

G'day investors!

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

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

1. Review of This Week's Market and Outlook for Next Week:

We will analyze the key dynamics of this week's market, evaluate the various factors influencing the market, and predict how these factors might impact market performance next week.

2. Preview of Major Economic Data for Next Week:

By interpreting the significant economic data set to be released, we can better understand the possible direction of market movements. This is crucial for adjusting and optimizing our investment strategies.

3. Forecast of Stock Performance in the Portfolio for Next Week:

We will conduct a detailed analysis of the performance of each stock in the portfolio and predict their potential movements for the upcoming week, allowing 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 strategy recommendations to ensure all investors are well-prepared for the upcoming trading week. Additionally, we will explore how to effectively utilize this market information to capture investment opportunities, thereby enhancing your market adaptability and responsiveness as an investor.



Reviewing this week's financial market trends will help us observe the underlying logic of market fluctuations, which is crucial for conducting an objective and in-depth analysis and forecast of next week's market direction.

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

During this week's trading, the XJO Index exhibited a pattern of rising initially before declining, ultimately closing the week with a 0.34% drop. This market dynamic was primarily influenced by strong economic data and news. Notably, the latest released CPI data reached 3.6%, which was higher than the market expectation of 3.4%. The inflation data exceeding expectations sparked widespread concerns among investors about future interest rate policies by the RBA. This uncertainty significantly weakened the market's bullish sentiment, directly leading to a marked decline in the index on Wednesday.

However, by Friday, positively influenced by the rebound in major global sharemarkets and the support at the daily chart level, we saw the XJO Index stabilise and rebound at the daily chart level. From this week's market movements, we can further understand that this volatility demonstrates the market's sensitivity to global economic data and policy expectations. It also highlights the need for us, as investors, to remain vigilant in such a constantly changing environment. In the face of continuous global economic challenges, capital markets often react sensitively to macroeconomic indicators. Therefore, when making investment decisions, we must consider the impact of these economic indicators on market sentiment and their potential indications for future market trends.



This week, the Dow Jones Index continued its correction trajectory, a trend originating from last week's market performance. Notably, government data released on Friday revealed some positive signals, showing that the core inflation measure preferred by the Fed cooled in April, with the increase being the lowest so far this year. Specifically, the overall PCE price index rose by 0.3% month-over-month and 2.7% year-over-year, while inflation-adjusted consumer spending unexpectedly declined by 0.1%. This easing of inflation brought a glimmer of hope to the market, moving in a positive direction for policymakers who are hoping for the Fed to begin lowering interest rates.

The release of this data had a positive impact on market sentiment, leading the Dow Jones Index to stabilise and rebound during Friday's trading. Although the market still faces considerable uncertainties, timely improvements in economic indicators can provide investors with necessary reassurance, thereby supporting the sharemarket's recovery.

Before we look ahead and forecast the market for the coming week, it is crucial to thoroughly understand the series of important economic data set to be released. Only by combining these key announcements with technical analysis can we more accurately assess and predict market trends.

Monday:

- Australia May SPGI Manufacturing PMI Final
- China May Caixin Manufacturing PMI
- US May ISM Manufacturing PMI

Tuesday:

- Australia ANZ-Roy Morgan Consumer Confidence Index for the week ending June 2
- US April Durable Goods Orders MoM (Revised %)

Wednesday:

- Australia May AIG Manufacturing Performance Index
- Australia Q1 Seasonally Adjusted GDP QoQ (%)
- US May ADP Employment Change (thousands)

Thursday:

- Australia April Investment Lending for Homes MoM (%)
- US Initial Jobless Claims for the week ending June 1 (thousands)
- ECB Interest Rate Decision

