

G'day investors!

Welcome to Wilma Wealth Management , I am White Green , your most trusted investment companion!

In tonight's session, here is an overview of the content:

1. We will review today's market performance, specifically focusing on the dynamics of the three major indices on the ASX. Based on current market data and trends, we will look ahead to tomorrow's market, anticipating the impact of the RBA's release of the May monetary policy meeting minutes.
2. We will conduct a detailed analysis of the key stocks in our investment portfolio, discussing their performance in the current economic environment and their future potential.
3. As the three major indices on the ASX approach historical highs, we will analyse the significance of this phenomenon for the market. We will discuss the strategies to adopt when nearing this critical point. In facing a market close to historical highs, although opportunities and risks coexist, appropriate strategies can lead to greater success during this stage. Tonight's discussion will focus on how to effectively leverage the current market situation to formulate strategies that optimise portfolio performance and safely capture potential market opportunities. We will explore how to actively seek growth while maintaining risk management.

I hope that through tonight's presentation and discussion, each investor will enhance their understanding of the market and develop investment strategies suited to the current market conditions. Remember, opportunities always favour those who are well-prepared. I look forward to an in-depth exchange with everyone tonight, exploring how to make wise investment decisions in this market filled with challenges and opportunities.

Investors, are you ready?



In recent global market dynamics, social unrest in New Caledonia and stimulus measures taken by the Chinese government have significantly impacted the Australian market. New Caledonia, as a key supply region, has seen instability that has particularly affected the global nickel market. This, in turn, has boosted the Australian mining sector, led by companies such as BHP and RIO.

Additionally, recent policy adjustments in China, particularly the removal of the lower limit on mortgage rates and the encouragement of local governments to purchase properties and convert them into affordable housing, aim to support its struggling real estate market. This has indirectly boosted expectations for demand for industrial metals. These factors combined have driven a broad rally in the materials sector on the Australian market.

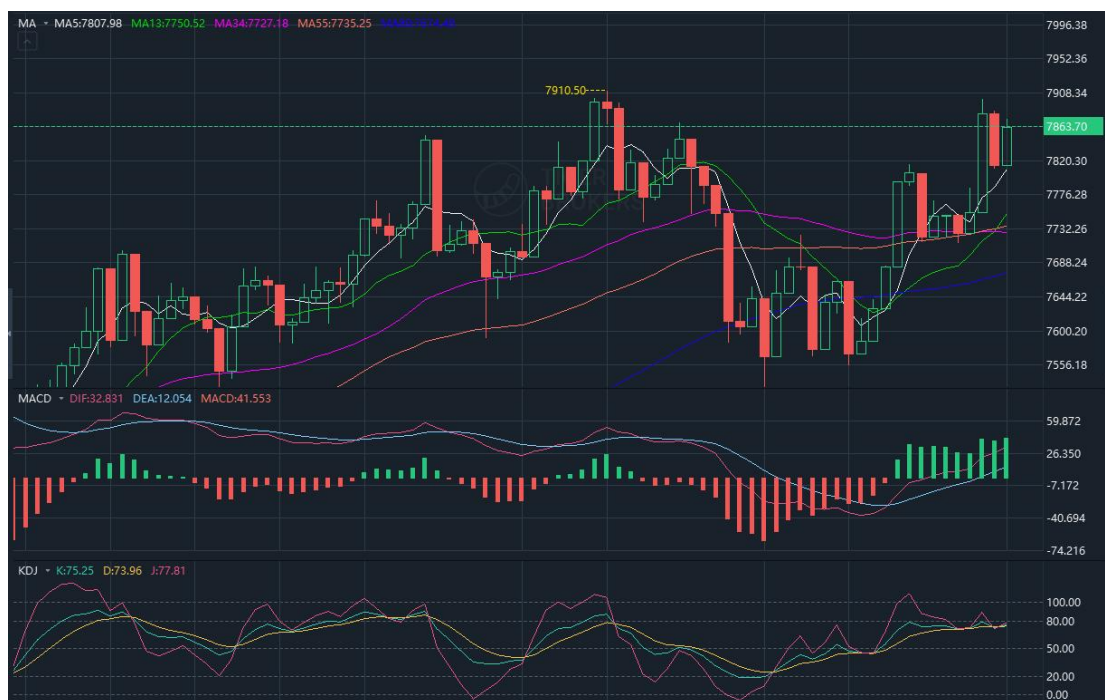
In today's trading, the strong performance of the materials, energy, and financial sectors drove the indices to rise rapidly. The continued rally in energy stocks helped the major indices stabilise at higher levels. Sector-wise, the energy sector rose by more than 2%, the materials sector by nearly 2%, and the information technology sector also gained over 1%. In contrast, the healthcare, staples, and real estate sectors underperformed, leading the declines.

