

Australian Equity Strategy

Australia 2025 Conference Wrap

Key Points

- We highlight key takeaways from Macquarie's 27th Australia Conference, which saw 117 companies present over May 6-8.
 - Company updates were better than expected, with the average stock outperforming +1.4% on the day of their presentation.
 - Tariffs were a focus and still an area of uncertainty, but Australia is seen as less impacted, and expected to be supported by RBA cuts.
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- **A positive surprise.** With multiple downgrades leading in (FLT, CTD, RWC, JDO) plus still-high tariff-related uncertainties, 2025 could have been a "downgrade conference". There were some guidance reductions (HMC, KLS) and soft updates (AZJ, SIG, WTC) but fewer than expected. There were also some welcome upgrades (NXT, VCX, AUB). The average stock outperformance (+1.4%, up from +0.4% in 2024) is a sign updates were better than expected. KLS (+17.9% vs market), ZIP (+12.7%) and MGH (+10.6%) were three top examples of this dynamic.
 - **Tariffs impacts.** The Macquarie Conference was valuable as the first opportunity for many to hear from a wide range of companies about potential tariff impacts. Some have already shifted supply chains to mitigate tariffs (RWC, BRG), while others are ready to adjust if they become subject to tariffs (CSL, CDA). The prospect of goods deflation from higher China imports may be positive for retailers (WES, JBH, NCK, TPW), but competition for others (ELD). Tariff-related uncertainty and the hit to confidence was a factor in travel downgrades (FLT, CTD) and could also drive delays to investment projects (WOR). Capital inflows into real estate (GPT, SGP) were also impacted by tariff uncertainties, although CHC noted a rotation from the US to Australia.
 - **The lucky country.** Australia was highlighted as an attractive investment destination (positive demographics, low unemployment and stable government after election). The ALP's housing policies plus expected RBA rate cuts are seen as positive for housing (WES, MGR, SGP, QAL, MGH), the consumer (WES, JBH, SUL) and yield stocks (infrastructure, REITs).
 - **Other themes.** AI was overshadowed by tariffs, but companies are innovating and getting productivity benefits (e.g. WOR, ORG). Cost-out is still a focus for many (AZJ, TCL, NEC, multiple industrial miners). Uranium is back in favour as utilities return to the contract market (BOE, DYL).

Action & Recommendation

- The 27th Macquarie Conference shows companies continue to manage well through another period of uncertainty, this time driven by Trump and tariffs. However, unless there is a material de-escalation of US-China tariffs, there is growing risk to FY26 earnings and another round of soft guides in August to reset Street expectations lower.
- **Market view.** Investor views at the conference were mixed, with some hoping the worst is over, while others are waiting for the other shoe to drop. Our Strategy Portfolio ([Mar 2025](#)) is overweight some of the defensives (**CSL, RHC, COL, NEM**) and rate-cut beneficiaries (**MGR, GPT, APA, TCL**) that presented as we think markets could test April lows.

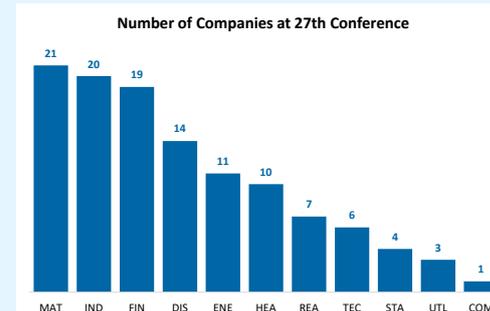
For important disclosures and analyst certification, refer to page 10 or go to www.macquarie.com/research/disclosures.

Strategy Australia



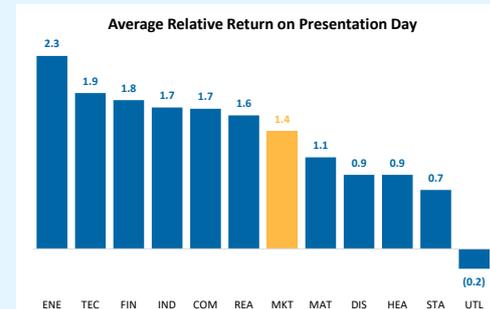
Matthew Brooks, CFA

Figure 1 - 117 companies presented



Source: Macquarie Research, May 2025.

Figure 2 - Best & worst sectors



Source: FactSet, Macquarie Research, May 2025.

