

G'day investors!

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

A new week, a fresh start! In tonight's session, we will delve into market dynamics from several key points and extract effective investment strategies for the upcoming week:

1. Market Review and Outlook for the Upcoming Week:

We will analyse the key dynamics of the market this week, assess various factors influencing the market, and predict how these factors will affect market performance next week.

2. Weekend Market News Interpretation and Preview of Key Economic Data for Next Week:

By interpreting the latest market news and previewing important economic data to be released, we can better understand the potential direction of market movements. This is crucial for adjusting and optimising our investment strategies.

3. Forecasting the Performance of Stocks in the Investment Portfolio for Next Week:

We will conduct a detailed analysis of the performance of each stock in the investment portfolio and predict their potential trends for the upcoming week, enabling us to make timely adjustments based on market changes.

Tonight's discussion will not only provide an in-depth understanding of market dynamics but also share practical strategic advice to ensure that all investors are well-prepared for the upcoming trading week. Additionally, we will explore how to effectively utilise this market information to seize investment opportunities, thereby enhancing your adaptability and responsiveness as an investor.

Reviewing the performance of the financial markets this week will help us observe the underlying logic of market fluctuations. This is crucial for conducting an objective and in-depth analysis and forecasting the market direction for the upcoming week.

Now, let's review the performance of the Australian domestic market this week to better understand the key factors influencing market dynamics:



This chart shows the XJO Index weekly graph. During this week's trading, the XJO Index experienced an initial rise followed by a decline, ultimately closing down 1.11% for the week, closely aligning with the 13-day moving average (MA13). This trend largely corresponds with our analysis from last week.

One of the primary drivers of this week's index decline is the increased concern about China's economic growth. As the world's second-largest economy, China's economic health has a profound impact on global markets, especially for the Australian market, which relies heavily on resource exports. As concerns about China's economic outlook deepen, related international markets are also feeling the pressure.

On the other hand, recent business activity data from the United States has shown a higher-than-expected level of activity. This result has dampened market expectations that the Fed will lower interest rates soon. Strong business activity data suggests a more robust economy, reducing the need for the Fed to cut rates in the short term, thereby constraining the upward momentum of the stock and commodity markets.

These factors collectively influence market sentiment and investors' strategic choices, leading to this week's pullback in the XJO Index. When making future investment decisions, investors should consider these macroeconomic indicators and policy trends, as well as their potential impact on market movements. In this uncertain and volatile market environment, staying attuned to global economic dynamics and maintaining flexibility in adjusting investment portfolios will be key to meeting challenges and seizing opportunities.

Next, let's review the major developments in the global financial markets this week. By conducting an in-depth analysis of the trends and changes in various key instruments, we can gain a more objective and comprehensive understanding of the overall market trends. This not only helps us make more accurate stock investment decisions but also enhances our ability to predict global macroeconomic trends. Through continuous monitoring and analysis, we can identify the key factors influencing market movements, allowing us to stay ahead in a complex investment environment.



The above chart shows the US Dollar Index weekly graph. In the broad landscape of the global economy, the foreign exchange market often acts as the most sensitive nerve ending. This week, the US released several key economic data points, including a decline in initial jobless claims and accelerated business activity expansion. These better-than-expected results significantly boosted market confidence in a robust US economic recovery. Against this backdrop, coupled with positive expectations for the future policy environment, the US Dollar Index reversed its downward trend this week, ultimately achieving a 0.26% gain.

This shift not only demonstrates the resilience and recovery momentum of the US economy, but also serves as a reminder that when investing in stocks and the foreign exchange market, it is crucial to closely monitor changes in macroeconomic indicators and policy directions. The volatility of the foreign exchange market and its sensitivity to economic data demand that investors maintain a high level of vigilance and adaptability.