In today's market performance, we observed that the index movements and sector trends were highly consistent with our predictions from last night's session. Last night, we analysed that the broader market would continue to rise, approaching the resistance at previous highs, and we specifically favoured the materials, energy, information technology, and consumer discretionary sectors for this week. Today, three out of these four sectors performed prominently, leading the gains. Is this outcome merely luck, or is it the result of thorough market research and analysis?

What I want to share with everyone is that through our group's continuous learning and exchange, each investor has the opportunity to master the core skills of market analysis and forecasting. The initial purpose of creating this group was to promote financial education, expand our group's influence in the Australian financial market, and support the growth of each member by providing valuable instruction. Over time, I believe each investor will be able to develop their own mature and robust trading strategies.

Of course, some investors might prefer to follow trading signals due to their busy schedules, which can undoubtedly bring some investment returns. However, I am more eager to teach everyone how to independently analyse the market, as this ability will stay with you for life and be key to achieving long-term, stable returns. Through learning and practice, everyone can become an independent investor, capable of understanding market dynamics and making confident decisions in the complex financial world.

investors, do you agree with my view? I hope we can continue to explore and deepen these skills in our future sessions.



The above chart is the daily chart of the XJO Index.

From a technical analysis perspective, the XJO Index shows a strong

upward momentum. Its moving average system exhibits a bullish divergence trend, with the index steadily rising along the MA5 moving average. This indicates that the index has the momentum to continue its upward trajectory and potentially test or even break past previous historical highs.

Financial markets are often seen as barometers of the economy, with economic fluctuations typically reflected in financial markets first. Tomorrow morning, the RBA will release the minutes of its May monetary policy meeting, which will significantly impact the XJO Index. Although recent employment growth has exceeded market expectations, the unemployment rate announced last week unexpectedly rose to a three-month high, seemingly reducing the likelihood of another rate hike by the RBA in the near term. Currently, pricing in the interest rate futures market shows about a 50% probability of a rate cut by the RBA by December this year, and the market has fully priced in a 25 basis point rate cut by April next year.

If tomorrow's RBA monetary policy meeting minutes reflect a dovish or neutral stance, the XJO Index is highly likely to challenge and potentially break through its historical high.

As the index approaches all-time highs, our strategy for operating in the sharemarket needs to keep pace with market dynamics, constantly adjusting and optimizing our portfolio. Students need to understand that even in a bull market, there will still be periods of correction and correction; Similarly, in a bear market, there will be opportunities for rallies and gains. As a result, the current index is near an all-time high, and the strategy you adopt becomes critical, which will directly affect the performance and returns of your portfolio in the future market environment.

Under the expected wave of interest rate cut, the global sharemarket is booming, and the three major stock indexes in Australia are also near the record high. When the stock is near the record high, students should also be cautious to ensure the balance between our risk management and return. Here are some suggestions for a portfolio and operational strategy:

Select sectors and stocks that have lagged or shown smaller gains previously, especially those currently at the bottom and showing signs of stabilisation, as they possess clear strategic advantages:

Relative Valuation:

When the broader market is near historical highs, many stocks or sectors may be overvalued. In contrast, sectors with smaller gains may not have fully reflected the market's overall upward trend, potentially presenting undervalued opportunities. Additionally, these sectors, with relatively more attractive prices, may offer a higher margin of safety compared to those that have already seen significant gains.

Rotation Effect:

The sharemarket often exhibits a rotation characteristic among different sectors. Once a particular sector has seen significant gains, capital may flow to previously underperforming sectors in search of new investment opportunities. At market highs, investors tend to become more cautious and prefer sectors that have not yet experienced substantial gains to mitigate investment risk.

