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investor room

Insights Book

6

market
experts

364

collective
years of industry
experience
in the room

16

Investment
sectors
covered

36

key insights
delivered

nabtrade
investor
room

Host

Gemma Dale

Director of SMSF and Investor Behaviour, nabtrade

As Conference Host, it was a pleasure to chair nabtrade's Investor Room Conference for 2025, at the iconic ASX Exchange Square building in Sydney.

It was fantastic to see so many clients, sponsors and partners in person. This event gives our clients a unique insight into the some of the best opportunities and challenges in today's market.

Each year our expert speakers bring their insights and expertise to nabtrade's clients in a forum that gives a rare opportunity to ask questions, share ideas and participate in a real discussion about investing and investment markets.

We hope this condensed insight series helps you feel like you were in the room with us.

Special guest

Sally Auld

NAB Chief Economist

Sally is a widely respected economic and financial markets professional. She has a demonstrated track record of producing high quality research within leading Financial Services organisations and enjoys building long-lasting and trusted relationships with clients.

Sally completed her Bachelor and Master's degrees in Economics at Sydney University, graduating with First Class Honours and the University Medal. Sally went on to complete a Doctor of Philosophy in Economics at Oxford University.

She is currently Chair of the Board of SCEGGS Darlinghurst Ltd, a member of the Grattan Institute Public Policy Committee, and sits on the Finance and Investment Committee of the Children's Medical Research Institute.

nabtrade investor room

Insights from our

guest speaker

Sally Auld

NAB Chief Economist

The relative and absolute performance of the Australian economy has been stronger than expected. Our economic fundamentals are solid and put us in a good position to navigate a relatively challenging global environment.

It is important for Australia to make sure we work towards long-term solutions for both housing policy and energy policy. The latter is very important – economies with relatively low energy costs will be at a natural advantage as we continue transition away from carbon intensive energy sources.”

Insights from

industry specialists

Jay Sivapalan

Head of Australian Fixed Interest, Janus Henderson

Jay is head of Australian Fixed Interest and is responsible for formulating interest rate and sector strategies employed within the portfolios and working closely with key fixed interest clients. Jay joined Henderson in 2015 as part of the acquisition of Perennial Fixed Interest, where most recently he was partner and senior portfolio manager.

01 Key takeaways

- A fertile ground for active management in Australian fixed income exists
- Opportunities to add value across the full gamut of alpha levers exists, with volatility opening up a wide opportunity set
- Broadly speaking, Australian fixed income is relatively compelling versus offshore markets based on shorter duration, higher quality and wider spread
- Historical evidence that the median manager outperforms the benchmark points to an active management advantage
- Identifying managers that have a consistent record of outperformance is key

02 Emerging trends

Offshore issuer and investor participation continues to grow, adding to the size of the market and aiding liquidity

Increased participation is predicated upon the Australian fixed interest market being an excellent place to do business, backed by a stable regulatory footing

03 Future challenges

Significant uncertainty is causing and is likely to continue to cause ongoing volatility

Well diversified portfolios comprised of managers utilising the full spectrum of active tools, that can nimbly reposition in the face of volatility, presents a method of navigating a challenging environment

Damien Boey

Portfolio Strategist, WAM Income Maximiser

Damien joined Wilson Asset Management in 2025. He has over 20 years' experience in investment and central banking, and was previously an equity strategist at Barrenjoey Capital Partners, following 15 years at Credit Suisse as an economist and macro strategist, and four years at the RBA across FX & markets.

01

Key takeaways

No matter what your investment horizon or preferred way of investing, the plumbing of the financial system matters. The current financial plumbing suppresses bond yields and credit spreads while supports stocks via momentum and growth exposures. Whether intentionally or not, as a result, many investors are choosing to become passive thematic buyers. However, should the plumbing come under stress, we are likely to see a return to value and quality.

02

Emerging trends

What few investors realize is that there is a large carry trade underway in US debt markets, where inflation compensation is re-packaged into credit risk. This trend is being driven by retail demand given both high inflation and high inflation uncertainty following the pandemic. The trend is also being enabled by: (1) the US Federal Reserve wrapping money markets in cotton wool; and (2) broker dealers extending leverage to hedge funds. This plumbing is hard to break, but the cost is higher inflation which could show up in bonds and related exposures.

03

Future challenges

The market faces two fundamental challenges:

1. To correctly account for risk when all we see are protected money markets and rising/resilient debt and equity marketsand

2. To avoid crowding into passive thematic investing, because this is where investors are taking on too much momentum exposure.