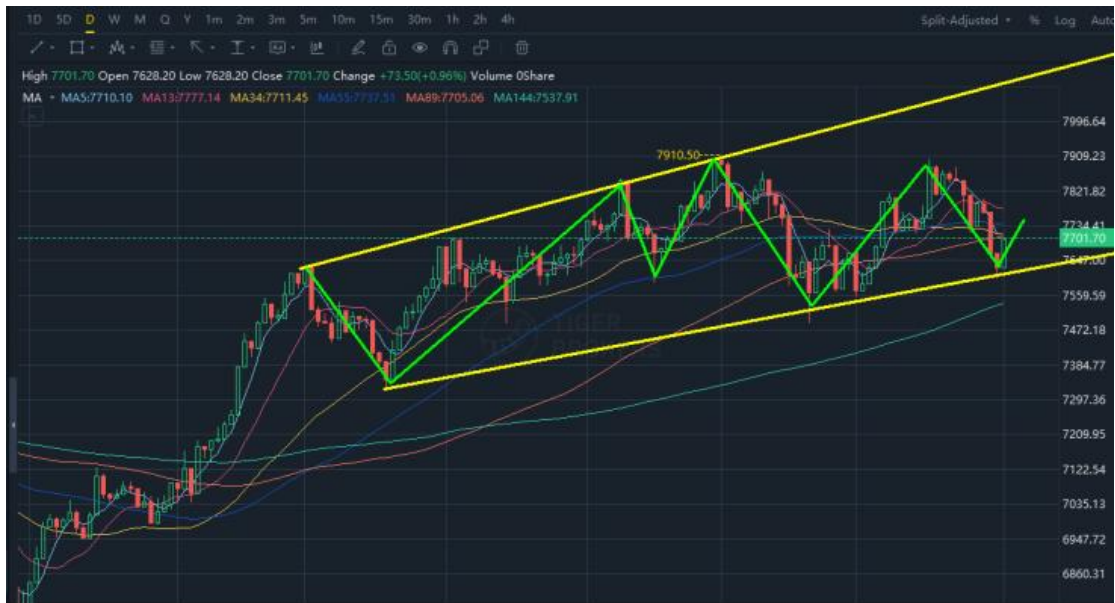
Friday:

- US May Nonfarm Payrolls Change Seasonally Adjusted (thousands)
- US May Unemployment Rate (%)

Next week, the global financial markets will focus on two key events: the US nonfarm payroll data and the European Central Bank's interest rate decision. The market widely anticipates that the ECB might cut rates before the Fed. If the ECB acts first, this will significantly accelerate global investors' expectations that the Fed might follow suit. For the RBA, this could also prompt a reassessment of its future interest rate path, which would undoubtedly be a positive signal for global sharemarkets.

Additionally, the US nonfarm payroll data to be released on Friday is also highly anticipated. This data will have a substantial impact on financial markets, including the sharemarket, forex market, and cryptocurrency market, causing significant price volatility. The quality of the nonfarm payroll data is directly related to the market's assessment of the health of the US economy, thus influencing the Fed's monetary policy decisions. These events will be the key focus for us next week. As investors, we should be prepared and adjust our strategies to respond to potential market fluctuations.

Outlook for the XJO Index Next Week:



