# Meta CEO announces increased spending, affecting stock performance



In a recent statement, Meta CEO Mark Zuckerberg announced a significant increase in the company's anticipated spending for the current financial year, projecting an expenditure of $60 to $65 billion, a marked rise from the previous estimate of $38 to $40 billion. This revelation has led to a downward trend in Meta's stock, which saw a decline of $9.43 or 1.48%, bringing it to $627.25 during premarket trading.

Zuckerberg elaborated on the company's plans to expand its artificial intelligence division considerably, highlighting the strategic importance of AI in Meta's future operations. He mentioned that Meta is in the process of constructing a large-scale data centre, set to provide over 2 gigawatts (GW) of power, which would cover a significant part of Manhattan. According to Zuckerberg, the investment is a testament to Meta's commitment to innovation and future growth.

The market reacted negatively to the announcement of increased costs, even as investors tend to welcome improved efficiency and growth. This initial response indicates a cautious sentiment as shareholders digest the implications of rising expenditures on the company's overall financial health. Notably, prior to this development, shares of Meta had closed at a record high of $636.45, reflecting a strong performance.

In contrast to Meta's stock movement, Nvidia shares experienced a slight uptick, trading higher by $0.76, or 0.52%, suggesting a varied investor sentiment towards tech stocks within the sector.

As Meta prepares to announce its earnings on January 29, the current updates may serve as a precursor to what analysts and investors can expect, while there remain concerns over the implications of such increased spending. In the meantime, the company’s planned data centre in Richland, illustrated in a provided map, signals its ambition to scale operations in a landscape increasingly defined by AI automation and technological advancement.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.constellationr.com/blog-news/insights/meta-plans-end-2025-13-million-gpus-and-60b-65b-spent-ai> - This article supports Meta's plan to spend $60 billion to $65 billion on AI infrastructure and its goal to end 2025 with 1.3 million GPUs.
* <https://www.morningstar.com/news/marketwatch/20250124224/meta-plans-to-spend-way-more-than-expected-on-ai-investors-dont-seem-to-mind> - This article corroborates Meta's increased capital spending on AI and its impact on investor sentiment.
* <https://www.noahwire.com> - This is the source of the original article, though it does not provide additional external links to support specific claims.
* <https://finance.yahoo.com/quote/META/> - This link provides real-time stock data for Meta, which can be used to verify the stock price movements mentioned in the article.
* <https://www.nvidia.com/investor-relations/> - This link provides information on Nvidia's financials and stock performance, supporting the mention of Nvidia's stock uptick.
* <https://www.meta.com/news/> - This link provides official news from Meta, which may include announcements related to AI investments and data center developments.
* [https://www.bloomberg.com/quote/META:US](https://www.bloomberg.com/quote/META%3AUS) - This link offers detailed financial data and news on Meta, including stock performance and market reactions.
* <https://www.cnbc.com/quotes/?symbol=META> - This link provides real-time stock quotes and news for Meta, supporting the discussion of its stock price movements.
* <https://www.reuters.com/companies/META.O> - This link offers news and financial data on Meta, including updates on its AI investments and stock performance.