S&P Dow Jones Indices

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TalkingPoints

Rethinking Thematics: Deglobalization, AI and Concentration



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1. How has the thematics landscape changed in recent years?

Thematic indexing has continued to evolve alongside the broader financial markets. However, its core objective remains unchanged: providing rules-based exposure to structural trends and technologies that are not cleanly captured through traditional sector and industry classifications. Recent advances in artificial intelligence (AI) have accelerated both the development of new themes and the tools used to research them. The emergence of large language models (LLMs) and the buildout of AI-related infrastructure have become important drivers of economic activity, creating new opportunities to develop thematic indices.

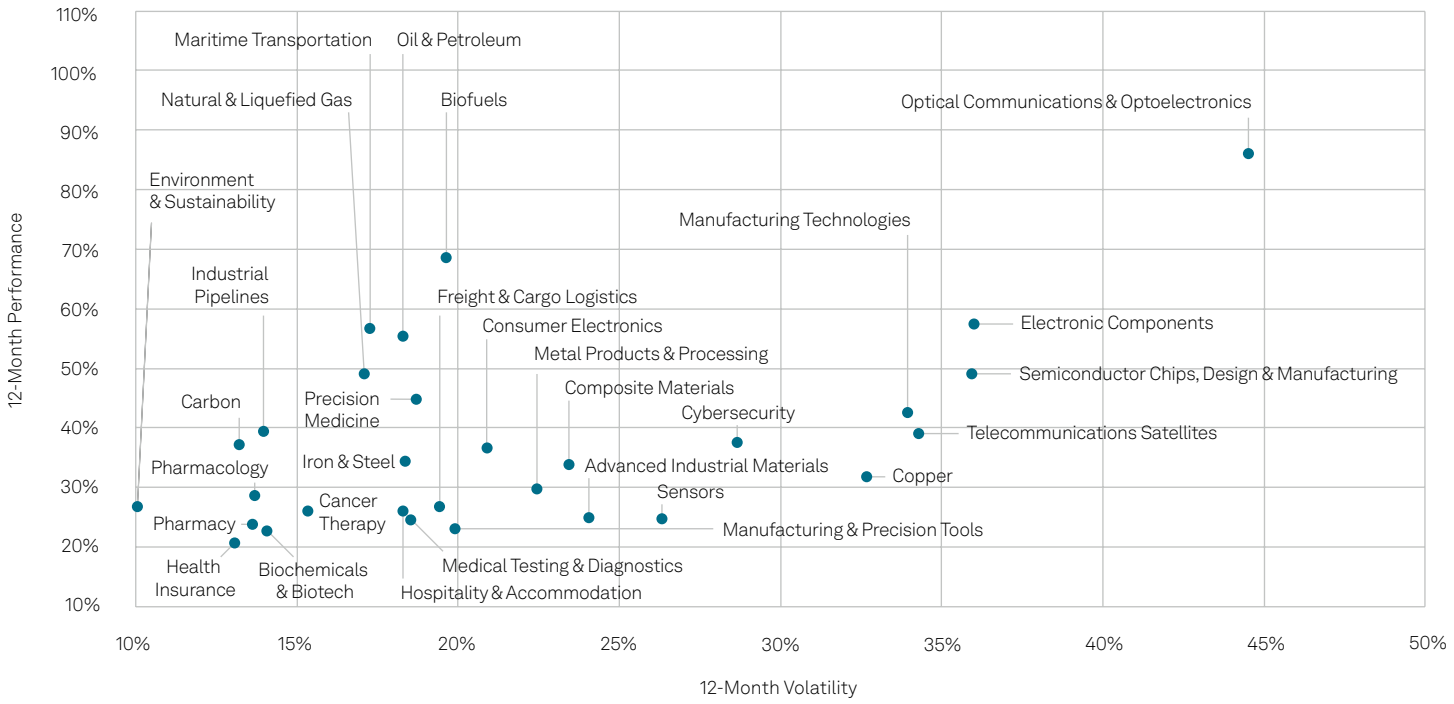
The growing breadth and pace of the thematic landscape have also changed how thematic opportunities in indexing are researched and monitored. Last year, S&P Dow Jones Indices (S&P DJI) engaged with Onthos (formerly Theia Insights[1]) to enhance its thematic research and indexing capabilities. More recently, S&P DJI launched a monthly S&P Thematics Dashboard[2] covering more than 200 themes across global markets, to provide a tool helping to monitor the evolving thematic landscape.

