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How Exposed is Household Wealth to AI?

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Key takeaways

- Australian household wealth has become increasingly exposed to overseas equity markets, particularly the United States, where AI-related stocks are concentrated.
- We estimate that 5.3 per cent of household financial wealth was exposed to AI-related equities in June 2026, an increase from 2.0 per cent at end-2022. Most of this exposure was held indirectly through superannuation.
- This increase means that household wealth, and potentially consumption, has become more sensitive to movements in AI-related equity prices than was the case in 2022. The magnitude of any consumption effect will depend on several factors, in part because much of the exposure is held through superannuation and an AI-related repricing could spill over to broader equity markets.

This note provides back-of-the-envelope estimates of Australian households' exposure to AI-related equities through their financial assets. We estimate that this exposure increased from 2.0 per cent of household financial wealth at end-2022 to 5.3 per cent in June 2026. These estimates are necessarily approximate but provide a gauge of how the sensitivity of household wealth, and potentially consumption, to movements in AI-related equity prices has increased.

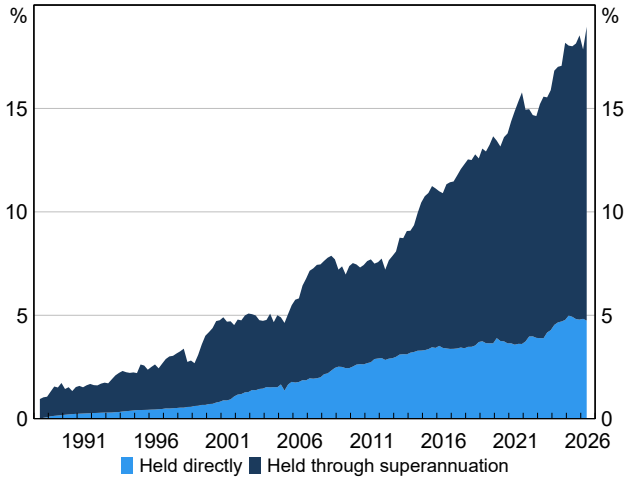
Introduction

Australians have increased their holdings of foreign equities in the past few decades, through both direct holdings and superannuation investments (Graph 1). These holdings are relatively concentrated in US equities (ABS 2026) and the increase has been particularly pronounced since 2022, which coincided with the release of ChatGPT. As a result of these exposures, Australian household wealth has become increasingly exposed to price movements in AI-related equities. A sharp repricing of these stocks could affect household wealth, with potential implications for economic activity and financial stability. This note provides a back-of-the-envelope estimate of that exposure.

Graph 1

Household Foreign Equity Assets*

Share of household total financial assets



* Estimated as holdings of foreign equities (those issued by the 'rest of world' sector), including estimated exposure through non-money market investment funds, for both households' 'direct' and superannuation holdings.

Sources: ABS; RBA.

Why could the price of AI-related equities affect Australian household wealth?

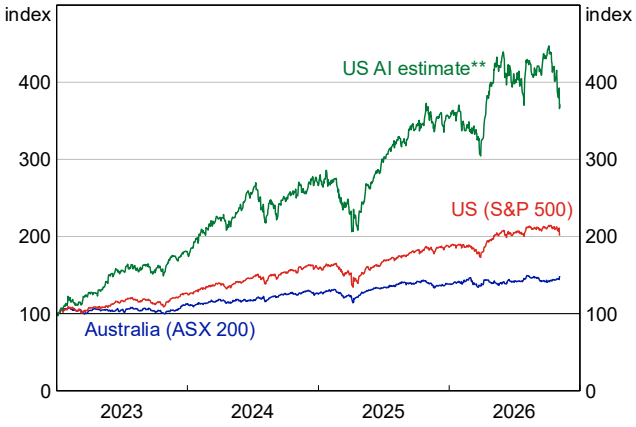
Australian households held 44 per cent of their financial wealth in equities as of June 2026, up from 41 per cent at end-2022.[1] Of this, 19 percentage points were held directly and 25 percentage points indirectly through superannuation.[2] Around two-fifths of these equity holdings were invested overseas – an increase from one-third at end-2022. Household wealth has therefore become increasingly exposed to movements in overseas equity markets, particularly the large US market where AI-related stocks are concentrated.

AI-related stocks have accounted for much of the rise in US equity prices since end-2022, driven by companies associated with AI and the related investment in computing capacity. The price of AI-related US stocks in our measure has increased four-fold over this period, though they have also experienced significant volatility in recent months (Graph 2).

Graph 2

Equity Prices*

2 January 2023 = 100



* Total return basis. Updated to 6 November 2026.
** AI index is estimated as a market-cap-weighted index of selected 'hyperscalers' (Alphabet, Amazon, Microsoft, Meta and Oracle) and a subset of larger US semiconductor companies (those that were in the Philadelphia Semiconductor Index and the S&P 500 as of December 2022).
Sources: LSEG; RBA.

How exposed are Australian household equity holdings to AI?

