GLOBAL X INSIGHTS

The Next Big Theme: March 2025

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MONTHLY CHART SPOTLIGHT

U.S. MANUFACTURING RELATED INVESTMENTS DROVE SURGE IN CONSTRUCTION AND INFRASTRUCTURE ACTIVITY

U.S. Manufacturing Construction Spend ($)

Sources: U.S. Census Bureau. (2025, Feb 28). Total Private Construction Spending: Manufacturing in the United States. Federal Reserve Economic Data.

U.S. Infrastructure

Big Tech's U.S. Manufacturing Investments Surge Amid Reshoring Efforts

Apple announced a $500 billion investment within the United States over the next four years, aiming to bolster domestic manufacturing, innovation, and job creation. Key initiatives include constructing a 250,000-square-foot manufacturing facility in Houston, Texas. Slated to open in 2026, the new facility will produce servers for Apple Intelligence. To support advanced manufacturing and skills development nationwide, Apple will double its U.S. Advanced Manufacturing Fund to $10 billion. Additionally, Apple plans to establish a Manufacturing Academy in Michigan to assist small and medium-sized businesses in adopting artificial intelligence (AI) and smart manufacturing techniques. All told, these initiatives are projected to create approximately 20,000 new jobs, primarily in research and development sectors, focusing on areas such as silicon engineering, software development, and AI.[1] Apple's commitment reflects a broader trend among tech giants to reshore and enhance their U.S. manufacturing capabilities, contributing to a surge in construction and infrastructure activity across the country.

Artificial Intelligence

Gen AI App Race Heats Up, and Startup Valuations Continued to Soar

To compete with popular AI chatbots like OpenAI's ChatGPT and Anthropic's Claude, Meta intends to launch the Meta AI app in Q2 2025, marking a significant step in the company's goal to become the AI industry leader by year-end. Currently embedded in Facebook, Instagram, and WhatsApp with 700 million monthly users, Meta AI will join the company's suite of standalone apps and may include a paid subscription tier like ChatGPT. This move follows competitors like Google's Gemini and Elon Musk's xAI releasing dedicated apps. ChatGPT remains the most downloaded AI app globally.[2] In its recent funding round, Anthropic raised $3.5 billion at a $61.5 billion valuation, up from its $18.5 billion valuation in February 2024.[3] The startup plans to use the funding to expand its computing capacity, deepen its research, and accelerate its global expansion. This news follows Anthropic reaching the $1 billion annualized revenue mark in December 2024—a tenfold year-over-year (YoY) increase.[4]

Defense Tech

European Union (EU) Nations Accelerate Defense Spending

In a major defense overhaul as part of efforts to strengthen European security, the United Kingdom (UK) is creating a new defense unit to oversee £20 billion ($25 billion USD) in military spending. The UK is under pressure to increase defense spending, with Prime Minister Keir Starmer suggesting a rise to 2.5% of GDP.[5] North Atlantic Treaty Organization (NATO) member countries committed to spending targets well above 3% of GDP to mitigate growing conflicts from non-NATO members and reduce their reliance on the United States. President Trump has urged NATO members to spend 5% of GDP on defense, up from the current 2% target and more than any NATO member currently spends.[6] We believe that the increases in EU defense spending should help partially offset U.S. defense spending declines, and that it could spur innovation and procurement of more efficient defense technology software solutions.

Data Centers & Digital Infrastructure

AI Boom Sparks Record-Breaking Data Center Investments and Expansion

In one of the biggest data center construction loans in history, a Utah data center developer secured a $2 billion+ financing for a massive 100-acre facility, underscoring the growing demand for facilities that support AI and its energy-intensive workloads. The data center will consume 175 megawatts of continuous power, enough to support 175,000 U.S. homes. This deal marks the second $2 billion+ financing of 2025. Previously, data center loans rarely exceeded $1 billion, but lenders are now backing larger projects due to AI's exponential growth. With AI applications requiring advanced chips and significant power, developers are securing major tenants before breaking ground, shifting away from speculative builds. At the end of 2024, 6.3 gigawatts of data center capacity were under construction across the top eight U.S. markets, more than double that of 2023. Space and power constraints in traditional hubs like Northern Virginia and Chicago are driving expansion into new regions, such as Louisiana and South Carolina, where Big Tech companies are investing billions.[7]

