

Special Report

AI, infrastructure and governance

Insights from the leaders of Microsoft, NVIDIA and SpaceX at the All-In Summit 2026 in Los Angeles

A JM Finn special report by Freddy Colquhoun, Investment Director.



The discussions with Satya Nadella (CEO Microsoft), Jensen Huang (CEO Nvidia), Elon Musk and Gwynne Shotwell (CEO & COO SpaceX) offered three distinct perspectives on the next phase of Artificial Intelligence (AI).

Each leader approached the subject from a different position in the technology stack, but several common themes emerged: infrastructure build out remains central, AI is fast moving into operational workflows, model choice is likely to broaden and governance will become increasingly important as systems gain autonomy. However, none of these individuals believe in further government regulation at this stage in the development cycle.

- Microsoft aims to become the platform through which enterprises build, deploy, secure and manage AI across a multi-model environment where a lot of the monetisation will be captured.
- NVIDIA is extending its position from accelerator chip designer to full-stack AI infrastructure provider, while presenting safety as a practical

‘engineering’ discipline that will remove the risks identified in the ‘research’ part of the process.

- SpaceX is broadening beyond rocket launch through Starlink (satellite-based Wi-Fi), xAI, compute infrastructure and advanced manufacturing, although the investment case carries significant valuation, governance and execution risks.
- Across all three discussions, value appears likely to accrue not only to frontier models, but also to compute, networking, power, security, orchestration, monitoring and workflow integration (‘the application layer’).
- The commercial opportunity is substantial, but investors need to test whether demand and monetisation can justify high capital expenditure and elevated expectations as well as weighing safety concerns over the technology.

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The next phase of AI will be shaped as much by infrastructure, control and commercial deployment as by advances in model capability."

Three approaches to the same transition

Nadella's emphasis was on enterprise sovereignty and the control layer around AI. Huang focused on the industrialisation of intelligence and the scale of the compute buildout. Musk and Shotwell described a more vertically integrated future in which communications, compute, energy, launch and AI converge. Together, the presentations suggested that the AI investment debate is becoming broader and more demanding. Investors must consider not only who develops the strongest model, but who controls the infrastructure, distribution, customer relationship and safeguards required for deployment.

Investment conclusions

The discussions point to an AI market that is becoming more complex, capital intensive and embedded in the real economy. Model capability remains important, but it is only one part of the investment case. Infrastructure, distribution, security, governance, power and customer workflows may determine which companies convert technological progress into durable returns.

- Platform breadth can create resilience as model leadership changes, but it may also increase capital requirements and organisational complexity, leading to lower productivity gains.
- Governance and safety are becoming commercial categories, particularly in regulated and mission-critical environments.
- Open-source and lower-cost models may widen adoption while putting pressure on the economics of premium models and some infrastructure assets. We will be carefully watching the upcoming IPO of Anthropic as a litmus test for what price investors are willing to pay for the shares after recent concerns over safety and success of open-model capabilities.
- High demand does not automatically produce attractive shareholder returns. Utilisation, pricing, competitive intensity and valuation remain decisive for us as metrics of value.



Microsoft

Satya Nadella: enterprise AI, sovereignty and the control layer

Satya Nadella set out a vision of an AI market built around many models rather than one dominant provider. Microsoft's role in that market is to supply cloud infrastructure, software, security and orchestration tools that allow enterprises to apply AI within existing workflows. The discussion also reflected a shift in the safety debate, from distant scenarios towards the practical controls required when autonomous agents can act within corporate systems.

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Microsoft is positioning itself as the toolmaker for a multi-model world.

AI safety becomes operational

Nadella described AI agents as a new form of 'insider risk'. A system given a narrow objective could satisfy it in an unintended way, including manipulating the measures used to assess success. For businesses, this increases the need for permission controls, segregated access, audit trails, behavioural monitoring and independent verification.

This framing treats safety as a continuing control process rather than a one-off test. As model behaviour cannot always be predicted in advance, testing, observation and oversight become part of day-to-day deployment. This could support demand for Microsoft products across identity, security, compliance and data governance.

A multi-model market

Microsoft does not appear to believe that durable value will sit only with the largest foundation models (Claude & ChatGPT). It expects organisations to select different models according to capability, cost, security and intellectual property requirements. Frontier models may be used for complex reasoning, while smaller or open models handle lower-cost and specialised tasks.

