 2025

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The Next Big Theme

A Regular Pulse on
Disruptive Trends by Global X ETFs



Defense Tech

Software Industry Continues to Gather a Growing Portion of Defense Spend

Palantir received authorization from the Federal Risk and Authorization Management Program (FedRAMP) to use its full product suite, including AIP, Apollo, Foundry, and Gotham. With High Authorization secured, Palantir can offer secure cloud services to the U.S. government for sensitive unclassified workloads. This authorization builds on Palantir's FedRAMP Moderate and Department of Defense certifications, further enabling the company to support U.S. government civilian, defense, and intelligence agencies.¹ Also, Palantir extended its partnership with the U.S. Army through a \$618.9 million contract to deliver the Army Vantage capability to support the Army Data Platform (ADP). ADP empowers warfighters at all levels and addresses a wide range of use cases across various data domains such as readiness, logistics, and talent management. Adopted by the Army in 2018 to enhance insights into personnel and combat readiness, Palantir's Vantage software is now the backbone of ADP operations.²

Artificial Intelligence

Agentic AI Models Hit the Market

Google unveiled its latest AI model, Gemini 2.0 Flash, featuring a globally available chat-optimized version and an experimental multimodal version for developers with text-to-speech and image generation capabilities. Heralded as a significant advancement from Gemini 1.0, Gemini 2.0 delivers improved usability in areas like code generation and factual accuracy, though it shows some limitations with longer contexts. The multimodal version is set for a broader release in January 2025, with plans to integrate Gemini 2.0 into more Google products.³ This launch highlights Google's efforts to keep pace with competitors while exploring agentic AI models capable of predictive and autonomous actions. Salesforce unveiled Agentforce 2.0, the latest iteration of its enterprise digital labor platform. Key updates include a library of prebuilt skills, streamlined workflow integrations, Slack deployment, and advanced agentic reasoning capabilities. These enhancements help businesses to scale their workforce with customized agents that handle complex tasks more precisely.⁴ Reflecting confidence in demand for Agentforce 2.0, Salesforce plans to hire 2,000 salespeople in 2025 to focus on AI product sales.⁵

U.S. Infrastructure

World's Busiest Bus Terminal Approved for Massive Upgrade

The \$10 billion redevelopment of New York City's Midtown Bus Terminal, the country's largest and world's busiest terminal, is moving forward after securing federal and city approvals. The project will replace the 74-year-old facility with a new 2.1 million-square-foot terminal, a separate storage and staging building, and updated ramps connecting to the Lincoln Tunnel. The upgraded terminal aims to enhance the bus service between New York and New Jersey, reduce curbside intercity bus operations by moving them indoors, and alleviate idling, congestion, and circulation issues on nearby streets and tunnels. The net-zero emissions project is designed to support an all-electric bus fleet and incorporates sustainability and resilience features, including onsite renewable energy, zoned heating and cooling, and heat recovery and reuse systems. Temporary structures are expected to be completed by 2028, with the main terminal slated for completion in 2032.⁶



Electric Vehicles

Electric Vehicle Sales Charge Ahead

Global electric vehicle (EV) sales were strong in Q4 2024, overcoming increasing competition and persistent headwinds in the United States and Europe.⁷ China reported robust December 2024 sales and surpassed 1 million EVs sold for the fifth consecutive month, fueled by affordable models and trade-in incentives.⁸ In the U.S. market, automakers including Ford, General Motors, Toyota, Hyundai, and Honda posted solid Q4 results for battery EVs and hybrids.⁹ Tesla, however, reported its first annual sales decline and missed Q4 estimates, although its global deliveries rose slightly to 495,000 vehicles from 485,000 in Q4 2023.¹⁰ While we anticipate continued headwinds in Europe and the United States in early 2025, global EV sales are projected to grow 30% year-over-year to 15.1 million units and account for 16.7% of the total light vehicle market.¹¹

Data Centers

Tech Giants Go Nuclear to Power Next-Gen AI Data Centers

Big Tech giants are moving to secure nuclear power to accommodate the immense electricity demands that their AI initiatives require. The latest one is Meta Platforms, which unveiled plans to add up to 4 gigawatts (GW) of nuclear generation capacity in the United States, starting in the early 2030s. Nuclear energy provides reliable, around-the-clock clean power, but its adoption has been hindered by high costs and prolonged construction timelines, leaving utilities hesitant to invest. To address this issue, Meta is soliciting proposals for 1 GW to 4 GW of reactor capacity, aiming to accelerate the deployment of new nuclear reactors and achieve cost reductions through economies of scale.¹² Meta's nuclear commitment aligns with similar efforts by Amazon and Alphabet, which invested in advanced reactor technologies, and Microsoft, which committed to purchasing power from a reactor that Constellation Energy plans to restart at Three Mile Island in Pennsylvania.¹³

Solar

U.S. Solar Industry Sets Q3 Capacity Record

At full capacity, the U.S. solar module factories can now produce enough panels to meet most, if not all, of the country's solar demand.¹⁴ In Q3 2024, the U.S. added 9.3 GW of new solar module manufacturing capacity, the most ever for Q3. The result brought the country's total capacity to nearly 40 GW, a significant increase from around 30 GW in Q2 and just over 16 GW at the end of 2023.¹⁵ Additionally, Q3 was the country's best-ever quarter for solar installations, with 8.6 GW of new solar capacity installed, a 21% YoY increase. Solar accounted for 64% of all new electricity-generating capacity added to the U.S. grid through Q3, and U.S. solar now produces enough electricity annually to power over 37 million homes.¹⁶

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- **Digital Assets:** [Blockchain & Bitcoin Strategy ETF \(BITS\)](#), [Bitcoin Trend Strategy ETF \(BTRN\)](#)
- **Multi-Theme:** [Dorsey Wright Thematic ETF \(GXDW\)](#)



Footnotes

1. Palantir. (2024, December 3). Palantir Granted FedRAMP High Baseline Authorization.
2. Palantir. (2024, December 8). Palantir Expands Army Vantage Partnership with \$618.9M Contract.
3. CNBC. (2024, December 11). Google releases the first of its Gemini 2.0 AI models.
4. Business Wire. (2024, December 17). Introducing Agentforce 2.0: The Digital Labor Platform for Building a Limitless Workforce.
5. CNBC. (2024, December 17). Salesforce will hire 2,000 people to sell AI products, CEO Marc Benioff says.
6. ENRNewYork. (2024, December 5). New Approvals Gained for NYC \$10B Bus Terminal Rebuild
7. Investors.com. (2025, January 3). EV Sales, Including Hybrids, Surge for Auto Giants Not Named Tesla.
8. CNEVPOST. (2025, January 3). China Dec NEV wholesale at record 1.5 million, CPCA estimates show.
9. Investors.com. (2025, January 3). EV Sales, Including Hybrids, Surge for Auto Giants Not Named Tesla.
10. Yahoo! Finance. (2024, January 2). Tesla stock slides after Q4 delivery miss, first yearly sales decline.
11. EV.com. (2024, December 31). EVs Are Charging Ahead: Global EV Sales Forecast for a 30% Jump in 2025.
12. Meta. (2024, December 3). Accelerating the Next Wave of Nuclear to Power AI Innovation.
13. NPR. (2024, December 9). Artificial intelligence wants to go nuclear. Will it work?
14. Ibid.
15. SEIA. (2024, December 4). REPORT: U.S. Solar Cell Production Resumes for First Time Since 2019, as Solar Module Manufacturing Sets Record in Q3.
16. SEIA. (2024, December 4). Solar Market Insight Report.

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