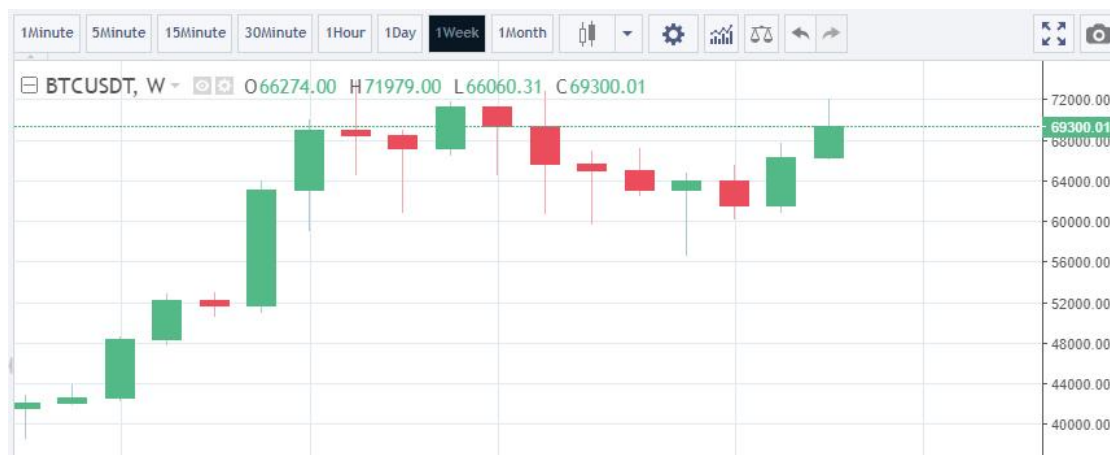


The above chart shows the NYSE Gold Futures weekly graph.

Last week, the number of initial jobless claims in the US decreased, revealing the strong potential of the labour market, which is likely to continue supporting the economy. Additionally, US business activity accelerated in May, reaching its

highest level in over two years, indicating an uptick in economic growth midway through the second quarter. These positive economic indicators typically reduce the market's demand for safe-haven assets such as gold, leading to a significant decline in gold futures prices this week, with a drop of 3.52%, approximately \$85.

For investors focused on gold and other safe-haven assets, it is crucial to closely monitor economic indicators and market trends, and to adjust investment portfolios to adapt to these changes.



The above chart shows the Bitcoin weekly graph.

Bitcoin continued its strong upward momentum from last week, briefly surpassing the \$70,000 mark during intraday trading. Market optimism has notably increased. A key driver of this recent surge is the significant net inflow into Bitcoin Exchange Traded Funds (ETFs). As of 24 May 2024, the total net inflows into these funds reached an astonishing \$252 million, marking the tenth consecutive day of positive net inflows.

This continuous inflow of funds not only reflects institutional investors' strong confidence in Bitcoin's future performance but is also often interpreted by the market as a strong bullish signal. The ongoing capital influx into ETFs suggests that an increasing number of traditional investors are seeking opportunities in Bitcoin. This trend has the potential to further drive up its price.

Such strong financial support and market confidence indicate that Bitcoin is gradually gaining broader mainstream acceptance. This provides a positive signal for investors looking to incorporate Bitcoin into diversified investment portfolios. With more capital inflow and growing recognition of its long-term potential, Bitcoin's market performance still has significant upward potential.

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On Thursday, May 23rd, Eastern Standard Time, the U.S. Securities and Exchange

Commission (SEC) made a significant decision by approving the trading plans for Ethereum spot ETFs (Exchange-Traded Funds) submitted by the New York Stock Exchange (NYSE), the Chicago Board Options Exchange (CBOE), and Nasdaq. This decision has put an end to speculation about the possible listing time of Ethereum spot ETFs and has officially paved the way for these ETFs to be traded in the U.S. market.

This move is undoubtedly a major positive development for the entire cryptocurrency market. Major cryptocurrencies like Bitcoin and Ethereum will be directly and positively impacted by this decision. The SEC's approval not only enhances the legitimacy of cryptocurrencies as a mature investment class but also has the potential to attract more institutional investors into the market. This is because ETFs provide a relatively simple way to invest in cryptocurrencies without the need to directly buy and hold these assets, thereby reducing operational complexity and security risks.