The interaction between AI and thematic indexing can broadly be viewed through two lenses: AI-enabled thematic indexing and thematic indexing for AI exposure. The first relates to the growing use of AI-powered tools that assist with theme discovery, classification and company identification: as these tools have become more sophisticated, their adoption across the index construction process has increased. The second focuses on thematic indexing for AI exposure, examining how indices can systematically capture companies involved in the development, deployment and adoption of AI technologies.

[1] "From Theia to Onthos," Onthos, Sept. 9, 2026.
[2] Dashboard: S&P Thematics Indices. S&P Dow Jones Indices LLC.

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Exhibit 1: Risk/Performance Snapshot for Top-Performing Themes



Source: S&P Dow Jones Indices LLC, Onthos. Data as of Oct. 25, 2026. Each basket represents the top 30 stocks, which are selected based on a metric that combines each stock's exposure to the theme, with its excess return correlation to the theme's return. Past performance is no guarantee of future results. Chart is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance. Only top 30 themes ranked by performance are shown in the chart.

2. How are you using AI tools within thematic index construction and what are the potential benefits of this approach?

While final decision making and governance in S&P DJI's index construction and calculation processes remain human-led, S&P DJI has been implementing the AI and machine learning (ML) tools of S&P Global's Kensho framework since 2018 to support theme identification and company classification. Recent advances in ML algorithms and LLMs have augmented these capabilities, supporting both the thematic classification and the breadth of information that can be incorporated into the analysis.

A practical benefit of these tools is an ability to connect information across a broader set of data sources, conceptually similar to the mosaic approach used by industry analysts, where multiple sources of information are brought together to assess a company's exposure to a theme.

This capability can be particularly useful when mapping companies within emerging themes, thus supplementing traditional classification frameworks to more fully capture the thematic ecosystem. Humanoid Robotics is one such example, with relevant companies spanning software, hardware, automation and component suppliers across multiple sectors and industries. Using knowledge graph frameworks built from company disclosures, research reports and other information sources, AI tools can help to identify these connections and assess each company's relevance to the broader thematic value chain. This allows companies to be identified even when they do not directly produce humanoid robots but play a critical role in enabling the ecosystem.

Beyond helping classify companies within existing themes, AI tools can also help identify emerging themes themselves. By analyzing information across thousands of companies and research sources, these frameworks can assist in detecting areas gaining momentum across innovation, corporate activity and investment. Humanoid Robotics and Quantum Computing are recent examples. AI can help surface these developments at an earlier stage, bringing attention to themes that may warrant further evaluation for potential index development.

3. How does S&P DJI seek to track the different subthemes of AI with its indices?

Turning to the perspective of thematic indexing for AI exposure, it is important to recognize the breadth of investment in developing these technologies across the AI ecosystem. AI infrastructure spending is expected to reach approximately USD 6 trillion in the U.S. alone by 2030,[3] supporting the development, deployment and scaling of AI technologies. This level of activity extends beyond software and semiconductors, and includes other segments of the economy such as digital infrastructure, energy and materials. Given the breadth of these opportunities, S&P DJI approaches the AI ecosystem through an enablers and adopters framework, offering distinct ways designed to track different segments of the AI value chain.

On the enablers side, the S&P Kensho Global Artificial Intelligence Enablers Index is designed to track hardware and software technologies that power AI workloads. Scaling these technologies requires significant investment in digital infrastructure, including data centers and related computing infrastructure, which S&P DJI aims to track through the S&P Data Center, Tower REIT and Communications Equipment Index.