Figure 3 - Best & worst performers

Company	Code	Relative Return	Company	Code	Relative Return
Highest Relative Returns			Lowest Relative Returns		
Kelsian	KLS	17.9	Sigma Healthcare	SIG	(6.6)
Zip	ZIP	12.7	HMC Capital	HMC	(5.7)
Boss Energy	BOE	12.1	Lynas	LYC	(4.4)
MAAS	MGH	10.6	Telx	TLX	(3.8)
Tabcorp	TAH	9.7	Imdex	IMD	(3.5)
PolyNovo	PNV	8.8	Capstone Copper	CSC	(2.8)
NextDC	NXT	8.4	Corporate Travel	CTD	(2.4)
Chalice Mining	CHN	6.9	CSL	CSL	(2.4)
Integral Diagnostics	IDX	6.9	SGH	SGH	(2.1)
AUB Group	AUB	5.7	WiseTech	WTC	(2.1)
Genesis Minerals	GMD	5.7	IGO	IGO	(2.1)
Credit Corp	CCP	5.1	Aurizon	AZI	(2.0)
BelleVue Gold	BGL	5.0	Westpac	WBC	(1.9)
Downer EDI	DOW	4.6	Patriot Battery Metals	PMT	(1.9)
IRESS	IRE	4.5	AGL Energy	AGL	(1.8)
Pilbara Minerals	PLS	4.4	Nickel Industries	NIC	(1.8)
HUB24	HUB	4.1	Bega Cheese	BGA	(1.3)
Pinnacle Investment	PNI	4.0	SKYCITY	SKC	(1.3)
Vicinity Centres	VCX	3.9	SiteMinder	SDR	(1.2)
Guzman y Gomez	GYG	3.5	Flight Centre	FLT	(1.2)

Source: FactSet, Macquarie Research, May 2025.

Key takeaways by sector

• FINANCIALS

- ⇒ **Banks.** Bank reporting season typically overlaps with the Macquarie Conference, but we did have **WBC** present at the conference. Major bank results (**WBC, NAB, ANZ**) again showed lower-than-expected impairments, highlighting that the economy still remains in a relatively good position. The contrast here was **JDO**, which had a downgrade ahead of the conference, in part due to higher bad debts. Rate cuts will be a margin headwind for banks, and on Macquarie modelling, the headwinds from RBA cuts will be less for **NAB**, and greater for **WBC**.
- ⇒ **Insurance.** In Private Health Insurance, **MPL** maintained guidance as surgical volume growth remains weak and the productivity program remains on track. **MPL** noted that 1H25 saw lower visa approvals than expected, but this reverses in 3Q. **NHF** maintained its group FY25 guidance despite downgrading expectations for the NZ division. **NHF** is also exploring strategic options for their Travel division (MRE expects this to be exited in the coming six months). **MPL** and **NHF** both have productivity programs to control costs. For the brokers, **AUB** again raised profit guidance to the upper end of the range on continued operating momentum (UNPAT \$190-200m).
- ⇒ **Capital Markets.** **HMC** reduced FY25 OEPS (pre-tax) guidance to 66c (was 70c) due to the fair value movement in carrying positions in HMCCP and financial assets. **HMC** said they will maintain a long term focus and still see potential for \$50b or more of funds, with their presentation discussing progress on their Energy Transition Fund (\$2b target, due 2H CY25) and the Urban Retail Fund (\$2b target, due FY26). **HMC** is also working on a new private credit fund and noted they have no material exposure to office, hotels, agriculture or NZ where asset-based lenders have experienced stress.
- ⇒ **Financial Services.** **ZIP** was a positive surprise, with US TTV growth in April was >40%, with no material changes to loss performance. **CCP** also maintained their earnings guidance, but upgraded net consumer lending to \$60-70m (was \$45-55) and noted higher US cash collection (+12% in 3Q25) and higher US productivity.

• COMMUNICATIONS

- ⇒ **Traditional Media.** **NEC's** trading update for 3Q25 showed positive momentum in Streaming & Broadcast (TV ad revenue +8%), more than offsetting the marginal decline in FTA. **NEC** also said 2H25 publishing EBITDA would be broadly in line with 1H25 (upgraded from previous guidance of a sequential decline). **NEC** continues to focus on costs, with \$150m by the end of FY27.
- ⇒ In his post-conference note on NEC ([7 May 2025](#)), **David Fabris** notes NEC are confident CoStar's A\$2.8b proposed acquisition of Domain will complete, but at this stage no binding agreement has been reached. Assuming the transaction completes, **NEC** are open to capital management and/or M&A with the net proceeds of A\$1.4m (with ~A\$270m in incremental franking credits).