Potential Catch-Up Opportunities:

Lagging sectors may present potential catch-up opportunities. When the market generally perceives these sectors to have strong fundamentals but relatively low prices, investor buying can drive prices up.

Fundamental Support:

Some companies in lagging sectors also have good potential for earnings growth, which the market has not yet fully recognised. Once these companies' performances are acknowledged by the market, their stock prices may rise significantly. Sectors that are at a cyclical low or in a recovery phase may see their stock prices increase as the industry's prospects improve.

Through this strategy, investors can effectively leverage market dynamics to identify investment opportunities that are not yet widely recognised, aiming for capital appreciation.

When the index is near historical highs, in addition to selecting stocks that have underperformed previously or are currently at the bottom, we can also employ the following strategies to enhance the performance and resilience of our investment portfolio:

Diversification:

To mitigate the risks that market volatility may bring, it is advisable to include various types of assets in your investment portfolio, such as stocks, bonds, and commodities. This diversification strategy helps balance the performance differences between different assets, thereby reducing overall investment risk.

Sector Diversification:

By investing in stocks from different sectors, you can avoid having too much capital concentrated in a single industry. For example, ensure that our investment portfolio includes stocks from multiple sectors such as resources, education, and consumer goods. This way, even if one sector is negatively affected, it will not significantly impact the overall investment.

Allocation of Safe-Haven Assets:

Including typical safe-haven assets in your investment portfolio, such as government bonds, gold, and cryptocurrencies, can provide protection during market downturns. These assets tend to perform well during periods of market uncertainty or heightened panic, thereby offering stability to the portfolio.

Selection of High-Quality Stocks:

Prioritise investing in companies with strong financial health, high profitability, and stable market positions. These companies typically exhibit better resilience during market fluctuations and can provide more stable returns for investors.

By employing these methods, we can effectively manage uncertainties when the market is at a high point, while seeking growth and protecting capital. These strategies will help us achieve long-term stability and appreciation in our investments amid future market dynamics.



The above chart is the weekly chart of COL.

When analysing COL's weekly chart, we can observe that after rebounding from the previous low of 14.507, the stock has successfully broken through the descending trendline. Currently, the Bollinger Bands have started to open upwards, indicating increasing volatility and an upward trend. Recently, the stock price has been consolidating above the middle band of the Bollinger Bands, demonstrating a solid

support level.

COL's current trend aligns with the conditions we anticipated when we bought it, with no changes in its fundamentals or technicals. In this scenario, the best strategy is to remain patient and hold the stock. Given the strong performance of the broader market and the continuous setting of new highs, along with the sector's relative underperformance in the previous period, COL is likely to exhibit strong catch-up momentum.

Therefore, we should continue to keep a close watch on COL, leveraging its strong technical position and the positive shift in market sentiment. With the favourable performance of the broader market, we can expect this stock to deliver the anticipated returns.



