20th June 2025

BULLS vs BEARS

MPC Markets - Weekly edition

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MPC IN THE MEDIA

Zach Riaz (Banyantree Investment Group) and Mark Gardner (MPC Markets) provided in-depth analysis on 10 ASX stocks. it was a an episode of holds
Gold miner, Northern star was the last stock, with both saying it will do well, however the gold miners overall are starting to head into overbought territory.
Temple and Webster was the pick of the day, with the very scalable online furniture retailer making great strides in the space, with Mark admitting its one that MPC has always wanted to buy, but the start just havent aligned

WILL TRUMP TACO ON IRAN?

peculation is mounting over whether President Trump will follow through on his threats against Iran, as the U.S. has yet to take direct military action in the ongoing June 2025 Israel-Iran conflict. Trump has issued ultimatums, demanding Iran's unconditional surrender and warning of severe consequences, but he continues to delay a final decision on a U.S. strike. The White House has stated that Trump will decide within two weeks, leaving open the possibility for negotiations and a diplomatic resolution.
Behind the scenes, Trump has approved military strike plans but is holding off, hoping that Iran will abandon its nuclear ambitions without U.S. intervention. He has emphasized the need to avoid a drawn-out war and ensure any action would truly eliminate Iran's nuclear capabilities. Trump's approach has been to keep both allies and adversaries uncertain, insisting he will decide at the last possible moment, as "things change, especially with war."
Iran, meanwhile, remains defiant. Supreme Leader Ayatollah Ali Khamenei has rejected Trump's demands and warned that any U.S. military intervention would have devastating consequences. The conflict between Israel and Iran continues to escalate, with both sides exchanging strikes and civilian infrastructure being hit.
Ultimately, Trump's pattern of brinkmanship and last-minute decision-making means it is still unclear whether he will act or hold back. The world is left waiting to see if Trump will cross the red line he has drawn, or if he will opt for restraint in this volatile standoff.

HIGHLIGHTS OF THE WEEK

Wisetech (WTC) WiseTech's board is undergoing significant renewal as long-time allies of founder Richard White—Charles Gibbon and Michael Gregg of Shearwater Capital—step down amid ongoing governance concerns. Gibbon, former chairman and early investor, will exit by June-end, with Gregg to follow in November. Their combined holdings exceed $2.7 billion. Their departure follows scandals involving White, including personal misconduct allegations and disputes with independent directors, culminating in his October resignation as CEO and controversial return as executive chairman in February. Two new independent directors, Sandra Hook and Rob Castaneda, will join the board, a move welcomed by super fund HESTA, which holds 0.6% of WiseTech. HESTA continues to monitor the company, calling for stronger disclosure and leadership succession planning, amid concerns over board independence and transparency. Only White and co-founder Maree Isaacs remain from the 2024 board.

Santos (STO) Speculation is mounting that the $36.4 billion bid for Santos by a consortium led by Adnoc and Carlyle may involve a future asset split. While the group insists it aims to acquire 100% of Santos, analysts believe its core interest lies in the company's LNG portfolio, including projects in PNG, Gladstone, and Darwin. Darwin LNG is expected to resume exports once the Barossa project comes online in Q3. Analysts said the bid's strategic logic likely centres on LNG, a sector dominated by oil majors. Carlyle's involvement has also raised questions, given its private equity model requires asset exits within years. MST Marquee's Saul Kavonic suggested Carlyle may target Santos' domestic assets in a future spin-off. The FIRB is expected to weigh this possibility closely during its review of the proposed takeover.