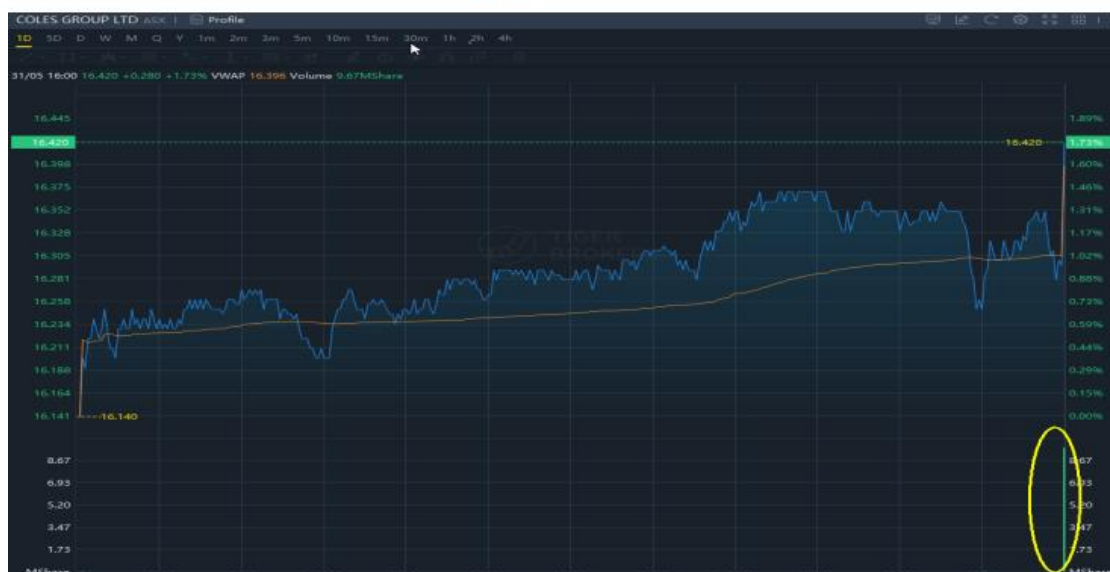
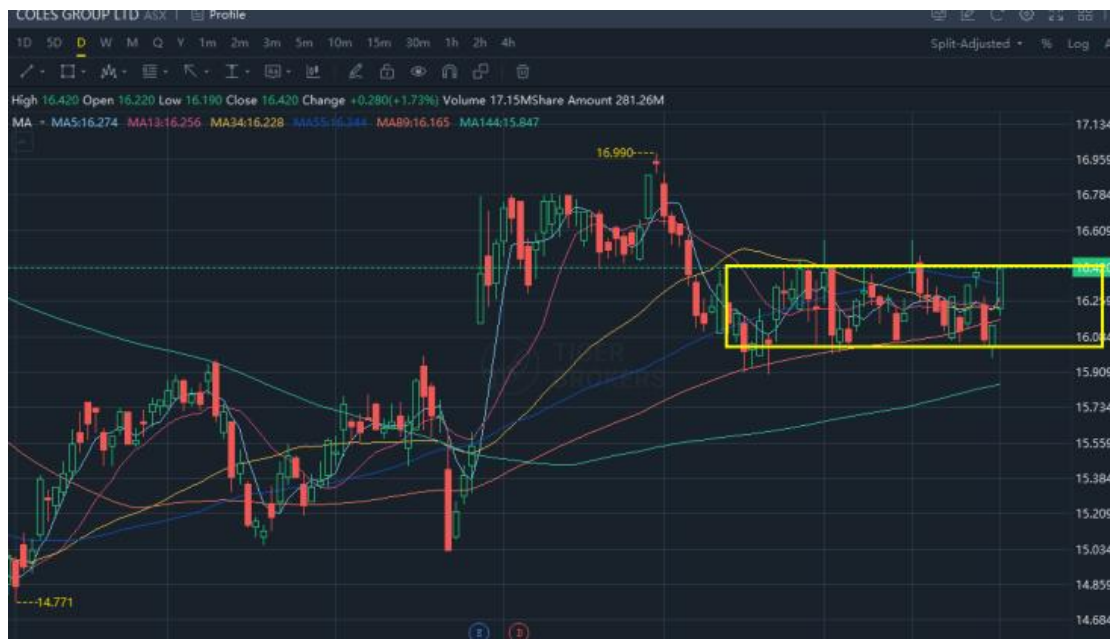
The above charts are the daily and weekly charts of the XJO Index.

Analyzing the weekly chart, the XJO Index received strong support at the middle band of the Bollinger Bands this week, indicating a mitigation of the downtrend and successfully stabilizing above the middle band on Friday. From a daily chart perspective, the index found significant support around the 7620 level and subsequently initiated a rebound at the daily level.

With the rise in US stocks on Friday, the probability of the XJO Index continuing its rebound tomorrow is extremely high. It is expected that the MA5, MA34, and MA89 moving averages, which were lost last Wednesday, may be reclaimed tomorrow. In the latter half of the week, as the ECB's interest rate decision is announced, global investors' expectations for potential rate cuts by both the ECB and the Fed may further intensify, likely boosting market sentiment again. Therefore, considering these factors, the market outlook for next week is highly anticipated.