• TECHNOLOGY

- ⇒ **NXT** (+8.4% vs market) was the top outperformer in the ASX 100. While FY25 guidance was unchanged, **NXT** announced a contracted utilisation update (+52MW, +30%), with revenue to commence in FY27.
- ⇒ **WTC** noted that geopolitical uncertainty and tariff-related demand risks could pose headwinds for the remainder of FY25, with global container volumes expected to fall 1%. That said, market conditions are an immaterial growth driver and the discussion focused on developing new products and a multi-sided marketplace that involves customers through the entire value chain.
- ⇒ **CDA** believes their tariff exposure is manageable. The products for the LMR public safety division are produced in Canada and currently exempt, but if this were to change **CDA** can move assembly to Seattle. The largest exposure of the detection division is some production out of Malaysia, but **CDA** has mitigation strategies in place in case of tariff escalations and could more manufacturing if needed.

- **REAL ESTATE**

- ⇒ **Earnings stability in volatility.** **VCX** raised FFO guidance to the upper end of their range (14.5-14.8c) due to strength in operating metrics, while the remaining REITs maintained guidance. While the sector is cyclical, the lack of negative earnings surprises and the high domestic focus (little direct impact from trade war) mean the sector is relatively well positioned to benefit from continued RBA rate cuts in 2025.
- ⇒ **Residential.** **QAL** sees potential for a super-cycle given the Australian Labor Party (ALP) housing policies, expected RBA interest rate cuts, capital demand for the sector and an undersupply of homes. **QAL** noted 100 basis points of rate cuts on average leads to a 6.1% rise in national home prices. **SGP** said they had seen better enquiry after the first RBA cut (Feb 2025), but a recovery in Victoria is important in driving recovery. **SGP** is confident in their FY25 settlement guidance of 6.2-6.7k, and if not for supply constraints (mostly labour), they think the business could potentially deliver ~10k settlements a year. **MGR** also said residential sales are improving, with strong sales in Queensland and that further RBA rate cuts should support this recovery. **MGR** noted that while lower construction margins were expected in FY25 (as previously flagged), resi margins should improve in FY26.
- ⇒ **Private credit.** **QAL** expects an increase in private credit investment in Australia, particularly from those who would otherwise have invested in the USA before Trump. There has been an increase in competition, but typically at smaller deal sizes, not at the >\$80m segment that accounts for 65% of **QAL's** deals.
- ⇒ **Capital partnerships.** Capital interest has slowed post tariff announcements given uncertainty. **GPT** were expecting more transactions before May than what is likely to occur. **SGP** also said investor appetite had been more cautious recently. On a related point, **CHC** noted Australian and global investors are underweight real estate and with a weaker Australian dollar, **CHC** expects an increase in unlisted real estate inflows. **CHC** said recent volatility had seen a rotation of capital away from the US and into Australia.
- ⇒ **Industrial.** Logistics is still a sector in favour, with strong releasing spreads (**GPT** 30-35%, **DXS** 26%, **SGP** +26%) and high occupancy (**GPT** 99%, **DXS** 95.7%, **SGP** +98.5%). **MGR** (100% Sydney located industrial) noted a split in the Industrial market has emerged and there has been a weakening in Melbourne.
- ⇒ **Retail.** **VCX** are cautiously optimistic on the consumer with expected rate cuts and strong population growth, but acknowledged risks if unemployment were to rise. **VCX** continues to see a symbiotic relationship between online and physical store footprints, but said retailers were looking to have fewer stores but a larger store footprint.
- ⇒ **Office.** **MGR** said office is improving, with signs of tightening incentives and vacancy in core markets, valuation cycle nearing completion for quality assets and a restricted supply outlook. **MGR** said there has been improvement in Melbourne with 20 tenants moving back into the CBD, but a significant move in vacancy will be needed to see a valuation improvement. **GPT** said Melbourne office remains more difficult and this is likely to have an impact on their ability to sell-down assets and to grow into funds.

- **DISCRETIONARY**

⇒ **Retail.** The Australian consumer remains mixed and largely focused on value. **WES** highlighted lower income households with mortgages are usually dealing with cost of living pressures more than higher income households who own their home outright.