FinTech

Private FinTech Valuations and Payment Processing Prove Resilient

Payment processor Stripe garnered a valuation of $91.5 billion in its latest tender offer, a significant rebound from its $50 billion valuation in 2023 and near its peak of $95 billion in 2021. The valuation underscores the resilience of proven FinTech platforms amid market volatility when backed by genuine customer demand. A surge in demand from AI companies has helped Stripe's profitability over the past two years. Hundreds of AI startups use Stripe's payment infrastructure, which in 2024 led to a 40% increase in the company's processed payments, totaling $1.4 trillion.[8] Leading payments network provider Zelle also reported over $1 trillion in total volumes in 2024. The company's user base climbed 12% YoY to 151 million accounts and total dollars sent on the platform rose 27% YoY, marking the best single year in history for a peer-to-peer payments service provider. This trend suggests that well-positioned FinTech firms can thrive even amid economic uncertainty.[9]

Robotics & Artificial Intelligence

Robotaxis Gained Further Momentum

Waymo, Alphabet's autonomous vehicle subsidiary, reached a major milestone by doubling its weekly paid robotaxi rides from August 2024 to over 200,000 by February 2025. Going back two years, it's a twenty-fold increase from 10,000 weekly rides. Waymo's self-driving system now drives more than 1 million miles each week, with that number expected to grow in 2025 following the company's launch of commercial robotaxi services in Austin in partnership with Uber.[10] Austin follows Phoenix as the second U.S. city where Waymo robotaxis are available in the Uber app. Waymo is also available in other cities, including Los Angeles and San Francisco, via the company's ride-hailing service, called Waymo One.[11] The alliance with Uber signifies a pivotal shift in the transportation landscape, where traditional ride-sharing platforms increasingly incorporate autonomous technologies. It also highlights increasing acceptance of autonomous vehicle technology among the public.

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- CleanTech: Critical to Energy Security
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ETF HOLDINGS AND PERFORMANCE

To see individual ETF holdings and current performance across the Global X Thematic Suite, including information on the indexes shown, click these links:

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- **Infrastructure & Environment:** U.S. Infrastructure Development ETF (PAVE), CleanTech ETF (CTEC), Renewable Energy Producers (RNRG), Clean Water ETF (AQWA), Hydrogen ETF (HYDR), AgTech & Food Innovation ETF (KROP), Infrastructure Development ex-U.S. ETF (IPAV)
- **Digital Assets:** Blockchain & Bitcoin Strategy ETF (BITS), Bitcoin Trend Strategy ETF (BTRN)
- **Multi-Theme:** Dorsey Wright Thematic ETF (GXDW)

Footnotes

1. Apple. (2025, February 24). Apple will spend more than $500 billion in the U.S. over the next four years.
2. CNBC. (2025, February 27). Meta plans to release standalone Meta AI app in effort to compete with OpenAI's ChatGPT.
3. Crunchbase. (2025, February 25). Anthropic Nears Closing of $3.5B Funding At a $61.5B Valuation.
4. CNBC. (2025, March 3). Amazon-backed AI firm Anthropic valued at $61.5 billion after latest round.
5. Bloomberg. (2025, February 18). UK Plans FTSE Firm-Style Unit for £20 Billion Defense Spending.
6. Wall Street Journal. (2025, February 17). European Defense Stocks Rise on NATO Remarks on Military Spending Boost.
7. Wall Street Journal. (2025, March 4). Banks Loan $2 Billion to Build a 100-Acre AI Data Center in Utah.
8. CNBC. (2025, February 27). Stripe's valuation climbs to $91.5 billion in secondary stock offer.
9. CNBC. (2025, February 12). Zelle payments top $1 trillion in 2024 as network's growth outpaces rivals including PayPal.
10. TechCrunch. (2025, February 27). Waymo has doubled its weekly robotaxi rides in less than a year.
11. Axios. (2025, March 4). Uber riders might find no one in the driver's seat next time they hail a ride in Austin.

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