We estimate that 5.3 per cent of households' financial wealth was exposed to AI-related equities as at June 2026 – a significant increase from 2.0 per cent in December 2022 (Table 1). This exposure was estimated in three broad steps:

1. We source households' direct equity and superannuation holdings from ABS household balance sheet data, supplemented with more detailed APRA and ATO data on the asset composition of APRA-regulated and self-managed super funds, respectively.[3]
2. Because exposure to AI-related equities differs materially across equity markets, we estimate the allocation of these holdings across Australian, US and rest-of-world equities using ABS international investment position data.
3. We estimate the AI-related share of equities in each market, assuming households hold listed equities in proportion to market-capitalisation weights. We focus on hyperscalers and semiconductor manufacturers, which have accounted for much of the recent rise in AI-related market valuations. We identify these firms directly in the United States and use the IT sector weight as a proxy for AI exposure elsewhere. Australia is assigned a zero AI weight given the absence of large listed firms in these categories.[4]

Table 1: Estimated Household Exposure to AI via Equity Holdings[(a)]

per cent

	Share of household financial assets		Share of all household assets	
	Dec 2022	Jun 2026	Dec 2022	Jun 2026
Direct equity holdings[(b)]	19.1	19.3	7.3	7.6
of which:				
Domestic	15.2	14.6	5.8	5.8
Foreign	3.9	4.7	1.5	1.9
Estimated AI exposure[(c)]	***0.6***	***1.4***	***0.2***	***0.6***
– United States	*0.4*	*1.0*	*0.1*	*0.4*
– Rest of world	*0.2*	*0.5*	*0.1*	*0.2*
Superannuation	51.6	51.9	19.7	20.5
of which:				
Listed equities[(d)]	22.1	25.2	8.4	9.9
Domestic	12.3	12.2	4.7	4.8
Foreign	9.8	12.9	3.7	5.1
Estimated AI exposure[(c)]	***1.4***	***3.9***	***0.6***	***1.5***
– United States	*0.9*	*2.6*	*0.4*	*1.0*
– Rest of world	*0.5*	*1.2*	*0.2*	*0.5*
Estimated total AI exposure through equity holdings	**2.0**	**5.3**	**0.8**	**2.1**

(a) The share of household assets accounted for by equity holdings and superannuation is calculated from the ABS, National Accounts: Finance and Wealth, Table 35. Within foreign equity exposure for both direct and superannuation holdings, the United States/rest of world split is estimated from Table 9 of ABS, International Investment Position, Australia: Supplementary Statistics. Components may not sum to totals due to rounding.
(b) Includes both listed and unlisted equity. The domestic/foreign split is estimated by using Australian holdings of shares and other equity issued by the rest of the world, together with household holdings of non-money market investment funds weighted by the share of those funds' assets invested in foreign equities, sourced from Tables 23 and 34 of ABS, National Accounts: Finance and Wealth, and Table 9 of ABS, International Investment Position, Australia: Supplementary Statistics.
(c) For the United States, the share of selected hyperscalers and semiconductor companies in the S&P 500 (see Graph 2) was used; for the rest of world, the sectoral share of IT in the MSCI ACWI ex USA Index was used.
(d) Calculated from applying the combined share of listed equities in total investments from APRA, Table 9 of Quarterly Superannuation Industry Publication and Table 1d of Quarterly Superannuation Performance Statistics, and ATO, SMSF Quarterly Statistical Report, Table 2, to households' superannuation share of assets. The domestic/foreign split is calculated from the same APRA and ATO tables.

Sources: ABS; APRA; ATO; RBA; authors' calculations.

How might changes in AI-related equity prices affect consumption?

Changes in AI-related equity prices can affect consumption through household wealth.[5] The potential importance of this channel has increased with households' exposure to AI-related equities. For a given change in AI-related equity prices (holding other equity prices constant) and consumption response to equity wealth, our estimates imply that the effect on consumption would now be twice as large as at end-2022. Even so, the likely effect remains limited: even a 30 per cent fall in the price of AI-related equities would reduce household financial wealth by only 1.6 per cent, based on our June 2026 exposure estimates; households may also respond less to valuation changes to equities held via superannuation than to changes in directly held equity wealth, especially when they are far from retirement.[6]

Our estimates exclude AI exposure (both direct and via superannuation) through debt and private-market investments, and assume that any repricing is confined to AI-related equities. The latter is broadly consistent with episodes of volatility in AI-related stocks this year, when spillovers to other sectors were limited. However, a deterioration in expectations for AI adoption or profitability could trigger a broader global equity repricing (RBA 2026), amplifying the effects on household wealth and potentially consumption, as has occurred in some previous technology-sector sell-offs.[7]

References

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Endnotes

* We would like to thank David Tian for his assistance on this note.

1 In this note, we focus on equity holdings relative to financial wealth, which accounts for around 40 per cent of total household wealth. Households hold most of their overall wealth (53 per cent) in housing assets.

2 Given that our estimation method relies on established equity indices, we would ideally limit our data to listed equity. Holdings through superannuation are for listed equity only; however, our measure of direct equity holdings include both listed and unlisted equity because of data limitations. For details on sources and estimation methods, see the following section and footnotes to Table 1.

3 These allocations differ from the estimates from the ABS financial accounts used in Graph 1.

4 The IT sector provides a reasonable proxy for AI-related firms outside the United States as its overall market capitalisation is heavily concentrated in semiconductor manufacturers and related suppliers. While Australia has some listed companies with exposure to AI-related data-centre investment, they make up a relatively small share of the ASX 200.

5 For a discussion of household wealth effects, see May *et al* (2019).

6 However, there appear to be only small differences in the direct and all equity holdings wealth effect estimates in Dvornak and Kohler (2003).

7 For instance, see Ostry *et al* (2026).