Gary Monaghan

Investment Director for Asian Equities, Fidelity International

Gary has been based in Hong Kong for thirteen years and prior to that he was in Fidelity's London office for seven years, first as an Investment Specialist for Fidelity's European equity range and then as Investment Director for Fidelity's Equity Income portfolios.

01

Key takeaways

The presentation set out the case for Asian equities as a long-term, structural opportunity: the region is under-represented in global indices relative to its economic weight, creating room for re-rating and compounding. We outlined current high-conviction positions, where top-down tailwinds (policy, demographics, digital adoption) reinforce company-specific catalysts, and showed how an Asia allocation can deliver faster earnings growth at more compelling valuations than the ASX 200 and, in many cases, the US.

02

Emerging trends

A gradual stabilisation in China, coupled with attractive valuations, sets up selective re-rating, notably in the consumer. AI monetisation following the emergence of DeepSeek is opening new revenue levers for well-resourced platforms. After a period of negative earnings revisions, India is approaching levels where valuation resets could create stock-picking opportunities in structural growers. Meanwhile, Korea's "Value-Up" policy push has the potential to unlock latent balance-sheet value and narrow the market's persistent discount.

03

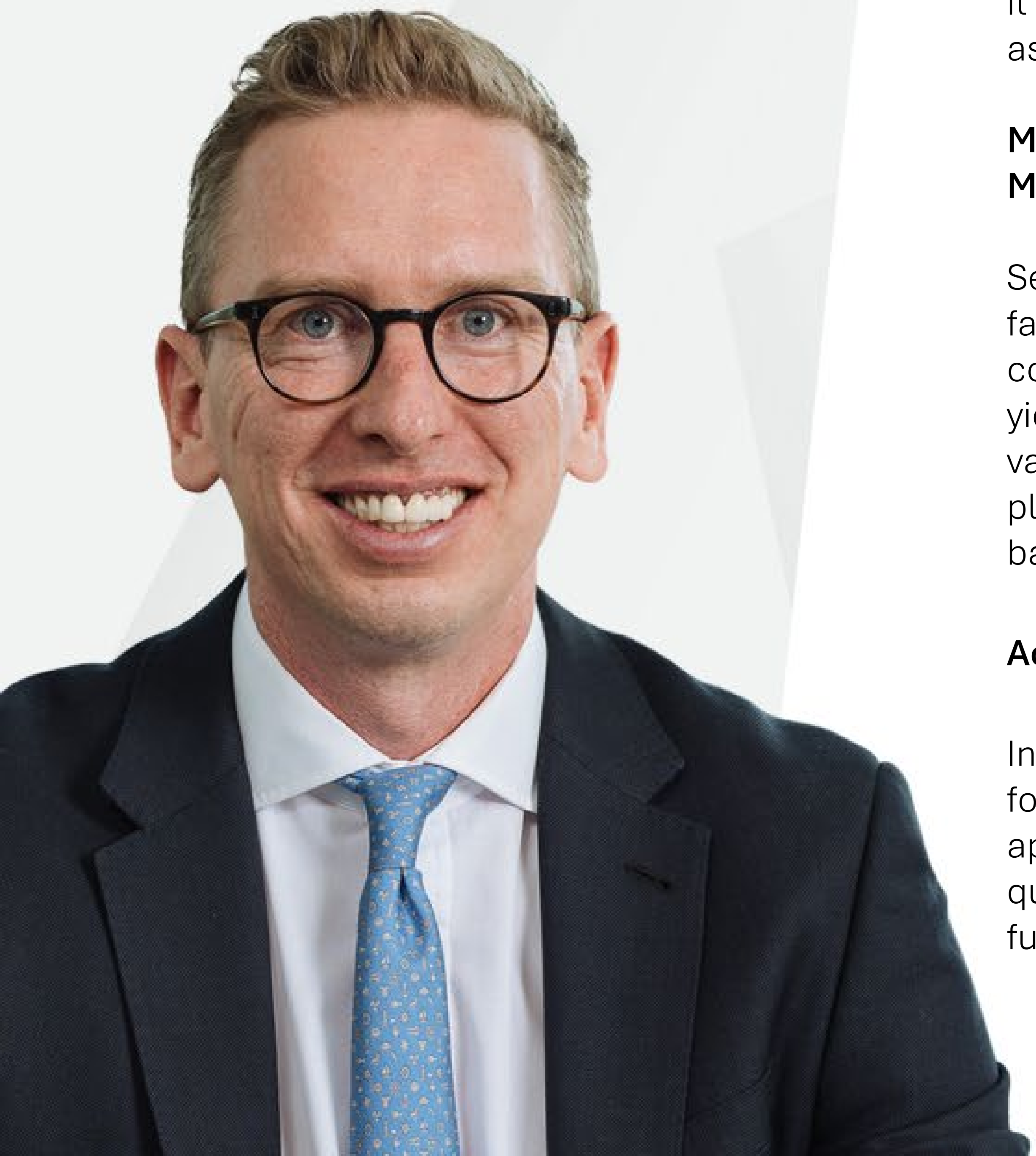
Future challenges

China's macro picture, while steadier, remains fragile - policy mis-steps, weak data or sentiment slippage could interrupt gains. US tariffs are a continuing swing factor; many exporters are now passing costs through, but this requires ongoing monitoring. ASEAN offers promise yet carries elevated political risk, arguing for selective exposure and disciplined risk control rather than broad passive bets.

Anthony Doyle

Chief Investment Strategist Pinnacle Investment

Anthony has over 21 years' experience in global markets, economics and investment strategy, providing analysis that impacts portfolio decision-making, currency risk management, portfolio analysis and insights. Before Firetrail, Anthony worked as an investment strategist covering global capital markets.



