

1Q committed investment for Data Centers surpasses market expectations

Submitted by: Headwind Consultants

Thursday, 1 April 2021

London, 1 April 2021 – First quarter committed investment for data centers globally has exceeded market expectations and witnessed a series of new fund launches, M&A, new builds, JVs, land acquisition and data center expansion on a scale not seen so far. At the end of the first quarter investment has reached an estimated USD38 billion which already surpasses the total for 2020 according to research by Headwind Consultants. The projection still excludes private deals being made off market.

Although global investment announced by Colony Capital, Google and Starboard (SPAC)/Cyxtera Technologies headlined significantly, the Asia Pacific region garnered around 21 per cent of the total which includes a massive 330k m2 development in northern China by Chindata in collaboration with the Datong Government in the Taihang Mountain Energy and Information Technology Industrial Campus.

Europe follows at almost 19 per cent, but interestingly India ranked as the fourth largest investment theater and probably heralds further activity in hyperscale and edge, having proven that renewable energy resources are possible or available.

As commented in previous reports many of these transactions may have been planned for some time and made over a longer term, and some potentially delayed due to the pandemic, however the scale of investment nevertheless highlights an accelerating trend and suggests that earlier market projections for the end of 4Q 2021 will be amended upwards.

Outside of North America, investment activity has also taken place in the Middle East, Africa and Russia.

Headwind Consultants is an independent consulting company and works with agencies and developers in attracting international investment and customers who are determining sites for digital facilities and for the expansion and development of infrastructure platforms in current and emerging markets.

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