The above figure is the PLS intraday trend chart



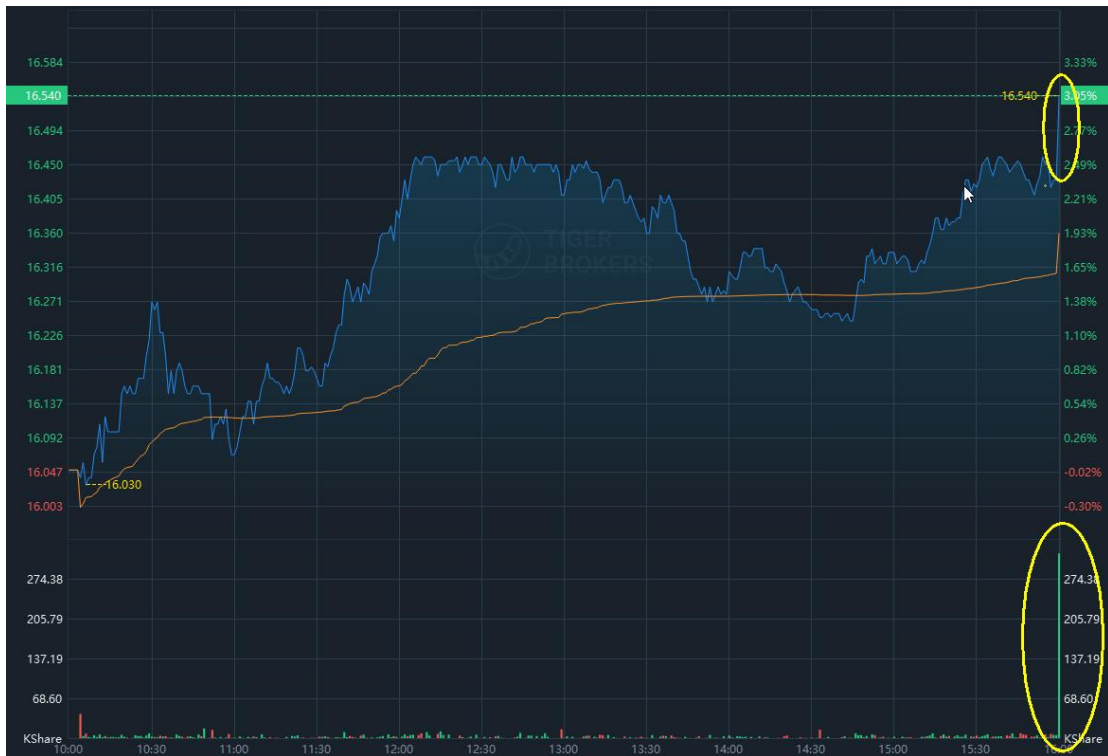
Above is the PLS daily chart

In last night's session, we discussed that PLS and IEL might bring surprises this week, and today, both stocks indeed met our expectations, showing strong upward momentum.

In last week's analysis of PLS, we observed that institutional investors often made large purchases near the close of trading to acquire shares, and today they continued this strategy. PLS previously showed signs of lagging relative to the broader market index. With the ongoing improvement in the economic environment and rising expectations for lithium prices, PLS's fundamentals present a positive outlook. Additionally, from a technical analysis perspective, the strong technicals indicate that more market investors may get involved, further driving up the stock price.

Observing the capital flow, we can see that institutional investors are continuously making substantial purchases towards the end of the trading day. This not only reflects their confidence in PLS's future performance but also indicates their intention to drive up the stock price.

Therefore, for PLS, our current strategy should be to remain patient and maintain continuous monitoring. By following the market trend and observing institutional behaviour as well as the market's technical reactions, we can ensure that we maximise our profits.



Above is the IEL daily chart



Above is a weekly chart of IEL

From IEL's intraday chart today, we can observe that institutions, led by Goldman Sachs, have recently been making significant purchases near the end of the trading day. These buying

operations often account for a quarter to a fifth of the day's trading volume. This behaviour indicates that institutional investors are actively acquiring shares and are optimistic about the stock's future performance.

Last night in class, we discussed the target of IEL breaking above the MA13 moving average on the weekly chart. With continued institutional inflows and improving technical indicators, IEL's trend is gradually aligning with our expectations. The involvement of institutional funds and the strengthening of technical indicators typically make the stock a market focal point during broader market adjustments, thus attracting widespread attention.

Therefore, in terms of strategy, we should continue to adhere to our established plan, remain patient, and closely follow the market trend. Our goal is to achieve over 30% returns. By following these clear market signals and institutional behaviours, we can confidently wait and realise this target. In summary, maintaining consistency in our strategy and staying true to the trend are the keys to our success.

As the market index continues to rise, both opportunities and risks are expanding. For those investors who feel uncertain about the trends of their holdings and sector performance, I recommend sending your investment portfolios to my assistant. When I have time, I will conduct a detailed analysis for you and provide constructive feedback. This analysis can help you better understand the performance of individual stocks and sectors, providing strong support for your investment decisions. My goal is to help each investor seize market opportunities while effectively managing potential risks.

Due to time constraints, our discussion for today will conclude here. I greatly appreciate the active participation of all investors!

In tomorrow night's session, we will delve into the impact of the monetary policy meeting minutes on the market and identify which sectors still have upside potential in the current market environment, deserving of our continued attention and exploration.

I wish everyone a pleasant evening, and with positive anticipation and thorough preparation, we will reconvene tomorrow.

Good night, dear investors!