01 Key takeaways

Central Banks Are Creating a "Green Light" for Growth Assets

Central banks are cutting interest rates globally, creating supportive conditions for equity markets. With inflation pressures easing and financial conditions becoming easier, this environment supports consumption and economic growth, making it an opportune time to lean-in to growth assets while these tailwinds persist.

Multiple Tailwinds Supporting Equity Markets

Several factors are converging to create favourable conditions: easy financial conditions stimulating spending, lower real yields and tighter credit spreads lifting equity valuations, and the combination of liquidity plus low recession risk providing a supportive backdrop for equities.

Active Multi-Factor Investment Approach

In the current environment, utilise a dynamic, forward-looking, resilient global equity approach that balances growth, value, quality and risk management through active fund selection rather than passive indexing.

02 Emerging trends

Broadening Market Participation Beyond Mega-Caps

A significant trend is that gains are broadening out and dispersion is growing in corporate earnings, with the US earnings advantage being primarily driven by mega-cap companies while opportunities emerge elsewhere. This suggests investors can look beyond the largest technology stocks for future returns.

Regional Rotation from Growth to Value

Value versus growth has been a regional call, noting that European earnings are more geographically diversified. This trend supports diversification across regions and investment styles.

Government Spending as a Structural Support

Governments around the world continue to spend with increased infrastructure and defence spending, creating growing structural pressures and voter expectations. This fiscal support provides a foundation for continued economic growth.

03 Future challenges

September Seasonality Risk

Weak seasonality is a risk in September, noting that September has historically had the weakest average returns and cautioning about the returning fund manager from holidays. However, any pullback is expected to be shallow given anticipated interest rate cuts.

