



BULLS vs BEARS

MPC Markets – Weekly edition
FOUNDED BY INVESTORS, FOR INVESTORS



Now comes as a podcast!



MPC IN THE MEDIA

In this week's highlight, we feature an enlightening discussion between Mark Gardner and Glenn Freeman of Livewire Markets, focusing on the most promising commodities for the upcoming year. Gardner shares his expert insights, pinpointing uranium as his top pick due to its crucial role in sustainable energy. He also discusses the fluctuating fortunes of gold, copper, and lithium, alongside specific stock recommendations like Liontown and Winsome Resources, and the strategic use of ETFs for diversified investment.



INFLATION SURPRISES BUT INVESTORS DON'T CARE

This week, U.S. inflation data surpassed expectations, sparking investor optimism as they focused on consumer resilience, leading to a rally in tech stocks. Amid these developments, Federal Reserve Chair Jerome Powell underscored the Fed's unchanged stance on inflation, despite recent data. The Fed anticipates three rate cuts in 2024, maintaining the key rate as it seeks more conclusive evidence of inflation reduction. Powell hinted at a near-term slowdown in the Fed's balance sheet reduction to ensure market stability. With economic growth forecasts uplifted through 2026, the Fed's cautious yet optimistic approach has fostered confidence in the markets, reflected in rising stocks and falling yields.





STOCKS

HIGHLIGHTS OF THE WEEK

Paladin (PDN)

ASX-listed uranium stocks, including Paladin Energy Ltd (ASX: PDN), are experiencing a resurgence, with Paladin shares surging 9.4% this week. This uptick follows a recovery in uranium prices to US\$88.50 per pound from a dip in early March, bouncing back from a 20% fall after reaching 16-year highs in February. The broader ASX uranium sector is benefiting from a revived investor interest amidst predictions of increasing global uranium demand, which is expected to surpass supply. This optimistic outlook is underpinned by major nations' commitments to expand nuclear power by 2050, notably at the COP28 climate conference. With uranium fundamentals remaining strong, Paladin Energy's recent performance is indicative of the sector's potential for further gains.

Boral (BLD)

Australia's Boral has advised its shareholders to decline Seven Group Holdings' A\$1.9 billion (\$1.25 billion) bid for the remaining shares, arguing the offer undervalues the company. Controlled by billionaire Kerry Stokes, Seven Group, which already holds nearly 72% of Boral, proposed A\$6.05 per share in a mix of cash and stock, valuing Boral at A\$6.67 billion (\$4.35 billion). However, an independent assessment by Grant Samuel & Associates rated the bid as "not fair and not reasonable," leading Boral's directors, excluding Seven Group's nominees, to recommend against the offer.

Maas Group Holdings (MGH)

Maas Group Holdings has expanded its quarry portfolio with a \$70 million acquisition of several quarries in Eastern Victoria from Casacir Pty Ltd, advised by Hall & Wilcox. This move enhances Maas Group's position in the Australian aggregates and construction materials sector, following its recent acquisitions including Austek Asphalt and Victorian Dandy Premix. The acquisition includes company shares and hard rock quarry sites, aligning with Maas Group's strategic growth and reinforcing its construction materials capabilities, especially in Victoria.

Fisher & Paykel Healthcare (FPH)

Fisher & Paykel Healthcare has increased its FY2024 earnings guidance, projecting a net profit after tax between NZ\$260 million and NZ\$265 million, up from the initial NZ\$250 million to NZ\$260 million range. Operating revenue expectations have been revised to NZ\$1.73 billion, thanks to a favorable NZD/USD exchange rate of 61¢, from a prior forecast of NZ\$1.7 billion at 58¢. The uplift is driven by strong demand for hospital consumables and the successful performance of its OSA masks, especially the Evora Full mask. The company also anticipates expanding the reach of the newly launched F&P Solo mask to more countries soon.



MPC WEBINAR SERIES

FORTHNIGHTLY DEEP DIVE

Over the next 6 weeks, the MPC team will be releasing a series of webinars on a range of topics. Starting this week with Jonathan and Mark guiding you through the store of value trade. Covering Gold, Silver, Crypto and Real Assets



Store of Value Trade – Tuesday 19th of March

Explore leveraging gold, silver, and cryptocurrencies with Jonathan Tacadena in a webinar on strategic assets amid Central Banks' increasing money supply. Learn about their value, market timing, risk management, and strategies to safeguard investments in today's economy.



The Energy Transition – Friday 29th of March

Learn about smart investing in renewable energy with expert Mark Gardner. Explore new energy sources like solar and wind, their impact, and how to navigate investments wisely. Get tips to avoid mistakes and safeguard your investments for a sustainable future.