Uranium Stocks (PDN, BOE) Investors are rushing into ASX-listed uranium stocks ahead of a potential surge in uranium prices, driven by Toronto-based Sprott Asset Management's move to increase its physical uranium holdings. Sprott sold $US100 million in units of its Physical Uranium Trust to Canaccord Genuity, then upsized the offer to over $US200 million amid strong demand. The funds are expected to be used to purchase approximately 2.6 million pounds of uranium, starting next week. Spot uranium prices surged 9% on Monday to $US75.45/lb—the highest this year—while some trades reportedly hit $US79. ASX uranium stocks rallied on the news: Deep Yellow rose 5.7% to $1.66, Boss Energy gained 3.2% to $4.47, and Paladin Energy advanced 4.4% to $7.60. These stocks have nearly doubled since April, reflecting growing investor optimism around the global nuclear energy outlook

Global Earnings and News

Circle Internet Group's/ Coinbase Global Inc (NYSE:CRCL/ NASDAQ:COIN) Shares of Circle and Coinbase surged after the U.S. Senate passed the GENIUS Act, which creates a federal framework for stablecoins. Circle's stock rose 33% and Coinbase gained over 16%, as both companies stand to benefit from the bill's promise of regulatory clarity and growth in the $260 billion stablecoin market. The GENIUS Act allows private firms to issue stablecoins under strict rules, requiring full reserve backing and monthly audits. While the bill awaits House approval, it is seen as a major win for the crypto industry, potentially unlocking new investment and cementing stablecoins as a core revenue driver for Coinbase and Circle.

META Platforms Inc (NASDAQ:META) Meta attempted to acquire Ilya Sutskever's AI startup Safe Superintelligence, valued at $32 billion, but was rebuffed. Meta now plans to hire CEO Daniel Gross and GitHub's Nat Friedman, and take a stake in their VC fund, NFDG, to strengthen its AI team. This follows Meta's $14.3 billion investment in Scale AI and signals aggressive moves in the AI talent war against OpenAI and Google.

Lockheed Martin (NYSE:LMT) Lockheed Martin, long dominant in advanced fighter aircraft, now faces a pivotal challenge after being excluded from the US Navy's sixth-generation fighter program and losing the F-47 contract to Boeing. Over-reliance on the F-35 program may have hindered innovation, raising concerns about its future. With Boeing and Northrop Grumman gaining ground, Lockheed must redefine its strategy to remain relevant in a rapidly evolving defense sector, as its leadership and US military capabilities are at stake.

