

[Subscribe](#)

[Advertiser Disclosure](#)

We independently select all products and services. If you click through links we provide, we may earn a commission. [Learn More.](#)

ADVISOR INVESTING OUR PICK OF THE BEST AI STOCKS FOR AUSTRALIANS

Our Pick Of The Best AI Stocks For Australians

Audited & Verified: Oct 9, 2025, 10:23am



Written By Prashant Mehra
Senior Staff Writer

[& 1 other](#)

Editorial note: Forbes Advisor Australia may earn revenue from this story in the manner disclosed [here](#). Read our [advice disclaimer here](#).

[Read More](#)

Show Summary

Featured Partner Offers

Subscribe

Provider Available Devices | Filter Sort: Default

3 of 3 results

AU Trading Fee ⓘ ⌵	US Trading Fee ⓘ ⌵	Available products
--------------------	--------------------	--------------------

LOAD MORE


1 - 3 of 3

Best AI Stocks To Buy in 2025

internal_user ×

[Subscribe](#)


Microsoft Corp (NASDAQ: MSFT)

 Microsoft
Corp (NASDAQ:
MSFT)

Market Cap	\$5.8 trillion
12-month return	26%
P/E ratio	37.9

[Why We Picked It](#)


Oracle Corp (NYSE: ORCL)

 Oracle Corp
(NYSE: ORCL)

Market Cap	\$1.2 trillion
12-month return	68%
P/E ratio	66.2

[Why We Picked It](#)

Adobe Inc. (NASDAQ: ADBE)


 Adobe Inc.
(NASDAQ:
ADBE)

[Subscribe](#)

12-month return	-29%
P/E ratio	21.6

[Why We Picked It](#)


Tencent Holdings (HKG: 0700)

 Tencent Holdings (HKG: 0700)

Market Cap	\$1.2 trillion
12-month return	41%
P/E ratio	27.7

[Why We Picked It](#)

Taiwan Semiconductor Manufacturing Co (TPE: 2330)

 Taiwan Semiconductor Manufacturing


Market Cap	\$1.8 trillion
12-month return	39%
P/E ratio	24.9

[Why We Picked It](#)

internal_user x

[Subscribe](#)


Baidu Inc. (HKG: 9888)

 Baidu Inc.
(HKG: 9888)

Market Cap	\$70.9 billion
12-month return	24%
P/E ratio	12.8

[Why We Picked It](#)

Cognizant Technology Solutions (NASDAQ: CTSH)

 Cognizant
Technology
Solutions

Market Cap	\$49.9 billion
12-month return	-11%
P/E ratio	13.8

[Why We Picked It](#)

NextDC (ASX: NXT)

 NextDC (ASX:
NXT)

[Subscribe](#)

12-month return	-4.5%
-----------------	-------

P/E ratio	NA
-----------	----

[Why We Picked It](#)

Goodman Group (ASX: GMG)



Goodman
Group (ASX:
GMG)


Market Cap	\$69.1 billion
------------	----------------

12-month return	-7.5%
-----------------	-------

P/E ratio	40.1
-----------	------

[Why We Picked It](#)

Weebit Nano (ASX: WBT)



Weebit Nano
(ASX: WBT)

Market Cap	\$772.5 million
------------	-----------------

12-month return	84%
-----------------	-----

P/E ratio	NA
-----------	----

[Why We Picked It](#)

internal_user ×

To identify the best AI stocks, we focused on companies that combine strong market fundamentals with clear exposure to AI-driven growth. The rapid adoption of AI across industries has created significant opportunities, making it important to select businesses well-positioned to benefit from this trend.

Our Key Criteria:

Market Capitalisation: We prioritized companies with a market cap above \$500 million to ensure financial stability and scale.

AI Leadership and Innovation: Preference was given to companies investing heavily in AI R&D or offering products and services central to AI adoption.

Strategic Partnerships: Collaborations with major tech players (e.g., Microsoft, NVIDIA) were considered a strong indicator of future growth.

Accessibility: Only publicly traded companies on major exchanges such as NASDAQ, NYSE, HKSE and ASX, which are accessible for Australian investors were included.

Recent Performance: Year-to-date (YTD) returns were reviewed to gauge momentum and investor confidence.

The list above highlights some of the most promising AI-related investment opportunities as of October 2025. It is not exhaustive, and investors should conduct their own research and consider personal financial goals before investing.

What Are AI Stocks?

AI stocks are shares of companies that develop, use, or enable artificial intelligence technologies. These businesses range from tech giants building advanced AI models to infrastructure providers supplying the hardware, cloud services, and connectivity needed to run AI applications.

With AI no longer confined to research labs, companies leading in AI innovation or providing critical tools for its adoption are often seen as having strong growth potential, which is why their stocks attract so much investor attention.

AI stocks aren't just software or technology companies. They include chipmakers that design processors for AI workloads, cloud providers hosting AI services, and even data centre operators and networking firms that make large-scale AI possible.

Main Types of AI Stocks

Stocks are generally classified based on the company's function in the artificial intelligence technology ecosystem:

AI Software: These are companies that develop AI models, platforms, and applications including large language models such as ChatGPT, or Azure, Firefly or ERNIE Bot.