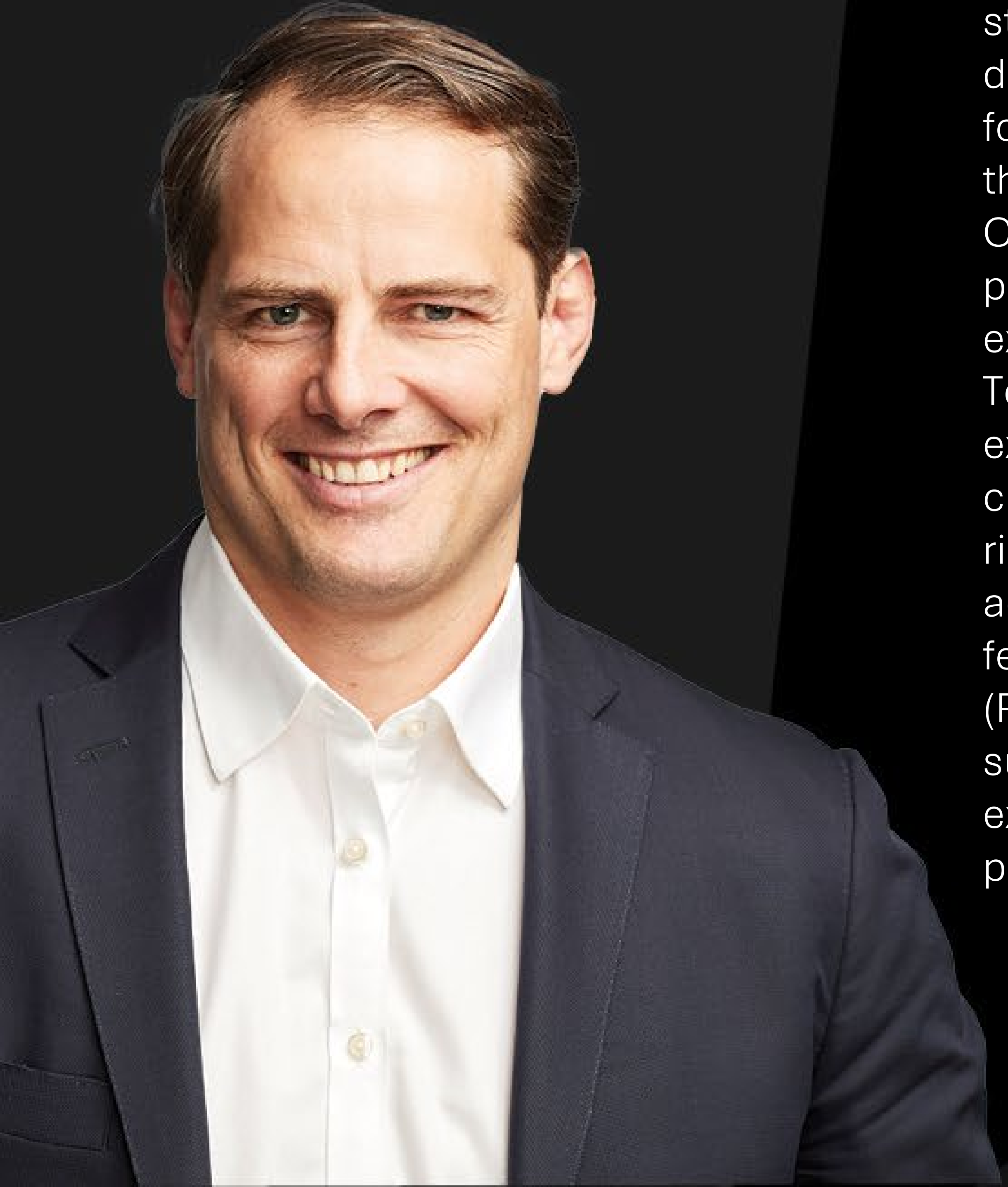
The Dangers of Backward-Looking Investment Strategies

A significant challenge highlighted is the trap of backward-looking factor investing where historical metrics can still look good while fundamentals are deteriorating. The experience of Intel, Nestle, and LVMH illustrate how past performance doesn't predict future structural changes.

Dr Dave Allen

Global Long/Short Portfolio Manager, Plato Investments

David has more than two decades' experience investing in global equities. He is currently Plato Investment Management's head of long/short strategies and portfolio manager of the Plato Global Alpha Fund. Prior to joining Plato he worked for JP Morgan in London for fifteen years becoming one of the youngest managing directors in the firm's history.



01
Key takeaways

The surge of passive, index-hugging strategies has created some striking distortions in global markets. NVIDIA, for example, is now valued higher than the entire UK stock market. Commonwealth Bank trades at a premium that makes it the most expensive bank in the world. And Tesla's core auto business may explain as little as ten percent of its current market value, with the balance riding on future expectations. For active managers, these extremes are fertile ground. Plato Global Alpha (PGA1 AU) has taken advantage of such opportunities, delivering an exceptional return of more than 24% per annum over the past four years.

02
Emerging trends

In today's environment, many investors have grown disenchanted with traditional long-only funds. Increasingly, sophisticated asset owners such as sovereign wealth funds and endowments are embracing active extension strategies, which typically run 130% long and 30% short. These strategies provide extra exposure to the most undervalued stocks while also unlocking performance by shorting overvalued companies. Plato Global Alpha employs this approach, and strikingly, around half of its outperformance to date has been generated from the short side of the portfolio.

03
Future challenges

A generation ago, the challenge for fund managers was gaining access to enough information to make good investment decisions. Today, the opposite is true: the problem is an overwhelming flood of data that makes it difficult to separate the signal from the noise. It is like drinking from a firehose. Plato addresses this challenge with a disciplined system of 150 Red Flags, designed to cut through the clutter. These Red Flags identify excellent short opportunities while also helping to avoid dangerous landmines on the long side of the portfolio. As Warren Buffett has famously observed: "There are only two rules of investing. Rule number one, don't lose money. Rule number two, see rule number one."

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