As Bitcoin, Ethereum, and other digital currencies become more integrated into the mainstream financial system through this avenue, we can anticipate a further expansion in the acceptance and investor base for cryptocurrencies. For investors seeking diversified portfolios and interested in emerging asset classes, this development opens up new possibilities. This is not only a validation for the cryptocurrency industry but also marks a significant step towards broader asset acceptance and integration within the entire financial market.



The above chart shows the NYSE Copper Futures weekly graph.

This week, after reaching a historic high, copper prices experienced a significant pullback, declining by 6.47%. Recently, copper has become one of the main commodities speculated in the market. As the global electrification process accelerates, demand for copper is rapidly increasing across multiple sectors, including electric vehicles, solar panels, wind power, as well as military and data centers. This surge in demand has led to an imbalance between supply and demand in the market, becoming a key factor driving up copper prices.

However, this week, market concerns about the persistently high interest rate environment and expectations of potentially weaker future copper demand have suppressed further increases in copper prices. This price volatility highlights the sensitivity of the copper market to macroeconomic factors and underscores the importance for investors to remain vigilant regarding these variables.

Before we look ahead and make predictions for next week's market, it is essential to thoroughly understand the series of important economic data that will be released. By combining these key pieces of information with technical analysis, we can more accurately assess and forecast market trends.

Next week, we need to pay attention to a series of important economic data and events that will significantly impact market trends:

Monday:

Memorial Day in the United States, sharemarkets will be closed.

Tuesday:

Australia's ANZ-Roy Morgan Consumer Confidence Index for the week ending 26 May

US Conference Board Consumer Confidence Index for May

2026 FOMC voting member and Minneapolis Fed President Neel Kashkari speaks

Wednesday:

Australia's Westpac Leading Index monthly rate

Australia's April ABS CPI annual rate - seasonally adjusted (%)

Federal Reserve releases the Beige Book on economic conditions

Thursday:

Australia's April seasonally adjusted building approvals monthly rate (%)

Australia's Q1 seasonally adjusted capital expenditure on plant and machinery quarterly rate (%)

US initial jobless claims for the week ending 25 May (thousands)

US Q1 revised annualised GDP quarterly rate (%)

Friday:

China's May official Manufacturing PMI

US April PCE Price Index annual rate (%)

2026 FOMC voting member and Dallas Fed President Lorie Logan speaks.

Next week, market focus will centre on two key inflation indicators that will have profound effects on both Australian and global sharemarkets. Firstly, the Australian Bureau of Statistics will release the seasonally adjusted annual CPI data. As a primary measure of inflation, CPI data directly impacts the sharemarket because it influences central bank monetary policy decisions. These decisions not only affect short-term market movements but can also shape mid-term market trends.

Secondly, the US Core PCE Price Index, one of the Fed's most closely watched inflation indicators, will also be in focus. The Core PCE Price Index excludes the more volatile food and energy prices, making it a more stable measure of inflation. If next week's data shows a moderation in inflation, it could raise market expectations of a potential rate cut by the Fed, thereby impacting US stocks and global financial markets.

The analysis of these economic indicators is crucial not only for our investment decisions but also for understanding the changes in the current economic environment. By meticulously analysing these inflation data, we can better predict central bank policy directions and adjust our investment strategies accordingly to navigate potential market volatility.

Next Week's Outlook for the XJO Index:





The above charts show the XJO Index weekly and daily graphs.

After four consecutive weeks of gains, the XJO Index's upward momentum paused this week, recording a 1.11% decline. From a weekly perspective, the index has retreated to the vicinity of the 5-day and 13-day moving averages (MA5 and MA13), indicating that this area has become an important technical support level.

Specifically at the daily level, we observed that last Friday, when the index fell to the MA34 moving average, it received significant support, which led to a deceleration in the decline. This performance reinforced the market consensus that the MA34 moving average around 7725 points is an effective support level.

Given that the XJO Index is currently near the key support level of the daily MA34 moving average, and is also supported by the weekly MA5 moving average, technical analysis suggests that after the significant drop on Friday, the bearish momentum appears to have been largely exhausted. It is expected that the index may rebound tomorrow with the help of the MA34 moving average.