- **JBH's** trading update showed solid 3Q25 comp sales for Australia (+6.0%), slightly below expectations for The Good Guys (+4.1%), but better than expected for New Zealand (+7.5%). **TPW** posted slightly disappointing 2H25 (to May 5) revenue growth of +18%, but a strong exit rate (+23%). **TPW** highlighted the trade war had been a net positive (forward shipping rates down ~20%) and that goods deflation as the trade war drives increased imports from China could also be a positive. RBA rate cuts and stimulatory ALP housing policies were seen as positive for Australian retailers (**JBH, TPW**). **APE** said every 25bps rate cut represents a \$6m interest saving, while also supportive of demand.
- **WES** also saw potential for tariffs to drive disinflation, with **WES** aiming to pass through any cost savings to consumers. **WES** was positive on the strength of the Anko brand, with direct sourcing a competitive advantage, and allowing Kmart to be the lowest price offering. **WES** sees opportunity for the Bunnings' commercial customer base as RBA rate cuts support a recovery in the housing market.
- **Super Cheap Auto** (-0.1%) had disappointing comp, and **SUL** said they were seeing a fall in average basket size, although transaction numbers are holding up. **SUL** said that competition in auto was stabilising and that they would avoid deep discounting and focus on maintaining strong customer loyalty.

⇒ **Consumer Services.**

- **Restaurants. GYG** (Not rated) was in the main ballroom of the conference and despite its \$3.4b market cap, was one of the best attended presentations. **GYG** highlighted their culture, focus on comp sales (LTM +9.5%) and store economics (50% corporate ROI, 30% for franchise) which support their rollout in Australia (210 in Dec 24, +31-32 a year near term, LT target 1,000+) and overseas.
- **Travel (FLT, CTD)** has been an area of downgrades ahead of the conference, in part this is due to the hit to confidence from tariffs. CTD said the recent uncertainty caused travel stop orders and delayed implementations, with North America being disproportionately impacted (Europe is performing well). While on travel, **QAN** has yet to see any impact on US in/outbound demand and yields are still strong.
- **Casinos & Gaming. TAH** noted the modest improvement to wagering turnover at their February result and this comment still stands. To date, there has been no discernable change in consumer behaviour despite the recent macro volatility. In contrast, **SKC** downgraded FY25 EBITDA guidance 8% ahead of their conference presentation due to a deterioration in trends.

⇒ **Consumer Durables. BRG** has proactively moved manufacturing out of China to Indonesia and Mexico, accelerating plans initially set for a longer timeframe. This is intended to mitigate tariff impacts and maintain competitive pricing.

- **STAPLES**

⇒ **Staples Retail. COL** said the consumer remains under pressure with their data showing two-thirds of household are under financial stress. That said, **COL** saw sentiment improve in the last quarter on expected rate cuts and deflation in some categories (Health, Home). **COL** again talked to the material growth in its "Coles Finest" range as customers look to replicate the eating-out experience at home.

⇒ **Food & Beverage. ELD** does not expect any material impact from US tariffs. Beef is a key export to the US, however there is a significant supply deficit and Australia beef is well-placed to meet demand. However, if China AgChem products are priced out of the US market due to tariffs, **ELD** note this may divert some product to other markets (e.g. Australia) which could be a headwind to prices. At this stage, industry participants have indicated many AgChem imports are exempt from US tariffs. **ING** also maintained guidance for FY25 EBITDA of \$236-250m, and said that it has covered >92% of the volume reduction of the **WOW** contract. **ING** also noted that feed costs had declined (wheat down 9%, soymeal down 13%).

- **HEALTH**

- ⇒ **Biotech & Pharma. CSL** maintained FY25 NPATA guidance (+10-13% cc), which is positive (but did not discuss the 20% by FY30 ROIC target they discussed last year). CSL faces multiple potential headwinds from the Trump administration, but importantly, CSL does not expect their plasma products to face US tariffs, as they believe value is created at collection and most fractionation occurs in the USA. CSL are reviewing their supply chain options if they do face tariffs, but adjustment will take time and involve a capital cost. CSL did highlight the productivity benefits of the roll-out of the Rika platform and other efficiency strategies (e.g. more development focus in R&D).
- ⇒ **Health Technology. PME** is currently 9% of the US market (post-Trinity completion), but given the productivity improvements of Visage 7 (+25% productivity for radiologists), that share is expected to rise quickly.
- ⇒ **Health Services. RHC** is seeing 2H25 admissions growth inline with expectations, but impacted by April holidays and the QLD cyclone in March (elective surgery cancelled). If high quality assets become available, **RHC** will assess the opportunity.
- ⇒ **Aged Care. REG's** trading update showed spot occupancy (95.5% in 3Q25) and revenue per bed (\$442.9 for 3Q25). **REG** is the forth-largest player and only 4% of the market, highlighting further industry consolidation potential.

