UNSW CAPITAL MARKETS ASSOCATION

The Mandate

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TERM 1, WEEK 10

Welcome back to another edition of “The Mandate”. CMA Publications has just been joined by a cunning subcommittee, and we are keen to share their work with you. Alongside fresh faces come a refreshed layout and a new approach to this edition. We hope you enjoy.

		Current	Monthly
ASX200	$AU	8947.40	+2.93%
S&P500	$US	6824.66	+0.64%
AU 10Y	%	4.96	+2.47%
US 10Y	%	4.30	+4.98%
AUD/USD		0.71	-0.04%
Gold Spot	$AU	6735.85	-6.36%

**Figures from April 10, 2026*

This edition features:

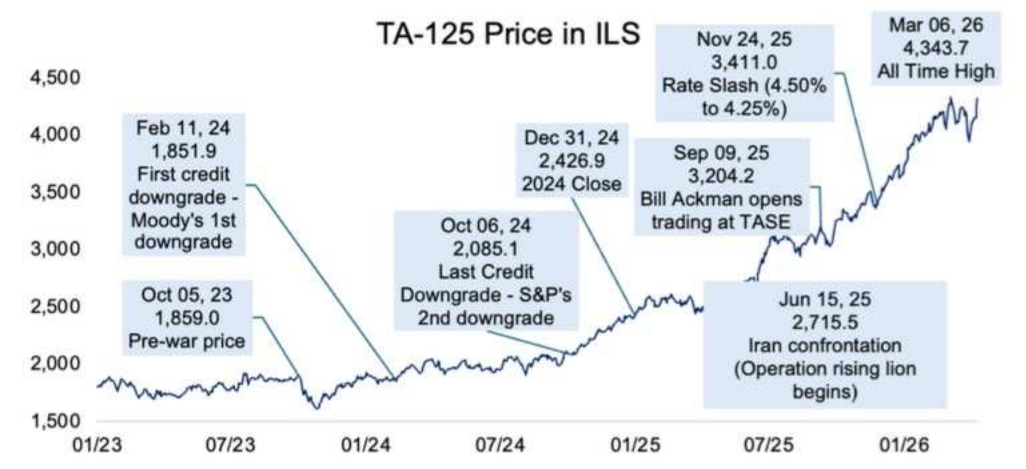
- An engaging deep dive into the Tel Aviv Stock Exchange
- An update on the debt market
- An insight into the job-matching platform, “Swipejobs”

Current Opportunities:

- UBS Investment Banking Development Challenge (4th of May)

— CMA Team

Macro Insight



Unprecedented Growth in Israel's Tel Aviv Stock Exchange.

A rational investor can safely assume that major geopolitical crises can shake the foundations of investor confidence in a nation, plunging its index to relative lows. Looking at the performance of Israel’s stock exchange (Tel Aviv Stock Exchange, TASE) tells a markedly different tale. Israel’s primary stock index is the Tel Aviv 125 (TA125), which peaked at ~2,150 ILS (Israeli Shekel) pre-war. However, it’s current peak is ~4,344, representing a 102% premium over its pre-war peak.

Following attacks on October 2023, Israeli equity and debt markets responded with a sharp decline, coupled with a depreciating ILS. Rising geopolitical issues led to multiple agencies declining credit ratings and increasing borrowing costs. Despite this, 2024 and 2025 marked the TA125 as one of the fastest growing stock markets in the world, rising by 27% and 51% respectively (Fun fact: TA125 growth rates were following South Korean indices due to semiconductor shortages!). To analyse this performance, we can discuss market dynamics (sector composition), and investor confidence (macro-economic factors).

As of April 2026, ~33% of the TA125 is comprised of technology, while ~31% resides in finance. Note that defense industry also falls under the technology sector. With respect to finance, the sector has traditionally been resistant to the war environment in Israel. Conversely, the technology sector, to some extent, is boosted by such conditions. More importantly, Israel is also home to a major semiconductor market, providing a significant boost during times of semiconductor shortage (Fun fact: ~20% of NVIDIA’s revenue is sourced from Israel!). Other sectors such as real estate and tourism have born the grunt of war, while finance and technology carry TA125 performance.

Focusing on the macro, the 10Y bond yield in Israel has reduced from 5% (mid-2024) to 3.9% (end of 2025), reflecting the stability of the economy. Declining interest rates, coupled with a strengthening ILS against USD, represents a vote of confidence from retail and global investors (especially with US backing). Retail investment more than doubled in the first half of 2025, as compared to the second half of 2024. Further fuel is that Bill Ackman (highly reputed US hedge fund manager) purchased a 4.99% stake in the TASE itself, making it a prominent early bet (early 2024) on Israel.