For the overall market outlook next week, considering the current news and technical analysis, I tend to believe that the XJO Index will show a gradual rebound trend. From a broader perspective, both the fundamental and technical indicators of the XJO Index suggest potential for recovery and growth. Next week may provide us with a more favourable trading environment.

Looking ahead to next week, with the ongoing improvement in market trading conditions, the upcoming release of economic data is expected to further boost the stock market. Next week, the materials and information technology sectors, along with the real estate and healthcare sectors, which experienced

significant declines this week, are likely to attract strong market interest.

Next, let's analyse the potential market performance of the individual stocks in our investment portfolio for the upcoming week:



The above chart shows the COL weekly graph. In analysing COL, we first notice its solid fundamental performance. COL's core business continues to improve, and its high dividend yield, which has been increasingly attractive year by year, is drawing growing market attention. From a technical perspective, COL's stock price has been consolidating in a narrow range above AUD 16 in recent months. This price action indicates that the market is cautiously assessing its value.

At the same time, the movement of the KDJ indicator provides further insights. The KDJ is gradually moving down from the overbought zone, indicating that the market is using price consolidation to correct this technical indicator. This "time over space" strategy is positive, as it suggests that even during the technical correction, institutional funds are not looking to see a decline in the stock price.

For investors holding COL stock, now is the time to remain patient. During the correction of the KDJ indicator, the stock price has not undergone significant adjustments, providing strong motivation for holders to maintain their positions. Over time, once the technical indicators have been corrected, the stock price is likely to break out of the current trading range and embark on a new upward trend.



The above chart shows the PLS daily graph. This week, PLS's stock price encountered resistance again near the AUD 4.20 level and moved downward, further dipping to an important daily support line on Friday. After four consecutive days of decline this week, PLS is currently trading close to the support of its daily uptrend line. Looking ahead to the coming week, I expect PLS's stock price to potentially rely on this trendline support to make another attempt at breaching the AUD 4.20 resistance level.

With the trading environment expected to improve gradually next week, there is reason to believe that PLS's stock price may break out of the current triangular consolidation pattern and successfully surpass the AUD 4.20 resistance line. This breakout will serve as an important validation of its sustained upward momentum, providing an excellent opportunity for current holders to increase their positions.



The above chart shows the IEL weekly graph.

From a technical analysis perspective, IEL's stock price has shown strong support at the bottom after multiple tests of the MA13 moving average, which is a very positive sign. Notably, the KDJ indicator has formed a golden cross in the oversold zone and is trending upward, while the MACD's red momentum bars are gradually diminishing. These factors indicate that IEL's stock price has solid consolidation and support in the bottom area.

Over time, the pressure from the MA13 moving average will gradually decrease next week, providing more favourable conditions for bullish operations. It will become easier for the bulls to break through the resistance of the MA13 moving average.

Therefore, for IEL holders, the current strategy should be to remain patient and first wait for the stock price to successfully break through the resistance of the MA13 moving average. Once this breakthrough is achieved, the next focus should be on the further resistance points above AUD 19. This strategy is based not only on the interpretation of the current technical pattern but also on a prediction of potential market trends, aiming to provide investors with a strategy to maintain an advantage in a volatile market. By following this approach, we can better seize market opportunities and achieve capital appreciation.

Due to time constraints, today's discussion will end here. Thank you all for your active participation!

In this week's session, we thoroughly discussed the basic principles of moving averages and how

to choose the appropriate moving average periods, an essential tool for understanding market dynamics. Tomorrow's session will delve further into the buying and selling rules of moving averages, helping you master how to use moving averages to identify the optimal buying and selling opportunities. For those who have not yet set up their period parameters, please feel free to contact my assistant for assistance. This will ensure that you stay in sync with the course content and more effectively understand and apply the knowledge learned.

Wishing everyone a wonderful evening. We will continue our in-depth discussion and exchange tomorrow. Good night, investors!