- **INDUSTRIALS**

- ⇒ **Transport. TCL** and **AZJ** both maintained FY25 guidance, although **AZJ's** trading update was relatively soft driven by challenges in bulk. Both companies talked to costs, with an extra \$50m cost out for **AZJ** and **TCL** talking to sub-CPI cost growth at their presentation and announcing a material restructuring the following day (we believe ~300 positions are impacted). **TCL** also appeared confident they were near a solution to tolls that will work for the government and **TCL. ALX** have seen little change in traffic on their US roads, with Virginia benefitting from return-to-work and congestion on competing routes, while Chicago could potentially benefit from domestic production and on-shoring driven by tariffs. **KLS** are tracking to the low end of their FY25 EBITDA guidance of \$283-295m, although they said there has been no impact to their USA charter operations from tariff changes. **KLS** was also the best performing stock on the day of their presentation (+17.9% vs ASX 300).
- ⇒ **Commercial Services. DOW** has undergone a significant transformation over the past 2 years, with a focus on their core competencies along with a strengthened risk management framework. As a result, **DOW** are comfortable with the guidance communicated in February (FY25 NPATA \$265-280m) and were the second best performer in the ASX 100 (+4.6% vs market). **VNT** also reaffirmed FY25 NPATA growth guidance of +7-10%, and a building a track record of earnings certainty. **VNT** have started the year well with some good contract wins, a good sign there was no contagion from the recent ACCC price fixing allegations. **MGH** reaffirmed FY25 UEBITDA guidance (\$215-245), but noted weather had been a small headwind (particularly in Queensland). On real estate, **MGH** has seen an improvement in leading indicators like sales enquiries in regions like Rockhampton and Dubbo. RBA rate cuts are expected to further boost the real estate market.
- ⇒ **Capital Goods.** Despite global uncertainties, **SGH** see resilience in demand for commodities and the position of its resources customers to continue producing (even if more focused on cost). **IMD** noted that while resource companies reported increased exploration budgets, there was lower deployment in 3Q25, but due to weather in Qld/NSW, political instability in West Africa, while Americas has remained steady. sees market growth in FY26 due to increased drilling activity, supported by stronger commodity prices, increasing budgets and capital raisings. **MND** said labour availability has improved considering pressure from the previous high levels of infrastructure and broader resources activity has abated.
- ⇒ **Defence. ASB** said the current geopolitical tensions are supportive of the defense and shipbuilding industries. The Trump administration is expected to support continued investment into production facilities and ship building programs. **ASB's** order book has increased significantly from \$4.3b in FY20 to \$14.2b today.

- **MATERIALS**

- ⇒ **Basic Materials.** **BSL** said while the group is seeing deferral risk and investment hesitancy (i.e. in supply chain inventory), demand is steady, supported by infrastructure and non-residential activity. While benefitting from tariffs, **BSL** is attuned to second-order risk of weaker growth on steel demand.
- ⇒ **Mining.** Cost reductions were a theme among companies where their commodity prices have fallen in recent years. In contrast, gold miners were looking more to control cost increases given the buoyant environment for the gold activity. For gold miners, there is also the question of what to do with their strong cash flows and **NEM** for one plans to continue its buybacks.

- **ENERGY**

- ⇒ **Refiners.** **ALD** said margins have improved in 2Q25 (product crack spread +US\$3/bbl in recent weeks on tariff pause, crude weakness). **VEA** reiterated FY25 guidance for C&I and C&M combined of \$270-330m, with annual cost reductions/synergies of \$90m a year from CY27. **VEA** is focused on the OTR roll-out (40-60 in 2025, mostly in NSW), and said there has been some crackdown on illicit tobacco at a state level (esp. SA and QLD). **VEA** suggested there will be areas for potential improvement for the functioning of the Fuel Security Services Payment (FSSP). **ALD** also noted the significant refinery cost inflation since the existing deal was struck in 2021.
- ⇒ **Uranium** has seen a strong rebound in interest as the spot price has increased and utilities had returned to the contracting market after a lengthy break. **BOE** confirmed it has seen 2 RFP's in recent weeks. **LOT** has contracted 38% of Kayelekera volumes from 2026-29, and is in no rush given they chose more equity than debt finance. **DYL** expects to soon see a sharp rise in the uranium term prices, to enable green field projects to proceed. The uranium spot price is up 13% since the March low, but would need to rise another 50% to reach the peak seen in January 2024. For more on this topic see Macquarie's global report on nuclear, [New Atomic Age \(April 2025\)](#).