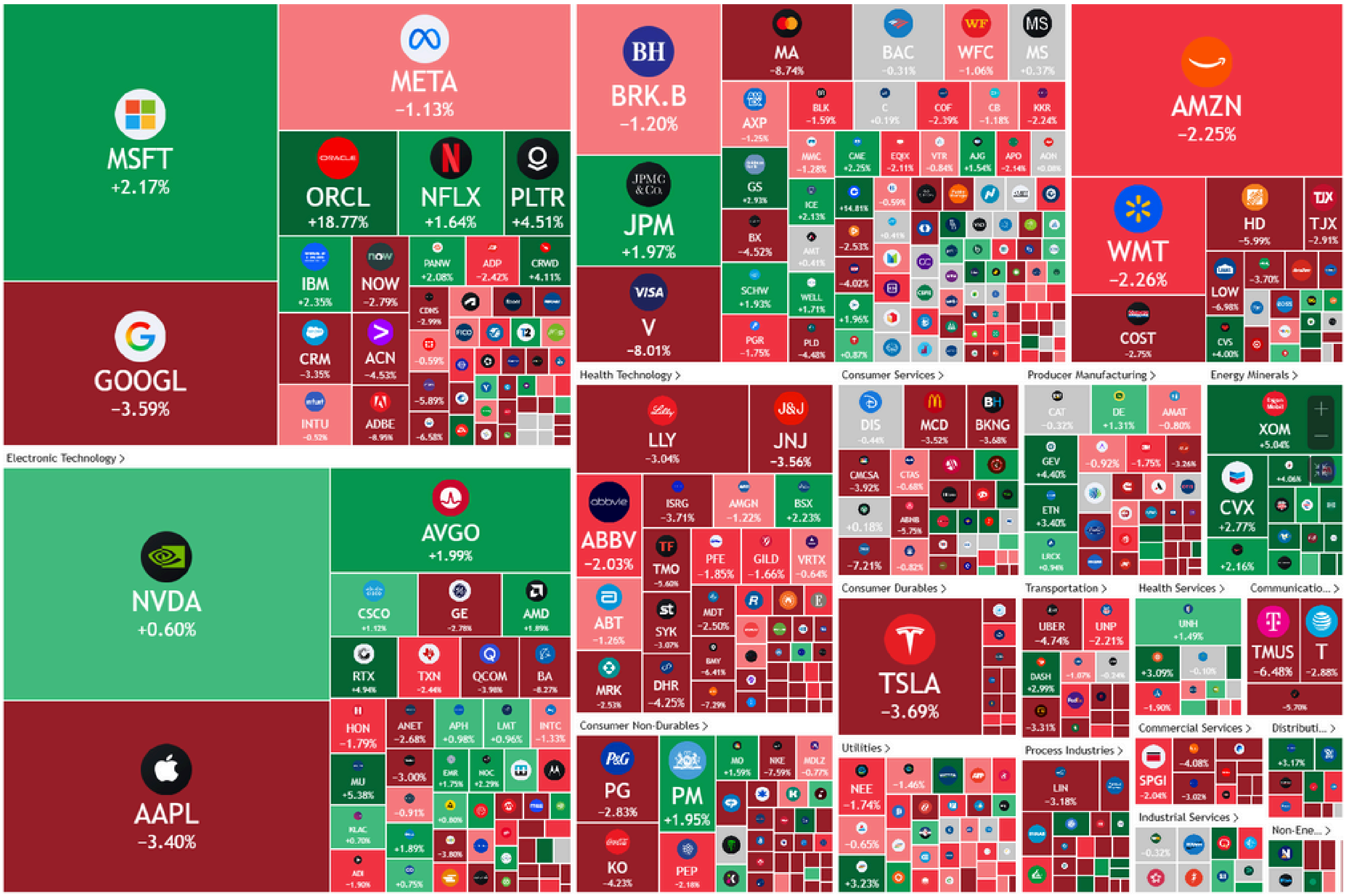
BAE Systems Plc (LSE:BAE) BAE Systems and the U.S. Army are advancing the development of the M109-52 self-propelled howitzer prototype through a cooperative research agreement. This upgrade integrates the proven M109A7 platform with the Rheinmetall L52 155mm, 52-caliber cannon to boost long-range firepower and lethality. The project aims for a low-risk, cost-effective solution, leveraging prior research to expedite enhanced capabilities for large-scale combat. Further enhancements will be carried out at Picatinny Arsenal and BAE facilities across the U.S.

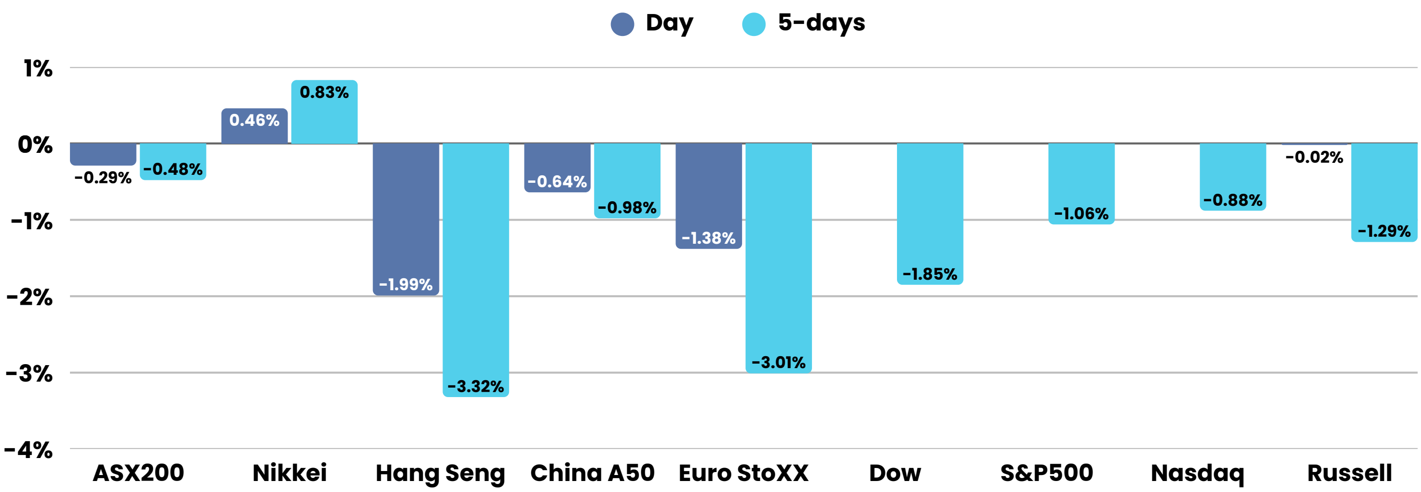
MP Materials (NYSE:MP) Recent U.S.-China trade talks failed to lift export bans on rare earth magnets essential for military uses like Lockheed Martin's F-35 fighter jet, risking supply shortages for key defense programs. Meanwhile, shares of MP Materials surged as investors anticipate U.S.-led efforts to boost domestic rare earth production. The ongoing standoff highlights China's strategic leverage and America's urgent need to secure alternative mineral sources