Based on the current news and technical analysis, I am inclined to believe that the XJO Index will exhibit a gradual rebound trend. It is expected that the index will continue its upward momentum at the beginning of the week, while Tuesday and Wednesday may experience some consolidation around the MA13 moving average. In the latter half of the week, with the impact of significant economic decisions, the index is expected to continue its upward movement, providing us with a very attractive trading environment.

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



The above charts show the daily and intraday charts of COL. During the late trading session on Friday, COL experienced significant buying interest, leading to a substantial rise in its stock price during the final phase of trading. Based on the current technical trends and market capital flows, it is highly likely that the stock price will break out of the recent consolidation phase in the coming trading days. The stock price shows the potential to break above the upper range of the consolidation zone, indicating the possibility of a new upward trend.

Moreover, with the large-scale involvement of institutional funds, we have observed positive movements in the stock price towards favorable directions. This kind of buying activity, driven by major funds, typically signals strong market confidence in future value. Therefore, based on the current market dynamics and technical indicator analysis, we have reason to expect that COL's performance next week could bring positive surprises.





After a thorough analysis of the sector index BK7504 related to PLS, we have observed that this index is approaching its previous bottom support area. Technically, Friday's market performance displayed a candlestick pattern known as the "Morning Star," which in technical analysis is often seen as a potential bottom reversal signal, indicating a possible short-term rebound.

Looking at the daily chart of PLS, the stock price has retraced to the vicinity of a key channel support line after filling the previous gap. Notably, Friday saw a significant buying interest of approximately AUD 80 million, providing strong support for the stock price and greatly increasing the likelihood of stabilization and consolidation in the coming week.



In our investment portfolio, despite the recent decline in PLS's performance, its fundamentals and technical structure still align with our initial expectations. With the continued inflow of institutional funds, we observe positive developments for PLS. As long as the current technical structure remains intact, our strategy should be to remain patient, continue holding the shares, and wait for the market to confirm the stabilization and prepare for a rebound.

The current market position and technical indicators for PLS provide an excellent opportunity to shift from a wait-and-see approach to active participation. As your financial analyst, I will continue to closely monitor market dynamics and PLS's performance to ensure we can capitalize on the forthcoming market opportunities.



From the daily chart of IEL, we can observe that the stock price currently exhibits a "broadening formation," which typically indicates that the stock is gradually emerging from a bottom consolidation trend. From a technical perspective, the rising lows show that upward momentum is building. This trend suggests that IEL's stock price is progressively moving away from its previous bottom consolidation state.

With continuous inflows from international investment banks such as Citibank, Goldman Sachs, and JPMorgan, smart capital is actively positioning itself, and the market's shares are gradually concentrating. This capital involvement not only supports the stock price's stability but also provides a solid foundation for a short-term price rebound. Based on the current technical analysis, IEL's stock price is likely to stabilize and recover its weekly MA13 moving average in the short term.

In our investment journey, instances like the recent decline in PLS may cause some investors to feel uneasy. However, I want to emphasize that there are various institutional funds operating behind each stock, and the specifics of these operations are often beyond our full grasp. Nevertheless, this does not mean we are left without options. On the contrary, through in-depth analysis of fundamentals, technical aspects, and capital flows, we can effectively predict the mid-term trajectory of stock prices.

Remember, as long as the primary trend and market structure of the stock remain unchanged, we should not let short-term fluctuations influence our long-term investment decisions. Taking PLS and IEL as examples, our goal is to achieve a 30% return. Although IEL's stock price rose by nearly 8%-10% in May, we did not rush to take profits because we are pursuing longer-term gains, not short-term fluctuations.

Therefore, when facing these market ups and downs, we need to stay calm and focused. A long-term perspective and patience are the keys to winning in this investment game.

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

With a series of important economic data to be released next week, the financial markets are likely to experience significant price volatility once again. In such an environment, precise evaluation and adjustment of our investment portfolio are particularly important. If you feel uncertain about certain stocks in your portfolio or need a more in-depth analysis to navigate the upcoming market dynamics, please send the details of your portfolio to my assistant. I will personally review each submission and provide you with detailed recommendations.

I wish everyone a wonderful evening. Tomorrow, we will continue our in-depth discussions and exchanges. Good night, investors!