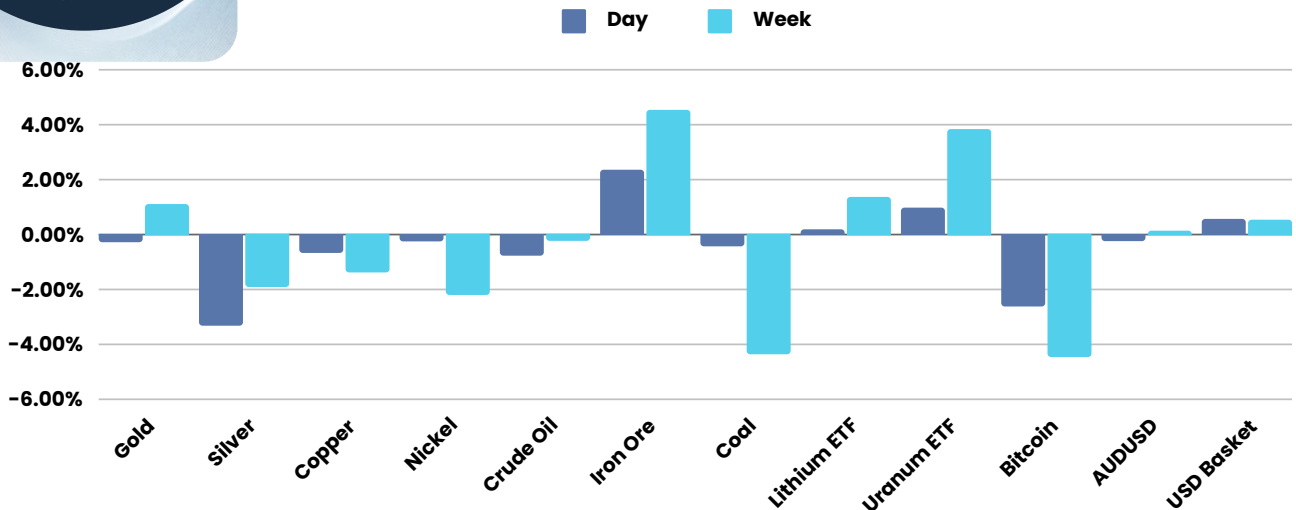
Exploring AI Investments – Tuesday 16th of April

Dive into AI investing essentials in our upcoming webinar. Learn to make informed decisions, understand the AI boom, and prepare for future changes. Gain insights, practical tips, and discover actionable AI stock investments to potentially transform your portfolio.

REGISTER NOW



COMMODITIES & FX



Lithium - Lithium had a volatile week, starting strong early, before falling off a cliff on Thursday. Lithium stocks had huge ranges over the week as hot money was washed around in large ranges.

Gold - Gold prices surged to record highs earlier this week, before swiftly consolidating and settling closer to the \$2,150 an ounce levels. Gold hit a record high of nearly \$2,200 an ounce at the beginning of the week, buoyed by persistent bets that the Federal Reserve will begin trimming interest rates by June.

Copper - surged to 11 month highs this week as China was forced to shut down a number of copper smelters due to an inability to source the commodity. A shortage of copper has been

Crude Oil - oil had a strong week, hitting fresh 4-month highs on a drawdown in US crude inventories and an attack on Russian refineries.

Iron ore - had a horrible week, although it wasn't a huge surprise with most analysts bewildered by the levitation act prices have performed despite a weakening

Uranium - Uranium spot prices have continued to drift lower to around \$84 on thin volume. it appeared as though speculative money was flushed out in Thursdays session before a bounce Friday

Bitcoin - Recent rally to new highs finally found some sellers as BTC dropped as low as \$61k. There are still strong inflows into the BTC ETFs so look for areas of support to buy. ETH and other alts do not look as strong as BTC, so watch out if any support levels break



ECONOMY & POLITICS

BOJ Raises Rates

The Bank of Japan (BOJ) has raised interest rates for the first time since 2007, ending eight years of negative interest rates. This marks a significant shift in Japan's monetary policy, which was among the world's most aggressive monetary easing efforts aimed at spurring bank lending and demand. The rate was adjusted from -0.1% to between zero and 0.1%. This move positions the BOJ as the last central bank to abandon negative rates. Despite this change, analysts expect the BOJ to proceed cautiously with future rate increases due to Japan's fragile economic recovery. The decision reflects growing confidence in achieving stable 2% inflation, buoyed by recent wage growth agreements, the largest since 1991. This rate hike, symbolic in nature, signals a cautious optimism for Japan's economy, aiming to transition from deflationary pressures while managing the economic impact.

AU Employment

Australia's unemployment rate unexpectedly fell to 3.7% in February from 4.1% in January, with the economy adding 116,600 jobs, surprising analysts who anticipated a slower job growth of 40,000 positions. This decline in unemployment reflects a robust labor market, contrary to signs of economic slowdown and follows 13 interest rate hikes aimed at controlling inflation. The Australian Bureau of Statistics (ABS) noted a higher job market entry rate in February 2024 compared to previous years. Despite a slight economic growth of 0.2% in the last quarter of 2023, the job market's strength has led to speculation that the Reserve Bank of Australia (RBA) may delay cutting interest rates, affecting currency and stock market reactions. This job growth, amidst high migration rates and varying regional employment rates, challenges views on monetary policy's impact on wage growth and inflation.

WHAT WE ARE READING



[US puts pressure on Israel with Gaza ceasefire resolution](#)



[Aussie bank shares "too expensive to own"](#)



[Oil Is Nearing 5-Month Highs And Its Not Just About Supply Fears](#)



TRADE OF THE WEEK

DroneShield (DRO)

Alpha Recommendation

Action: Buy DRO 22nd March 2024

Entry Price: 73c

Stop: 58c

Target: 93c

DroneShield (DRO) provides Artificial Intelligence based platforms for protection against advanced threats such as drones and autonomous systems. They offer customers bespoke counterdrone & electronic warfare solutions and off-the-shelf products designed to suit a variety of terrestrial, maritime or airborne platforms. Customers include military, intelligence community, Government, law enforcement, critical infrastructure, and airports.

DRO has had a great run since the start of 2024 rallying from sub 40c to 93c. It reached its peak on the back of coming into profitability but this brought out some sellers. DRO seems to be forming a base around the 70c level and it looks like its about to resume the trend higher. A few other military related names are also moving higher so there is also a sector tailwind in this trade. Keep stops just below the recent lows around the 58c level and trail as DRO moves higher



Webinar: The Energy Transition and how to invest

Join MPC Markets for a special webinar on investing in energy changes. Mark Gardner, our expert with 27 years in the market, will help you understand how to make smart investments as the world shifts to new energy sources like solar and wind power.

[Sign-up for the Webinar](#)