US STOCK NEWS

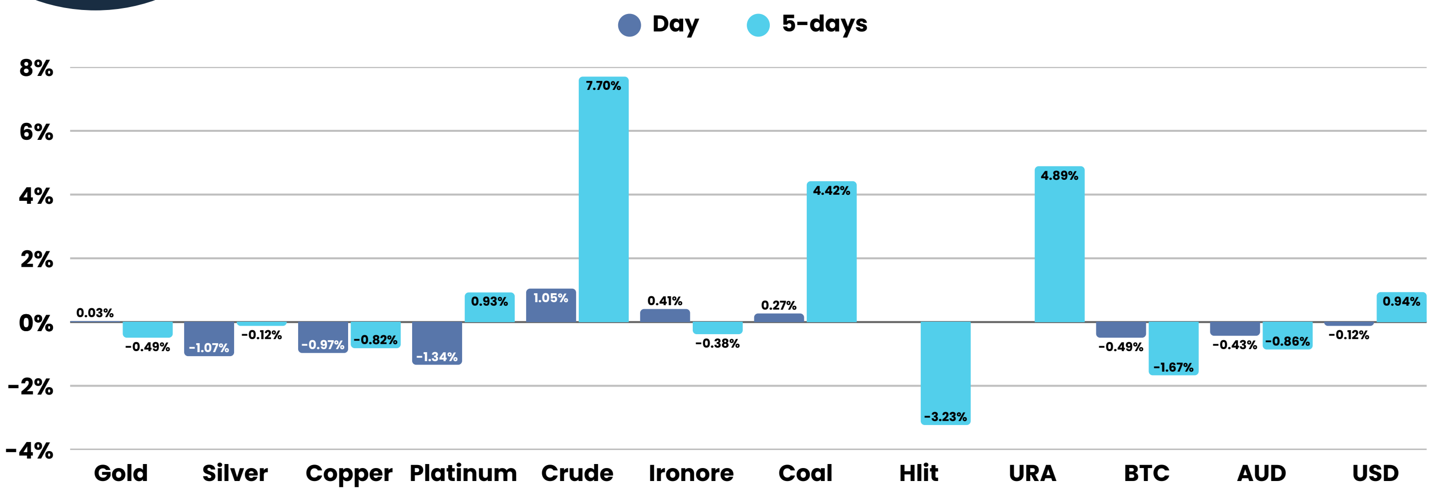
US & Global indices

Weekly S&P500 heatmap





COMMODITIES & FX



Gold: Spot gold opened last Friday at $3,393 per ounce and climbed to $3,434 by Sunday, peaking above $3,400 midweek before easing to $3,363 on Thursday. Price action was driven by Middle East tensions and anticipation of U.S. Federal Reserve policy signals, supporting volatility and safe-haven demand

