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**ASIA MARKETS**

# Global software stocks extend losses amid fears over AI-led disruption

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## KEY POINTS

IT stocks globally have been under pressure for months, due to fears of AI affecting future business growth.

The latest crash in prices comes on the back of Anthropic rolling out new legal tools for its Cowork product.

Software stocks in the U.S., Asia and Europe all posted declines.



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Wall Street's fears around artificial intelligence-driven disruption affecting software companies continued to put pressure on global stocks on Wednesday.

In premarket U.S. trade on Wednesday morning, [ServiceNow](#) and [Salesforce](#) each shed about 0.4%, while Intuit was down by 0.7%. [Nvidia](#) extended losses from the previous day, trading 0.3% lower ahead of the opening bell in New York.

During Tuesday's session, shares of [ServiceNow](#) tumbled nearly 7%, pushing its year-to-date losses to 28%. [Salesforce](#) also dropped about 7%, bringing its 2026 decline to almost 26%. [Intuit](#), the TurboTax parent, fell nearly 11% and is now down more than 34% year to date. Those moves contributed to the tech-heavy [Nasdaq Composite](#) sliding 1.4% on Tuesday.

In Europe, software-related stocks also plummeted on Tuesday. The Stoxx Europe Software and Computer Services index shed more than 5% during the session, with British information analytics company [RELX](#) losing more than 14%, while French IT giant [Capgemini](#) was down 9.2% by the closing bell.

On Wednesday morning, European software stocks were building on those losses, with the software index losing a further 1.9%. Navigation tech firm [TomTom](#) was down 12.5%, leading losses, while [Trustpilot](#) was down more than 7% and German management software developer [Atoss](#) was 6.4% lower.

During the Asian trading session on Wednesday, Japanese software firms led regional declines. [TIS](#), a major Japanese information technology services provider and systems integrator, plunged almost 16%. [Trend Micro](#) lost over 7%, while [NS Solutions](#) also declined more than 7%.

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### Software stocks eye second day of pain

Indian IT companies were among the top gainers on Tuesday, following the announcement of the country's trade deal with the U.S.

Chinese software companies sold-off as well. Shares of China's [Kingdee International Software](#) plunged more than 12%, while cloud major [Tencent](#) fell 4%. [Alibaba](#) lost close to 1%, while [Baidu](#) was down 3%.

"AI has turned technology into an even more competitive sport," said Ed Yardeni, president of Yardeni Research.

"Software stocks were especially hard hit because Anthropic rolled out new tools for its Cowork product," he said. "It's too soon to tell how useful the new tools will be, but investors decided to cut the valuation multiples of software stocks."

Software firms once valued for their sticky subscriptions and dependable renewals are now

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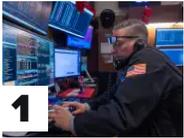
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— CNBC's *Chloe Taylor* contributed to this report.

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