Azure AI Foundry is central to this strategy. It gives customers a platform for selecting and managing models within a secure environment, while Microsoft can benefit from associated compute, software and workflow consumption, regardless of which model is chosen.

Enterprise sovereignty

Nadella's 'pull-out test' asks whether an enterprise could replace an underlying model without disrupting a critical process. The principle is that customers should retain control of their data, workflows, intellectual property and evaluation frameworks rather than becoming dependent on one external model provider.

This approach is likely to appeal more to regulated businesses, where security, resilience and supplier concentration are important. It also supports Microsoft's position as an orchestration and control layer above individual models that works with customers to provide them with what their enterprise needs rather than an off-the-shelf product.

Investment Takeaway

Microsoft appears well positioned because it is not relying solely on foundation-model supremacy. It is building the infrastructure and control plane for a multi-model environment, while using its existing enterprise relationships to embed AI within customers' workflows. That positioning should support durable strategic relevance even if individual models commoditise. The principal risks are capital intensity, regulatory and product-liability exposure, continued dependence on a relatively small number of frontier-model and accelerator providers, and uncertainty over where economics ultimately settle across the stack. Nevertheless, if Nadella is correct, the next phase of AI monetisation will be driven less by intelligence in isolation and more by the systems that make it safe, governable and commercially useful.

The recent recovery in the share price suggests that investors have become more comfortable that Microsoft is once again in control of its own destiny rather than being seen as a company under direct attack from AI disruption.

JM Finn Investment Office view

Microsoft's competitive strength lies in its ability to embed AI across a broad enterprise ecosystem rather than in relying on a single model. Azure AI Foundry, Microsoft 365, GitHub, Dynamics and Security give the company multiple routes to increase customer spend and strengthen switching costs. Value is likely to accrue to the orchestration and workflow layers as models become more interchangeable. Whilst viewing the opportunity as attractive, the Investment Office continues to monitor capital intensity, infrastructure utilisation, Copilot adoption and the pace at which AI investment translates into higher revenue per customer.

NVIDIA

Jensen Huang: AI infrastructure and the industrialisation of intelligence

Jensen Huang remains highly optimistic about long-term demand for AI compute. He sees the industry at the beginning of a multi-decade infrastructure buildout and increasingly describes NVIDIA as a full-stack platform spanning chips, networking, systems and software. His position on safety is practical: risks should be identified and managed through engineering, testing and monitoring rather than framed only through speculative predictions.

His central argument was that many previous AI predictions have simply been wrong. Claims that radiologists would become obsolete, that AI would generate almost all software code within a year, or that large proportions of entry-level jobs would disappear have not materialised, according to Huang. He suggested that the industry's track record should encourage a greater degree of humility when forecasting dramatic future outcomes.



NVIDIA no longer presents itself simply as a semiconductor designer, but as the computing platform for an AI industrial revolution.

Safety as an engineering discipline

Huang challenged extreme forecasts about AI while accepting that deployment requires rigorous safeguards. His preferred tools include sandboxing, validation, regression testing, monitoring, independent assessment and root-cause analysis.

This perspective suggests that adoption and safety can progress together. It also points to a broader commercial ecosystem around verification, governance and monitoring as AI enters more sensitive applications. He does not see the need for further government regulation at this stage of development.

From chips to AI factories

NVIDIA's strategy extends beyond individual graphics processing units (GPUs). Its aim is to supply integrated AI systems combining compute, networking, software libraries and development tools. CUDA remains central because its large developer ecosystem creates network effects and switching costs.

The company's full-stack approach improves system performance and gives NVIDIA exposure to a wider share of AI infrastructure spending. Demand is also broadening

beyond hyperscalers to sovereign AI programmes, specialist laboratories, enterprises and newer cloud providers.

Open and closed models

Huang expects open and proprietary models to coexist. Open models can support sovereignty, privacy, customisation and start-up formation, while closed services provide convenience and high capability. A more diverse model market could increase overall compute demand, but continued efficiency gains may change the amount and type of hardware required for each workload. Nvidia has its own open model within its ecosystem and so has a vested interest against more government regulation.

Investment Takeaway

The key message I took away from Huang's remarks is that AI safety and AI adoption are not mutually exclusive. NVIDIA's position is that the industry should pursue both simultaneously, treating safety as a rigorous engineering challenge rather than a reason to halt progress.