Silver: Spot silver started last Friday near $36.32 per ounce and rallied to $37 early in the week, outperforming gold. It then eased back, trading around $36.32 by Thursday. The week's price action reflected strong industrial demand, investor interest, and ongoing geopolitical tensions, contributing to volatility and elevated levels

Platinum: Platinum futures surged since last Friday, opening near $1,212 per ounce and making new highs above $1,340 midweek. The rally was fueled by ongoing supply constraints and sustained investment demand, before prices settled near $1,269 on Thursday. The market reflected strong momentum and heightened volatility throughout the week

Copper: Copper futures opened last Friday at $4.8030 per pound and saw modest gains, reaching $4.8450 by Wednesday. The market was supported by Chinese stimulus measures and a weaker dollar, but gains were limited by rising copper inventories and increased supply from South America, keeping price action relatively stable

Crude Oil (WTI): Crude oil futures demonstrated notable strength since last Friday, rallying from around $62.56 per barrel to above $63 midweek. Prices were buoyed by escalating Middle East tensions and concerns over potential supply disruptions, with bullish momentum sustained despite rising U.S. inventories and ongoing global geopolitical uncertainty

Bitcoin: Bitcoin opened last Friday near $105,979 and experienced volatility throughout the week, peaking above $106,900 before retreating. By Thursday, it settled around $104,723. The price action reflected cautious sentiment, with traders responding to shifting macroeconomic signals and ongoing uncertainty, resulting in a modest weekly decline for the cryptocurrency

US Dollar (DXY) DXY opened last Friday near 98.70 and gained 0.52% over the week, reaching around 99.19 by Thursday.

On the Brink: The World Watches as Iran and Israel Escalate Toward Crisis

The world is holding its breath as the standoff between Iran and Israel intensifies, and I can't help but feel a sense of déjà vu mixed with dread. It's not just another headline—this time, the stakes feel dangerously high, and the usual calls for restraint seem to be falling on deaf ears. Leaders from the U.S., U.K., Germany, France, and even China are scrambling to respond, but the situation is spiraling faster than diplomacy can keep up.

Here's what's got everyone on edge: U.S. President Donald Trump is openly flirting with direct military action against Iran, which would mark a dramatic escalation in American involvement. The Kremlin, already tangled in its own war in Ukraine, is warning that any U.S. intervention could push us to the brink of a nuclear disaster. Meanwhile, the U.K. is quietly evacuating embassy families from Tel Aviv, a move that underscores just how real the threat has become.

On the ground, the tit-for-tat missile strikes between Israel and Iran are getting deadlier. Israel is targeting Iran's nuclear facilities, while Iran claims to have hit a hospital in Israel, injuring dozens. Both sides are digging in, with Israeli Defense Minister Israel Katz declaring that Iran's leadership "can no longer be allowed to exist." That's the kind of rhetoric that keeps me up at night.

Diplomacy, frankly, looks like a pipe dream right now. The G7 leaders are talking peace, but Iran and Israel aren't listening. Trump is keeping everyone guessing, saying things like, "I may do it, I mean, who knows what I'm going to do." German Chancellor Friedrich Merz stirred the pot by suggesting Israel is doing the "dirty work" for other nations, while China's Xi Jinping and Russia's Vladimir Putin are calling for ceasefires and condemning Israel's actions—all while standing by Iran.

What really worries me is how quickly this could spin out of control. With nuclear facilities in the crosshairs and leaders on both sides threatening devastating retaliation, the world feels like it's teetering on the edge of something catastrophic. The markets are jittery, and the global community is divided. As someone who writes about international trade and military news, I can't recall a moment in recent years where the risk of a major conflict felt so immediate, or so hard to predict.