While the human costs and horrors of war are tragic and indefensible, we observe how the stock market is concerned with the growth potential of the wider economy.

Note: This article is firmly free of political views, solely focusing on market behaviour. We also refrain from providing any finance or stock recommendations.

ECM Insight

Mega IPOs testing capital market depth

SpaceX, OpenAI, and Anthropic aim to IPO this year. This mega-line up is a massive ask for investor appetite, especially when paired alongside the listings of Canva, Databricks, and the likes. Recent reports indicate the SpaceX is targeting a raise of more than $75 billion at a $1.75T valuation, marking the largest IPO in history. This would surpass Saudi Aramco’s record of raising $25.6 billion in 2019. Combined with the likely tens of billions that will be raised by OpenAI and Anthropic, the total could rival the entirety of the capital raised by US VC-backed IPOs in the past decade. PitchBook analyst Kyle Stanford warned that these deals may absorb much of the investor demand and attention, potentially pushing the broad reopening of the IPO window to 2027.

At the same time, recent issuance demonstrates strong market depth. Global ECM issuance rose 40% over last year to $211 billion in the first quarter, where IPO volumes rose 47% to $44 billion despite 4% fewer listings. This showcases that there is still strong institutional demand for large-cap issuance, and that the depth of US capital markets is absorbing high transaction volumes despite geopolitical uncertainty.

DCM Insight

Australian bond markets suggest longer-term inflation remains anchored

The war driven oil shock has intensified inflation fears and pushed bond yields higher globally, as investors rethink how much central bank easing will occur this year. One useful way to measure inflation expectations is the breakeven inflation rate, which is the difference between nominal government bond yields and yields of inflation-linked bonds, whose principal is adjusted with CPI. Since the war started, in addition to rising short term inflation expectations, Germany has seen their 10-year breakeven inflation rate rise 50 basis points, while the UK’s 10-year expectations have risen by 60 basis points. Contrastingly, the Australian bond market pricing shows a split picture, where despite near term inflation fears rising sharply, 10-year breakeven inflation has moved sideways. This suggests investors still have confidence that the RBA is willing and able to keep long term inflation in line with their 2-3% target.

This has been the aim of the Board’s hawkish stance, with Australia among the few countries to resume tightening, lifting the cash rate to 3.85% in February and to 4.10% in March. The Board has warned that rising fuel prices could add to inflation, and that the policy goal is to prevent the initial energy shock from feeding into long run inflation expectations. Despite this, there has been scepticism around the bond market’s expectations for sustained low inflation. For those investors, buying inflation-linked bonds is a bet that inflation will be higher than the market currently expects, making them more attractive relative to nominal bonds. As Commonwealth Bank’s Adam Donaldson put it, “We much prefer the 2030 inflation-linked bonds because the market is underpricing them versus nominal government bonds.”

Security Insight

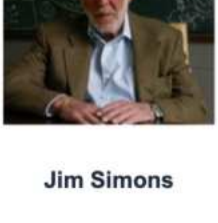
swipejobs Barrenjoey

Founded by Australian tech entrepreneur Katrina Leslie, Swipejobs is a job-matching platform that connects job seekers to employers using artificial intelligence to minimise underemployment and maximise utilisation in the economy. Operating widely in the US and UK markets for the past 10 years, Swipejobs is planning its IPO launch on the ASX led by investment bank Barrenjoey Capital Partners. Expert billionaire fund manager Will Vicars and Leslie have estimated an EV between $1.5 to $2 billion.

However, the final valuation heavily depends on whether institutional investors are willing to attribute a premium to AI at the time of listing. This concern stems from the market’s reassessment of AI’s relevance, so it is important for Swipejobs to time their listing appropriately to maximise its valuation. Furthermore, geopolitical volatility from the ongoing Iran conflict has introduced a degree of caution among ASX aspirants as they assess whether to move forward with an IPO or wait for favourable market conditions. It highlights that despite its profitability power in the last six years, coupled with $1.3 billion revenue in 2025, macro conditions create uncertainty that still lies ahead.

Source: AFR

Spotlight Investor



Jim Simons

Meet the man who revolutionised markets and finance by treating it as a pattern recognition problem. Jim Simons is the founder of Renaissance Technologies, a hedge fund whose flagship fund has delivered an average annual return of 71% before fees between 1994 to 2014!

A mathematician by education, Simons is one of the pioneers of modern algorithmic quantitative trading.

The Greatest Moneymaker of All Time: Jim Simons

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