For investors, the implications remain supportive for companies exposed to AI infrastructure, power, networking, software tooling and deployment platforms. NVIDIA continues to occupy a uniquely attractive position at the centre of this ecosystem, supported by accelerating demand, a growing software footprint and a management team that views AI as a broad-based economic transformation rather than a cyclical technology trend.

Perhaps the most important observation was Huang's repeated effort to separate genuine safety concerns from sensationalism. The next battleground in AI may not be model capability itself, but the governance, monitoring and verification frameworks that allow powerful systems to be trusted. As AI moves from experimentation into mission-critical environments, those companies enabling safe deployment could become just as important as those building the models themselves.

JM Finn Investment Office view

The company retains a strong competitive position through CUDA, its integrated hardware and software offering and its central role in AI data centre investment. We expect NVIDIA to remain dominant even as competitor chipmakers and custom accelerators gain some share. The Investment Office view is therefore balanced: the long-term growth opportunity remains compelling, but current expectations already assume substantial expansion. Monitoring priorities include customer returns from AI, gross margin progression, competition from ASICs (alternative chips), supply chain concentration and whether inference increasingly moves to edge devices.

SpaceX

Elon Musk and Gwynne Shotwell: the convergence of physical and digital infrastructure

Elon Musk (CEO) and Gwynne Shotwell (COO) presented SpaceX as a broader infrastructure platform spanning launch, satellite communications, artificial intelligence, computing and advanced manufacturing. Starlink, xAI, custom silicon and potential orbital data centres are increasingly discussed as interconnected parts of one ecosystem. This creates a wide strategic opportunity, but also introduces material valuation, governance and execution risks.



SpaceX increasingly resembles a vertically integrated infrastructure platform rather than a conventional aerospace company.

Beyond launch

SpaceX is no longer defined solely by reusable rockets. Starlink provides a global communications network, while xAI and compute infrastructure add exposure to artificial intelligence and data-centre demand. Engineering knowledge is being shared across aerospace, manufacturing, hardware and AI activities.

The strategy may create operational advantages, but it also makes the group more complex. Investors need to assess businesses with different capital requirements, competitive dynamics and paths to profitability within one corporate structure.

Governance through adversarial review

Musk argued that internal AI safety reviews can resemble 'self-graded homework' because development teams face commercial pressure to launch new models fast. His alternative is an adversarial peer-review system in which leading laboratories test one another's models before release. This should include leading US and Chinese companies and can begin immediately.

The proposal would use technical scrutiny, disclosure, reputation and legal liability to encourage action on identified weaknesses. It offers a market-led approach, although questions remain around confidentiality, incentives, enforcement and the role of formal regulation should these peer reviews not provide the thoroughness that will be required to ensure complete safety.

Vertical integration

SpaceX is seeking greater control of critical inputs including launch capacity, communications, compute and potentially semiconductors via the building of its vastest Terafab facility in Texas. This reflects the wider constraint facing AI infrastructure, where power, networking, hardware and manufacturing capacity can determine the speed of deployment.

Starship is another expression of this approach. Rapid and full reusability could materially change launch economics, but the technical and financial outcomes remain uncertain. Orbital computing is similarly ambitious and depends on assumptions around power, cooling, connectivity, maintenance and launch cost.

Investment Takeaway

The key message I took away from the discussion is that SpaceX is increasingly evolving into a vertically integrated infrastructure platform spanning physical and digital domains. Rockets, satellites, AI systems, communications networks and computing infrastructure are all being developed as complementary parts of a single ecosystem.

Equally important was Musk's contribution to the AI safety debate. Rather than advocating either unrestricted acceleration or heavy-handed regulation, he proposed a third path based on adversarial peer review, competitive oversight and reputational accountability. Whether or not the framework is ultimately adopted, it represents one of the more thoughtful attempts to reconcile rapid innovation with meaningful safety controls.

For investors, the broader implication is that the next phase of competition in AI may not be determined solely by model quality. Control of infrastructure, energy, communications, compute capacity and governance frameworks could prove equally important. Viewed through that lens, SpaceX increasingly looks less like an aerospace company and more like a foundational platform for the emerging AI economy.

JM Finn Investment Office view

Its June 2026 company primer highlighted the company's operating losses, capital intensity, governance concerns, limited free float and demanding valuation. The Investment Office view is that SpaceX offers genuine long-term optionality across launch, connectivity and AI, but the range of outcomes is unusually wide.

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