J.P. Morgan Research

US Infrastructure and Industrials Capex Tracker

IIJA and CHIPS Act spending, construction, and reshoring trends

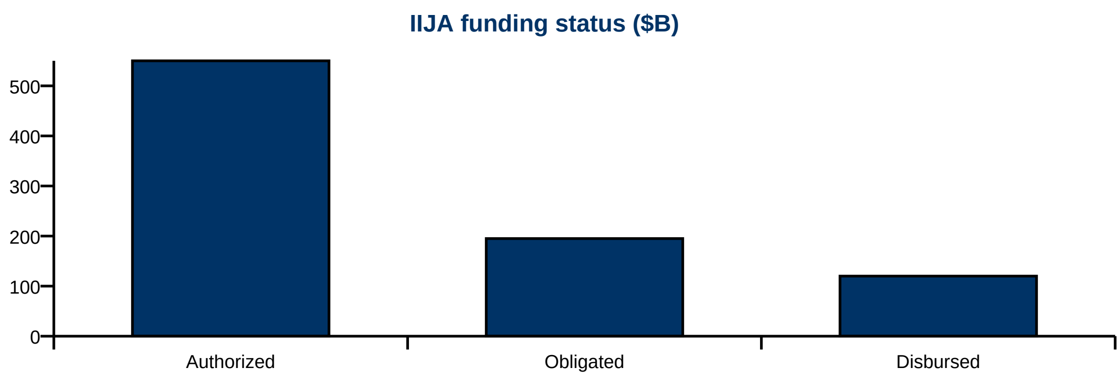
February 11, 2026

Executive Summary

U.S. infrastructure and industrial capital expenditure is supported by the ongoing implementation of the Infrastructure Investment and Jobs Act, the CHIPS and Science Act, and the Inflation Reduction Act. We track the flow of federal funds into physical infrastructure, semiconductor manufacturing, and clean energy projects, and we assess the implications for construction, materials, and industrial companies. Our analysis shows that the spending ramp is still in early stages, with significant project backlogs and growing order books supporting a multiyear growth cycle for key sectors.

Federal spending implementation

Federal outlays under the major infrastructure and industrial policy acts have accelerated, though the pace of disbursement remains behind initial projections due to permitting, procurement, and workforce constraints. We estimate that approximately 35 percent of total authorized IIJA funding has been obligated through early 2026, with disbursement rates improving as projects move from planning to execution. CHIPS Act funded semiconductor fabrication facilities are advancing in construction, with multiple sites expected to begin equipment installation in 2026 and 2027. IRA related clean energy and manufacturing investments continue to drive incremental spending. We track the key milestones and discuss the implications for order flow and revenue timing for our coverage.

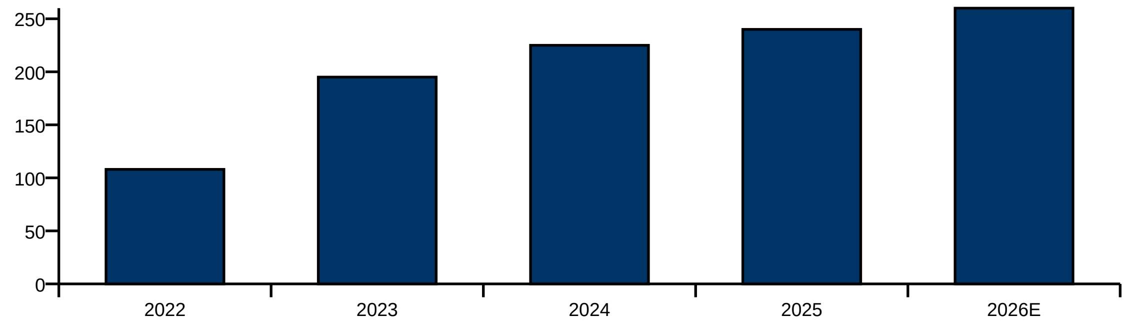


Source: J.P. Morgan Research. Estimated through Q1 2026.

Construction and materials

Nonresidential construction spending has grown at a double digit pace, led by manufacturing facilities and infrastructure projects. We see continued strength in construction activity through 2027, supported by the federal spending pipeline and private sector reshoring investments. Materials demand, including cement, steel, aggregates, and engineered products, is benefiting from the buildout. We discuss the supply side constraints, including labor shortages and equipment availability, that could affect project timelines and costs. Our estimates for construction materials companies reflect volume growth and stable to improving pricing. We highlight names with strong leverage to infrastructure and manufacturing construction.

Manufacturing construction spending ($B, annual)

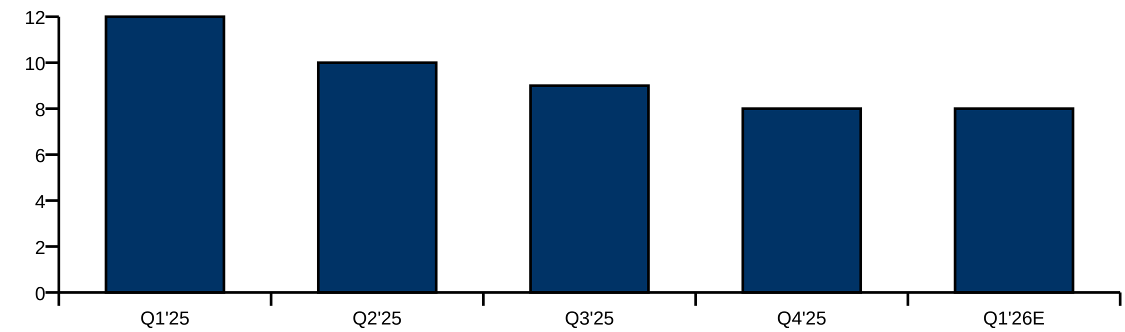


Source: J.P. Morgan estimates. U.S. Census Bureau data and JPM estimates.

Reshoring and manufacturing investment

Manufacturing construction spending in the U.S. has reached historic levels, driven by semiconductor fabs, battery plants, and other strategic investments. We estimate that over $250 billion in manufacturing construction has been announced since 2022, with a significant share tied to federal incentives. The reshoring trend is creating demand for industrial equipment, automation, and electrical infrastructure. We assess the economic multiplier effects and the implications for employment and regional development. Not all announced projects will proceed on the original timeline, and we discuss the risks of delays and cancellations. Our analysis integrates project level data with company level exposure to provide actionable investment views.

Nonresidential construction growth (YoY %)



Source: J.P. Morgan Research. E = estimate. Total nonresidential, nominal.

Sector recommendations and risks

We maintain overweight ratings on construction materials, engineering services, and industrial automation companies with clear exposure to the infrastructure and reshoring cycle. Our top picks are names with visible order backlogs, pricing power, and margin expansion potential. We also favor electrical equipment and grid infrastructure companies benefiting from both traditional infrastructure and energy transition spending. Risks include potential delays in federal disbursement, cost overruns, labor shortages, and political changes that could alter the funding landscape. We provide updated price targets and discuss the key catalysts for the coming quarters.