Beyond digital infrastructure, AI expansion is also contributing to demand for power generation, grid modernization and energy infrastructure, which S&P DJI seeks to measure through the S&P U.S. Power Infrastructure Select Index. Finally, AI infrastructure expansion is increasing demand for metals essential to electrification, power transmission and energy transition technologies. As data centers, grid infrastructure and power generation capacity continue to scale, the need for these critical inputs grows alongside them.[4] This segment is tracked through the S&P Global Essential Metals Producers Index.

On the adopters side, the focus shifts from building AI to applying it. The S&P Kensho Artificial Intelligence Enablers & Adopters Index expands the opportunity set beyond AI enablers and is designed to measure the performance of companies that are poised to benefit from AI technology adoption, including those incorporating AI into their products, services and business models. This includes areas such as autonomous vehicles, robotics and drones, where AI is increasingly serving as a source of innovation and competitive differentiation.

At a broader level, the S&P Kensho New Economies Composite Index aims to track companies driving innovation across 25 themes associated with the Fourth Industrial Revolution. While not exclusively focused on AI, the index is designed to reflect industries where AI is increasingly influencing product development, business models and competitive dynamics. As a result, it seeks to track a broader group of companies associated with AI-related developments across multiple sectors of the economy.

4. How is the growing sentiment of deglobalization influencing potential thematic opportunities outside of AI and how can indices help market participants observe these trends?

Alongside AI, shifts in the global strategic landscape have become another major force shaping thematic opportunities. Increasing economic and strategic fragmentation is placing greater emphasis on national and regional priorities, with governments focusing on areas such as defense, energy security, supply chain resilience and technological independence.[5] As policy and fiscal spending increasingly align with these priorities, new thematic opportunities are emerging across regions, contributing to interest in more targeted exposures.

Several recent indices aim to illustrate this dynamic. The S&P U.S. Manufacturing Select Index is designed to track U.S.-listed companies involved in manufacturing activities that generate revenue domestically, reflecting growing interest in supply chain resilience, reshoring and domestic industrial capacity. Similarly, the S&P Europe Defense Vision Index aims to measure companies involved in leading and facilitating Europe's defense ecosystem, reflecting the region's growing focus on defense and security. Similar developments are emerging across Japan, the Middle East and other regions pursuing distinct economic and strategic objectives.

Indices seek to help market participants observe these developments by providing a transparent framework designed to measure the performance of emerging themes. Beyond serving as benchmarks for financial products, they may provide insight into which industries and companies are associated with evolving regional priorities and seek to assess whether these trends are being reflected in measurable market outcomes.

[3] Estrada, Sheryl, "What bubble? JPMorgan says the $5.5 trillion AI capex explosion is profitable–for now," Fortune, June 25, 2026.

[4] "Energy and AI: Energy supply for AI," IEA, 2025.

[5] "Evolving Thematic Landscapes and Megatrends in 2026," Goldman Sachs Asset Management, Nov. 18, 2025.

5. How are thematic index innovations aiming to help market participants make more informed decisions?

The rapid pace of innovation is creating a more interconnected economic landscape. Large technology companies such as Alphabet and Amazon increasingly participate across multiple themes, while advances in one technology often accelerate innovation in others. Improvements in battery technology, for example, have supported the growth of electric vehicles, energy storage, drones and wearable devices. This dynamic reflects the broader concept of exponential innovation, where breakthroughs in one area create opportunities across many others.[6]

Our thematic philosophy largely operates under a one-to-many mapping framework, where a single company may have relevance across multiple themes, helping identify companies and technologies positioned to participate in several innovation trends.

The same framework may also help identify exposures that may not be immediately apparent. For example, a market participant analyzing exposure across AI, Cloud Computing, Autonomous Vehicles and Digital Health may observe what appears diversified thematic exposure while, in reality, there may be increased exposure to a company such as Baidu that sits across all four themes. Thematic indices may help to highlight these overlaps, revealing whether apparently diversified thematic exposures are concentrated in the same companies and technologies.

Learn more about S&P DJI's thematic indices.

[6] "Top 10 Emerging Technologies of 2025," World Economic Forum, June 24, 2025.

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