- **UTILITIES**

- ⇒ **Utilities.** **AGL** and **ORG** are election beneficiaries, thanks to the ALP's battery subsidy. **ORG** saw a 300% rise in battery enquiries after the ALPs battery announcement. Also, notable **ORG** has completed their customer migration to Kraken, which has enabled a 25% reduction in FTEs over 17 months.
- ⇒ **APA** maintained their FY25 EBITDA guide (\$1.96-2.02b pre one-offs). This earnings certainty plus a 7% dividend yield in an RBA easing cycle positions **APA** well for a period of market volatility.

Figure 4 - Conference Performance Summary

Category	Count	Weight in ASX 300	Average Return Relative to XKO	Outperforming Net percent	Relative Return on Day of Presentation		
					Outperform	+/- 2.5%	Underperform
Strategy Group							
Domestic Cyclical	42	13.3	2.2	26	12	28	1
Growth	16	7.6	1.9	25	5	9	1
Resources	26	6.7	1.8	19	6	19	1
Global Cyclical	15	2.9	0.2	0	1	13	1
Defensive	17	7.4	(0.0)	0	1	15	1
Sector							
Energy	11	3.1	2.3	9	1	10	0
Technology	6	1.2	1.9	33	2	3	0
Financials	19	7.1	1.8	26	6	12	1
Industrials	20	5.3	1.7	15	3	17	0
Communications	1	0.1	1.7	0	0	1	0
Real Estate	7	2.4	1.6	29	2	5	0
Materials	21	4.2	1.1	10	5	13	3
Discretionary	14	5.2	0.9	21	3	11	0
Health Care	10	6.6	0.9	10	3	5	2
Staples	4	1.3	0.7	0	0	4	0
Utilities	3	1.4	(0.2)	0	0	3	0
Industry Group							
Transportation	7	2.9	2.7	14	1	6	0
Software & Services	5	1.1	2.4	40	2	2	0
Energy	11	3.1	2.3	9	1	10	0
Financial Services	13	1.8	2.3	31	5	7	1
Health Equip & Services	7	1.6	2.0	29	3	3	1
Media	1	0.1	1.7	0	0	1	0
REITs	7	2.4	1.6	29	2	5	0
Insurance	4	0.9	1.6	25	1	3	0
Consumer Services	6	0.8	1.4	33	2	4	0
Capital Goods	7	1.0	1.3	14	1	6	0
Materials	21	4.2	1.1	10	5	13	3
Commercial Services	6	1.3	1.1	17	1	5	0
Staples Retail	1	1.2	1.0	0	0	1	0
Discretionary Retail	6	4.3	0.9	17	1	5	0
Food & Beverage	3	0.2	0.6	0	0	3	0
Tech Hardware	1	0.1	(0.1)	0	0	1	0
Utilities	3	1.4	(0.2)	0	0	3	0
Autos & Parts	1	0.0	(0.3)	0	0	1	0
Consumer Durables	1	0.1	(0.9)	0	0	1	0
Banks	2	4.4	(1.1)	0	0	2	0
Pharma & Biotech	3	5.0	(1.6)	(33)	0	2	1
All Sectors	117	37.9	1.4	16	25	84	6
ASX 100	50	33.8	0.5	8	7	40	3
Ex-100 Stocks	67	4.2	2.1	22	18	44	3

Source: FactSet, Macquarie Research, May 2025.

