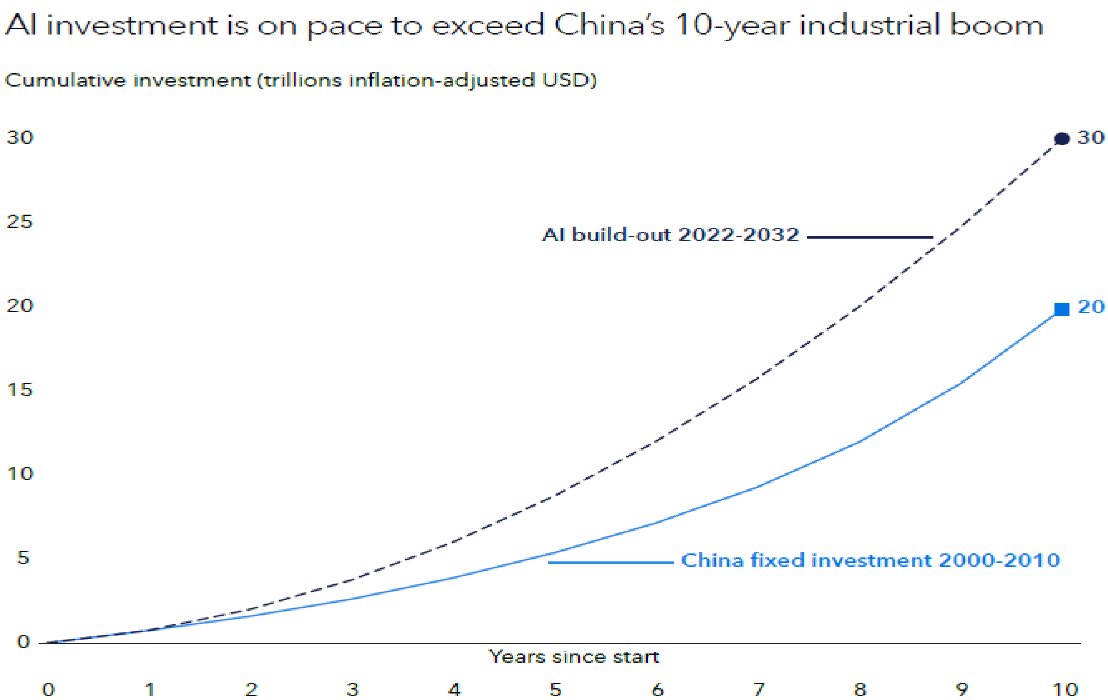
CAPITAL VIEW INVESTMENT GROUP
Advisors with D.A. Davidson & Co. member SIPC

Quarterly Newsletter

D|A|DAVIDSON

The AI Build-Out: A Generational Shift in Business and Markets

Few topics have dominated client conversations the last year quite like artificial intelligence. From the way companies operate, to how earnings are growing, to where capital is flowing — AI is reshaping the economic landscape in real time. The chart below puts the scale of this transformation into historical perspective.



Source: Capital Group

Projected AI-related investment of roughly $30 trillion between 2022 and 2032 is on pace to exceed China's $20 trillion industrialization of the 2000s — widely considered the largest economic build-out in modern history. Hyperscalers like Microsoft, Amazon, Alphabet, Meta, and Oracle are leading the spending, with ripple effects reaching semiconductors, power utilities, data centers, and industrial firms like Caterpillar, whose construction sales grew 38% in the first quarter of this year (Capital Group).

That capital is already showing up in earnings. AI-related companies in the S&P 500 are now projected to grow earnings 41% year-over-year, up from the 19% expected at the start of 2026, and AI stocks have returned a median of 20% YTD versus 11% for the broader S&P 500 (BlackRock, Student of the Market).

This isn't just a technology story — it's an earnings story, a productivity story, and increasingly, a portfolio story. That said, concentration risk is real: a handful of the world's largest companies are riding the same wave, which is why diversification, careful stock selection, and a long-term mindset remain as important as ever.

Our approach remains consistent. We participate thoughtfully in transformative trends, avoid chasing headlines, and stay focused on long-term fundamentals. Generational shifts like this one reward patience and a plan.

As always, if you'd like to discuss what this means for your portfolio or review your financial plan, we're here.

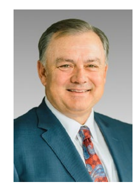
Best Regards,

Mark, Brad T., Drew, Brad H., Krupa & Erin

Mark Hansen, CRPC®, CWS®
Senior Vice President,
Financial Advisor,
Portfolio Manager

Brad Thurber, CFP®
Senior Vice President,
Financial Advisor,
Portfolio Manager

Drew Morin, CFP®, AIF®, CWS®
Associate Vice President,
Financial Advisor



Bradley Hansen
Senior Vice President,
Portfolio Manager

Krupa Sukavaneshvar
Registered Client Associate

Erin Lui
Supervisory Branch Office
Operations Manager,
Registered Client Associate

95 S. State Street, Suite 1500 | Salt Lake City, UT 84111 | (801) 333-3140 | (888) 334-3140
www.capitalviewinvestmentgroup.com