

Investors' Corner

Citiplace, Perth

for ASA, 16th October 2025

Convenor: Mark Dixon

A photograph of a fire safety cabinet. Inside, a white fire hose is neatly coiled on a metal reel. To the right of the reel, a red fire extinguisher is visible. The cabinet is open, and the background is a blurred hallway.

Citiplace - Emergency Procedure

- ▶ If smoke is detected, or fire alarm is raised, follow exit signs
- ▶ Upon evacuating the building, meet at ***designated area***
- ▶ Do not use lift in an emergency
- ▶ **Designated area**
 - ▶ Turn right from the Citiplace Centre and proceed over the bridge to the pond area past the Art Gallery, if safe to do so.
 - ▶ Regroup there for head count if safe to do so.
 - ▶ If emergency personnel instruct differently then follow their directions.

ASA Disclaimer (new)

The Australian Shareholders' Association (ASA) provides facilities for member meetings, webinars, and conferences to deliver general factual information about the ASA and financial markets.

The ASA is not licensed to give financial advice and does not intend to give financial advice.

The factual information presented is not intended to imply any recommendation or opinion about a financial product, nor to influence any person's decision regarding any financial product or class of financial products.

The ASA does not accept any responsibility to inform you of any matter that subsequently comes to our notice that may affect any of the information discussed.

Anyone wishing to act on any matter discussed should seek independent advice from a licensed financial advisor.

Agenda

- ▶ Intro — Welcome, emergency procedure, disclaimer
- ▶ Macro-technical, with discussion — Peter Scales
- ▶ Portfolio construction for growth — John Ellis
- ▶ Current themes — David Brooke
- ▶ Next meeting — 20th November
- ▶ Close ~ noon.

Upcoming meetings

- ▶ Do we want to meet on December 18th — one week before Xmas?
- ▶ Do we want to meet on January 15th — some people away?

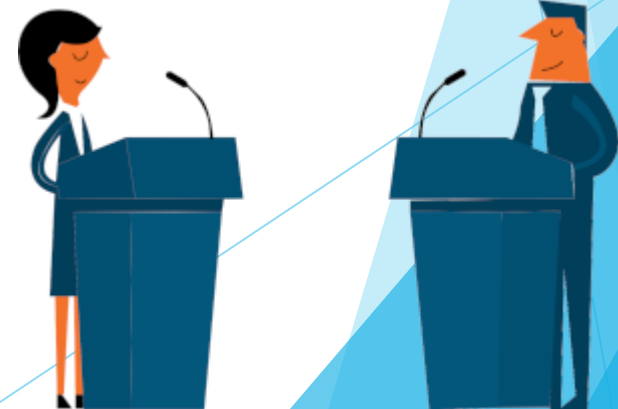
DECEMBER 2025						
MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31	1	2	3	4
		New Year's Eve				
			Christmas Day	Boxing Day		
			?			

JANUARY 2026						
MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
29	30	31	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	1
Australia Day						
			?			
			New Year's Day			

Future discussion ideas

Presentations always welcome (**short, medium or long**); but if none available, here are some things we could try:

- ▶ People bring one company, or ETF - do a short intro and discuss its investment potential ... plus, include: data sources, investment tools, and websites of interest ◀ **we plan to do this today.**
- ▶ Set a topic in advance - everyone bring their thoughts on that? E.g. a specific company; sector; economic factor; ...
- ▶ Debate: two people present opposing views on a topic, each gets 10 minutes. Audience adds their thoughts. Possible topics:
 - ▶ Tech-analysis trading **vs** buy & hold long term investment
 - ▶ Australian **vs** Global equities
 - ▶ Nuclear **vs** renewable



John Ellis



Constructing an ASX Portfolio for Growth



(FORGET DIVIDENDS)

Objectives & Guidelines

- **Primary Objective:** Let's assume we want capital growth in the short or long-term, using ASX-listed equities
- **Constraints may include;** liquidity, diversification, tax efficiency, minimum withdrawals
- **Policy and Procedures for the portfolio,** consider share percentages, sector proportions, minimum cash buffer
 - typical guidelines could be: 10% per share, 30% per sector, and 5–10% cash.