Figure 5 - Best & worst relative returns on presentation day

Company Name	Code	Return	Industry	Company Name	Code	Return	Industry
ASX 100 - Best return relative to ASX 300 on presentation day (%)				ASX 100 - Worst return relative to ASX 300 on presentation day (%)			
NextDC	NXT	8.4	Internet Services & Infrastructure	Sigma Healthcare	SIG	(6.6)	Health Care Distributors
Downer EDI	DOW	4.6	Diversified Support Services	Lynas	LYC	(4.4)	Diversified Metals & Mining
Pilbara Minerals	PLS	4.4	Diversified Metals & Mining	Telix	TLX	(3.8)	Biotechnology
HUB24	HUB	4.1	Investment Banking & Brokerage	CSL	CSL	(2.4)	Biotechnology
Vicinity Centres	VCX	3.9	Retail REITs	SGH	SGH	(2.1)	Trading Companies & Distributors
Pro Medicus	PME	3.0	Health Care Technology	WiseTech	WTC	(2.1)	Application Software
Charter Hall	CHC	2.9	Diversified REITs	IGO	IGO	(2.1)	Diversified Metals & Mining
Viva Energy	VEA	2.5	Oil & Gas Refining & Marketing	Aurizon	AZI	(2.0)	Rail Transportation
Ampol	ALD	2.4	Oil & Gas Refining & Marketing	Westpac	WBC	(1.9)	Diversified Banks
Paladin Energy	PDN	2.3	Coal & Consumable Fuels	AGL Energy	AGL	(1.8)	Multi-Utilities
ASX	ASX	2.2	Financial Exchanges & Data	Flight Centre	FLT	(1.2)	Hotels Resorts & Cruise Lines
Evolution Mining	EVN	1.8	Gold	Transurban	TCL	(0.7)	Highways & Railroads
Santos	STO	1.7	Oil & Gas Exploration & Production	Cleanaway	CWY	(0.7)	Environmental & Facilities Services
Atlas Arteria	ALX	1.6	Highways & Railroads	Worley	WOR	(0.6)	Construction & Engineering
BlueScope	BSL	1.1	Steel	JB HI-Fi	JBH	(0.5)	Computer & Electronics Retail
Challenger	CGF	1.1	Diversified Financial Services	Newmont	NEM	(0.1)	Gold
Qantas	QAN	1.0	Passenger Airlines	W.H. Soul Pattinson	SOL	(0.1)	Multi-Sector Holdings
Coles	COL	1.0	Food Retail	Computershare	CPU	0.0	Data Processing & Outsourced Services
Mirvac	MGR	1.0	Diversified REITs	Reliance Worldwide	RWC	0.1	Building Products
GPT Group	GPT	0.9	Diversified REITs	Dexus	DXS	0.2	Office REITs
Westfarmers	WES	0.8	Broadline Retail	Whitehaven Coal	WHC	0.3	Coal & Consumable Fuels
Stockland	SGP	0.8	Diversified REITs	Lottery Corp	TLC	0.3	Casinos & Gaming
Ramsay	RHC	0.6	Health Care Facilities	Fortescue	FMG	0.3	Steel
APA Group	APA	0.6	Gas Utilities	Woodside	WDS	0.4	Oil & Gas Exploration & Production
Medibank	MPL	0.5	Life & Health Insurance	Origin Energy	ORG	0.5	Electric Utilities
Ex-100 - Best return relative to ASX 300 on presentation day (%)				Ex-100 - Worst return relative to ASX 300 on presentation day (%)			
Kelsian	KLS	17.9	Passenger Ground Transportation	HMC Capital	HMC	(5.7)	Asset Management & Custody Banks
Zip	ZIP	12.7	Consumer Finance	Imdex	IMD	(3.5)	Diversified Metals & Mining
Boss Energy	BOE	12.1	Coal & Consumable Fuels	Capstone Copper	CSC	(2.8)	Copper
MAAS	MGH	10.6	Construction & Engineering	Corporate Travel	CTD	(2.4)	Hotels Resorts & Cruise Lines
Tabcorp	TAH	9.7	Casinos & Gaming	Patriot Battery Metals	PMT	(1.9)	Diversified Metals & Mining
PolyNovo	PNV	8.8	Health Care Supplies	Nickel Industries	NIC	(1.8)	Diversified Metals & Mining
Chalice Mining	CHN	6.9	Diversified Metals & Mining	Bega Cheese	BGA	(1.3)	Packaged Foods & Meats
Integral Diagnostics	IDX	6.9	Health Care Services	SKYCITY	SKC	(1.3)	Casinos & Gaming
AUB Group	AUB	5.7	Insurance Brokers	SiteMinder	SDR	(1.2)	Application Software
Genesis Minerals	GMD	5.7	Gold	Nanosonics	NAN	(1.0)	Health Care Supplies
Credit Corp	CCP	5.1	Consumer Finance	Breville	BRG	(0.9)	Household Appliances
BelleVue Gold	BGL	5.0	Gold	Amotiv	AOV	(0.3)	Automotive Parts & Equipment
IRESS	IRE	4.5	Application Software	Judo Capital	JDO	(0.3)	Diversified Banks
Pinnacle Investment	PNI	4.0	Asset Management & Custody Banks	Codan	CDA	(0.1)	Electronic Equipment & Instruments
Guzman y Gomez	GYG	3.5	Restaurants	NIB	NHF	(0.1)	Life & Health Insurance
Regis Resources	RRL	3.5	Gold	Qualitas	QAL	0.1	Asset Management & Custody Banks
Bapcor	BAP	3.2	Distributors	Generation Development	GDG	0.1	Life & Health Insurance
Infratil	IFT	2.8	Multi-Sector Holdings	Monadelphous	MND	0.1	Construction & Engineering
Beach Energy	BPT	2.2	Oil & Gas Exploration & Production	Austal	ASB	0.3	Aerospace & Defense
Capricorn Metals	CMM	2.2	Gold	Dalrymple Bay	DBI	0.4	Marine Ports & Services
Iluka	ILU	2.2	Diversified Metals & Mining	Eagers Auto	APE	0.5	Automotive Retail
Liontown	LTR	2.1	Diversified Metals & Mining	IPH	IPH	0.5	Research & Consulting Services
Regis Healthcare	REG	2.0	Health Care Facilities	Deep Yellow	DYL	0.5	Coal & Consumable Fuels
Netwealth	NWL	2.0	Asset Management & Custody Banks	Super Retail	SUL	0.5	Other Specialty Retail
Vault Minerals	VAU	1.9	Gold	Universal Store	UNI	0.6	Apparel Retail
Inghams	ING	1.8	Packaged Foods & Meats	Auckland Airport	AIA	0.6	Airport Services
Nine Entertainment	NEC	1.7	Broadcasting	Ventia	VNT	0.8	Construction & Engineering
Arena REIT	ARF	1.7	Other Specialized REITs	Chrysol	C79	0.8	Research & Consulting Services
Alpha HPA	AAN	1.5	Commodity Chemicals	Aust. Finance Group	AFG	0.9	Commercial & Residential Mortgage Finance
Elders	ELD	1.4	Agricultural Products & Services				
Sims	SGM	1.3	Steel				
Neuren Pharma	NEU	1.3	Pharmaceuticals				
Karooon Energy	KAR	1.1	Oil & Gas Exploration & Production				
Smartgroup	SIQ	1.1	Human Resource & Employment Services				
Regal Partners	RPL	1.0	Asset Management & Custody Banks				

