

Macro Roundup Article

Headline: [The Chips Act Has Been Surprisingly Successful So Far](#)

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Tweet: The US government has now spent half of the \$39B Chip Act incentives and kicked off an "unexpected investment boom." Manufacturers and supply chain partners have announced investments totaling \$327B over the next 10 years.
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Summary: With recent multi-billion-dollar grants to Intel, TSMC, Samsung, and Micron, the US government has now spent over half its \$39bn in Chips Act incentives. In so doing it has driven an unexpected investment boom. Chip companies and supply chain partners have announced investments totalling \$327bn over the next 10 years, according to Semiconductor Industry Association calculations. US statistics show a stunning 15-fold increase in construction of manufacturing facilities for computing and electronics devices. Will all these promised plants get built? Many of them already are. The scale of fab construction in the US is now stretching contractors' ability to find workers with speciality skills. TSMC plans high-volume chip production in its first Arizona plant early next year. If the chip market softens, some plants could get postponed, but the disbursement of grants is tied to progress in bringing fabs online. Equity investors will debate whether these new investments can deliver an adequate financial return. Policymakers who see the Chips Act as an insurance policy against geopolitical shocks believe it is already paying dividends.

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