Aggressive Growth vs. Classical Approach **(It's very much a personal choice)**

- **Aggressive:** concentrated (15-20 companies?) high earnings, revenue growth, strong price momentum, active trading.
- **Classical:** broader diversification, lower turnover, scheduled rebalancing.

You might combine the best of both worlds (?)

Like having a nice safe wife and a sexy girlfriend on the side.



(Build a low-risk base, with some higher-risk shares for growth)

Remember that the time will come when the pretty nurse will be spoon-feeding the old lady, and you!

BUILDING A PORTFOLIO FOR GROWTH REQUIRES AN ATTEMPT TO PREDICT THE FUTURE



Effort?

The more you put in, the more you get out.



Running a portfolio is like running a business or working for a living, you have to go to work every day.

WHAT IS RISK?

“Risk is the possibility that actual outcomes differ from expectations — usually meaning potential loss.”

Examples In Investing

- **Risk = uncertainty of returns**
- **Market risk:** overall prices fall
- **Company risk:** the business fails
- **Liquidity risk:** can't sell at fair value
- **Inflation risk:** purchasing power erodes over time

Examples In Portfolio Construction

- Higher return $\Leftrightarrow$ Higher risk
- Diversification spreads and reduces risk
- Aim to balance return vs acceptable risk

ANOTHER ASPECT OF RISK

RISK IS THE **DANGER** THAT YOUR ACTION WILL CAUSE YOU **ADVERSE FINANCIAL CONSEQUENCES**



BANKS AND BIG-CAP SHARES MAY SEEM LESS RISKY, BUT INCUR THE RISK OF MISSING OUT ON GAINS ELSEWHERE

LETS GET BACK TO PORTFOLIO CONSTRUCTION

Theory at a Glance

- Modern Portfolio Theory (MPT): balance expected return vs. variance; diversify to move toward the efficient frontier
- Factor Investing: tilt to rewarded factors (quality, momentum, size) using screens or ETFs
- Core–Satellite: low-cost diversified core + high-conviction satellites for alpha
- Barbell: combine resilient incumbents with high-beta growth; avoid the 'meh' middle
- Risk Parity (adapted): position sizing inversely to volatility within equities

Share Portfolio Design

- 1. Investor Profile
- 2. Macro-Economic Inputs
- 3. Market & Sector Conditions
- 4. Company-Level Analysis
- 5. Portfolio Construction Mechanics
- 6. Risk Management Inputs
- 7. Practical & Behavioural Inputs
- 8. Final Portfolio Design

PORTFOLIO DESIGN CAN BE HIGHLY COMPLEX

**INVESTORS LACKING KNOWLEDGE AND CONFIDENCE
MAY RESORT TO FINANCIAL ADVISERS OR MANAGED
FUNDS.**

**But this means giving up control, and sacrificing growth
in exchange for excessive diversification, risk reduction
and perhaps a measly dividend.**

ONCE YOU LET GO OF THE CONVENTIONAL WISDOMS

“Choosing a good advisor”

“Invest for the long term”

“Diversify”

“Buy safe investments such as banks, large caps, fixed interest etc.”