AI Hardware & Chipmakers: They design and manufacture the processors and memory chips that power AI systems. Examples include NVIDIA, AMD, TSMC and Weebit Nano.

AI Infrastructure Providers: These firms build the backbone for AI such as data centers, networking, and cloud connectivity. Examples include NextDC and Goodman Group.

Is it Worth Investing in AI Stocks?

AI is one of the most transformative technologies of our time, and its adoption is accelerating across nearly every industry, from healthcare to finance to retail and manufacturing. Businesses are investing heavily in AI to improve efficiency, cut costs, and create new products and services.

This surge in demand drives revenue growth for companies that build AI software, design AI chips, or provide the infrastructure to support AI workloads. Given that AI is a long-term growth engine, companies at the forefront of this shift are expected to see expanding markets, higher margins, and strong competitive advantages. That makes AI stocks a key focus for growth-oriented investors.

Risks of Investing in AI Stocks

While AI stocks offer exciting growth potential, they also come with significant risks that investors should consider. These include:

High Volatility: AI-related stocks can experience sharp price swings due to market hype, earnings surprises, or changes in technology trends.

Overvaluation: Many AI companies trade at premium valuations based on future growth expectations. If those expectations aren't met, stock prices can fall quickly.

Execution Risk: Building and scaling AI solutions is complex. Companies that overpromise and underdeliver may struggle to maintain investor confidence.

Technological Change: AI is evolving fast, and today's leaders could lose their edge if they fail to innovate or adapt to new breakthroughs.

Regulatory and Ethical Challenges: Governments worldwide are introducing AI regulations, which could increase compliance costs or limit certain applications.

Factors to Compare AI Stocks

When evaluating AI stocks, it is important to consider these factors:

1. Technology and Intellectual Property: Evaluate the company's AI technology, uniqueness, patent portfolio, and competitive advantages.

2. Revenue Growth and Model: Assess the company's revenue growth rate, mix of revenue streams, and business strategy. Look for companies with a diversified revenue stream, high margins, and a strong potential for future growth.

3. Industry and Market Size: Consider the company's addressable market size, market share and growth potential of the industry. Some industries may have a much larger total addressable market than others, affecting the company's potential for growth.

4. Research and Development (R&D) Investment: AI companies need to continuously invest in R&D to stay competitive, which requires significant capital. Look for companies with a strong balance sheet and commitment to R&D.

5. Partnerships: Evaluate whether a company has any strategic partners and how they could unlock new internal_user × AI companies often partner with other businesses to expand their capabilities by acquiring

profitability, cash flow, and debt. Look for companies with strong financials, high returns on investment, and a solid balance sheet. You may also want to consider the company's valuation.

Frequently Asked Questions (FAQs)

Are AI stocks only big tech companies?

How can I invest in AI stocks?

Is it a good time to invest in AI?

Guides To Investing

[Best Dividend Stocks On The ASX](#)

[Best Share Trading Platforms](#)

[Best Investment Trading Apps](#)

[Best Passive Income Ideas](#)

[Best Short-Term Investments for Australians](#)

[Best 'Safe Haven' Investments for Australians](#)

The information provided by Forbes Advisor is general in nature and for educational purposes only. Any information provided does not consider the personal financial circumstances of readers, such as individual objectives, financial situation or needs. Forbes Advisor does not provide financial product advice and the information we provide is not intended to replace or be relied upon as independent financial advice. Your financial situation is unique and the products and services we review may not be right for your circumstances. Forbes Advisor encourages readers to seek independent expert advice from an authorised financial adviser in relation to their own financial circumstances and investments before making any financial decisions.

We do not offer financial advice, advisory or brokerage services, nor do we recommend or advise individuals to buy or sell particular stocks or securities. Performance information may have changed since the time of publication. Past performance is not indicative of future results. Forbes Advisor provides an information service. It is not a product issuer or provider. In giving you information about financial or credit products, Forbes Advisor is not making any suggestion or recommendation to you about a particular product. It is important to check any product information directly with the provider. Consider the Product Disclosure Statement (PDS), Target Market Determination (TMD) and other applicable product documentation before making a decision to purchase, acquire, invest in or apply for a financial or credit product. Contact the product issuer directly for a copy of the PDS, TMD and other documentation. Forbes Advisor adheres to strict editorial integrity standards. To the best of our knowledge, all content is accurate as of the date posted, though offers contained herein may no longer be available. The opinions expressed are the author's alone and have not been provided, approved or otherwise endorsed by our partners. For more information, read our Advice Disclaimer [here](#).

Prashant Mehra is a Senior Staff Writer for Forbes Advisor Australia based in Sydney. He has more than 20 years of international experience covering financial news, including with Reuters and the Australian Associated Press (AAP). He writes about business, markets, the economy and investing.

Forbes

© 2025 Forbes Media LLC. All Rights Reserved.

[AdChoices](#)

[Privacy Statement](#)

[Do Not Sell or Share My Personal Information](#)

[Limit the Use of My Sensitive Personal Information](#)

[Privacy Preferences](#)

[Digital Terms of Sale](#)

[Terms of Service](#)

[Contact Us](#)

[Send Us Feedback](#)

[Report a Security Issue](#)

[Jobs At Forbes](#)

[Reprints & Permissions](#)

[Forbes Press Room](#)

[Advertise](#)