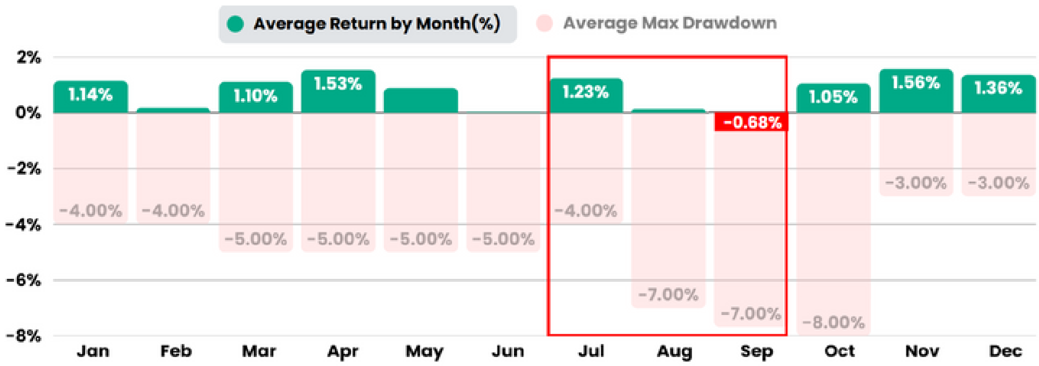
Bottom line: We're in uncharted territory, and the usual playbook isn't working. If cooler heads don't prevail soon, the consequences could be devastating—not just for the Middle East, but for the entire world, We continue to look at the defence theme as a way to take advantage of the current uncertainty.

TRADE OF THE WEEK

S&P500 “Buy the Dip”

The "Buy the Dip" strategy focuses on capitalizing on the S&P 500's historical tendency for weakness and volatility during the months of July through October, particularly in August and September, which are often the most challenging periods for the index. By targeting entry points during these seasonal pullbacks, investors aim to benefit from subsequent recoveries and the strong year-end rallies that typically follow.

Month	Seasonality Tendency
January	Positive
February	Mixed/Weak
March	Positive
April	Strong
May	Positive
June	Positive
July	Positive
August	Weak
September	Negative
October	Mixed
November	Strong
December	Strong



Average Monthly Returns: Key Trends

- **Best Months:** Historically, November, December, and April have been among the strongest months for the S&P 500, often delivering above-average returns.
- **Worst Months:** September is typically the weakest month, with average returns often negative or close to zero. August and February also tend to underperform relative to other months.

Month	Average Return (%)	% Negative Months	Average Max Drawdown	Notable Worst Months	
January	1.14%	40%	-4%	-8.60%	2009
February	0.17%	43%	-4%	-11.00%	2009
March	1.10%	37%	-5%	-12.50%	2020
April	1.53%	30%	-5%	-6.10%	2002
May	0.89%	41%	-5%	-8.20%	2010
June	0.03%	49%	-5%	-8.60%	2008
July	1.23%	43%	-4%	-7.90%	2002
August	0.13%	46%	-7%	-14.69%	1998
September	-0.68%	54%	-7%	-29.69%	1931
October	1.05%	39%	-8%	-21.89%	1987
November	1.56%	33%	-3%	-11.49%	1973
December	1.36%	26%	-3%	-9.20%	2018

S&P 500: Average and Median 24-Month Return After Buying the July–September Low

Buying the S&P 500 at its lowest point between July and September has historically been a favorable long-term strategy, as this period often coincides with seasonal market weakness followed by a year-end rally and subsequent recovery.

Average 24-Month Return

- Average 2-Year Return: The long-term average 24-month return for the S&P 500, ***regardless of entry point, is approximately 15.35%.***
- However, when specifically ***buying at the lowest point between July and September***, historical analyses and seasonality studies suggest that the average 24-month return is significantly higher than the overall average, **often in the 20%–25% range or more**

24 Month Return	Value (Approx)
Average 24-Month Return (All periods)	15.35%
Average 24-Month Return (Jul–Sep low)	**20–25%**

*****GENERAL ADVICE ONLY*****

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