Source: FactSet, Macquarie Research, May 2025.

Excludes stocks on research blackout

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Macquarie Securities (Australia) Limited

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Recommendation definitions	Volatility index definition	Financial definitions
<p>Macquarie – Asia and USA Outperform – expected return >10% Neutral – expected return from -10% to +10% Underperform – expected return <-10%</p> <p>Macquarie – Australia/New Zealand Outperform – expected return >10% Neutral – expected return from 0% to 10% Underperform – expected return <0%</p> <p>During periods of share price volatility, recommendations and target prices may occasionally and temporarily be inconsistent with the above definitions.</p> <p>Recommendations – 12 months 12-month target – Expected share price in 12 months Valuation – The company's estimated fair value share price based on the disclosed valuation methodology Note: Quant recommendations may differ from Fundamental Analyst recommendations</p>	<p>This is calculated from the volatility of historical price movements.</p> <p>Very high – highest risk – Stock should be expected to move up or down 60–100% in a year – investors should be aware this stock is highly speculative.</p> <p>High – stock should be expected to move up or down at least 40–60% in a year – investors should be aware this stock could be speculative.</p> <p>Medium – stock should be expected to move up or down at least 25–40% in a year.</p> <p>Low – stock should be expected to move up or down at least 15–25% in a year. * Applicable to select stocks in Asia/Australia/NZ</p> <p>Note: expected return is reflective of a Medium Volatility stock and should be assumed to adjust proportionately with volatility risk</p>	<p>All "Adjusted" data items have had the following adjustments made: Added back: goodwill amortisation, provision for catastrophe reserves, IFRS derivatives & hedging, IFRS impairments & IFRS interest expense Excluded: non recurring items, asset revals, property revals, appraisal value uplift, preference dividends & minority interests</p> <p>EPS = adjusted net profit / efpowa* ROA = adjusted ebit / average total assets ROA Banks/Insurance = adjusted net profit / average total assets ROE = adjusted net profit / average shareholders funds Gross cashflow = adjusted net profit + depreciation *equivalent fully paid ordinary weighted average number of shares</p> <p>All Reported numbers for Australian/NZ listed stocks are modelled under IFRS (International Financial Reporting Standards).</p>

Recommendation proportions for quarter ending 31 Mar 2025

	AU/NZ	Asia	USA	
Outperform	64.64%	65.86%	70.45%	(for global coverage by Macquarie, 1.18% of stocks followed are investment banking clients)
Neutral	30.36%	20.94%	29.55%	(for global coverage by Macquarie, 1.81% of stocks followed are investment banking clients)
Underperform	5.00%	13.20%	0.00%	(for global coverage by Macquarie, 0.00% of stocks followed are investment banking clients)

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