**AND – YOU DECIDE TO ACTIVELY MANAGE YOUR
PORTFOLIO,**

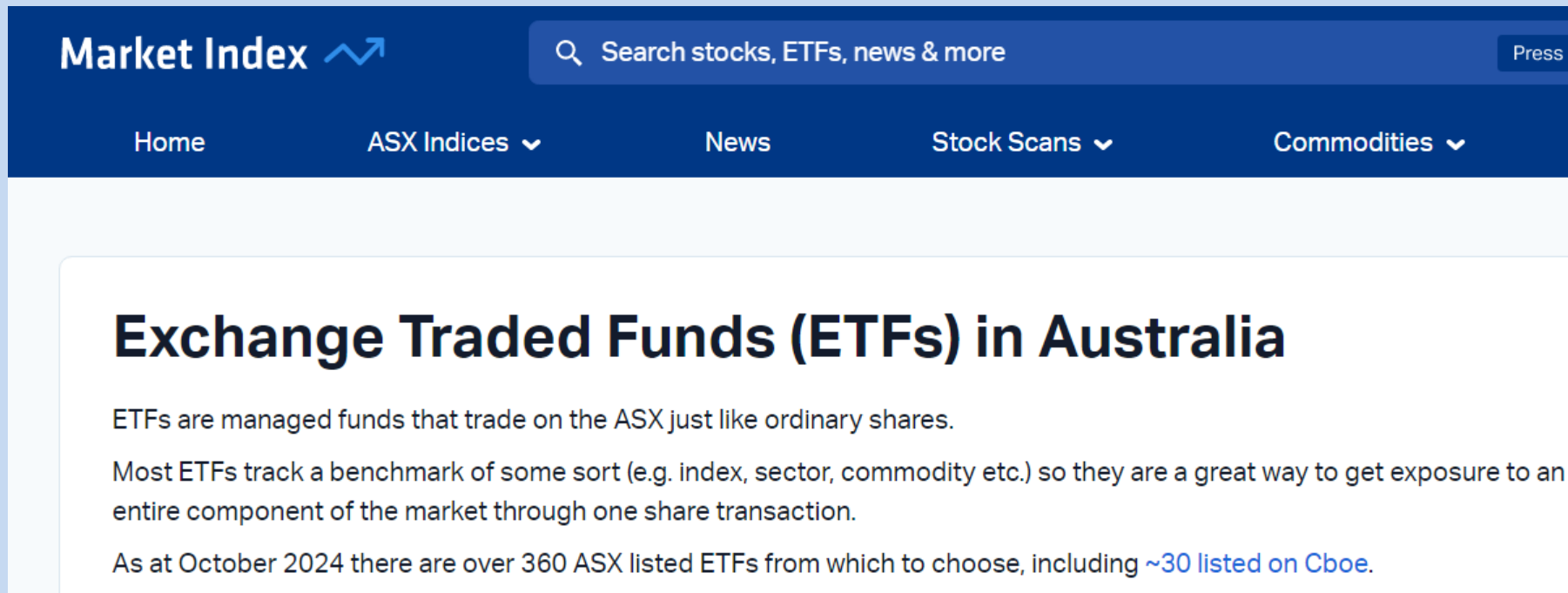
YOU CAN MAKE A LOT OF MONEY!

I HAVEN'T MENTIONED ETF'S – EXCHANGE TRADED FUNDS.

I don't use them yet but I understand there are over 400 ETF's listed on the ASX, both active and passive varieties, covering a vast range of investment categories ranging from index tracking ETF's, to ETF's specialising in microcap gold shares for example.

ETF'S SHOULD DEFINITELY BE CONSIDERED AS PART OF YOUR PORTFOLIO CONSTRUCTION.

**A GOOD SOURCE OF INFORMATION IS MARKET INDEX, BUT IT DOESN'T TABULATE ETF'S IN THE WAY IT DOES FOR SHARES.
TO SEE PERFORMANCE DATA, YOU HAVE TO CHOOSE THE ETF YOU ARE INTERESTED IN, AND CLICK ON IT.**



The screenshot shows the Market Index website interface. The top navigation bar is dark blue with the 'Market Index' logo and a search bar containing the text 'Search stocks, ETFs, news & more'. Below the navigation bar, there are links for 'Home', 'ASX Indices', 'News', 'Stock Scans', and 'Commodities'. The main content area features a section titled 'Exchange Traded Funds (ETFs) in Australia'. The text in this section explains that ETFs are managed funds trading on the ASX like ordinary shares, that most track a benchmark, and that there are over 360 ASX listed ETFs as of October 2024, with approximately 30 listed on Cboe.

Market Index 

Search stocks, ETFs, news & more Press /

[Home](#) [ASX Indices](#) [News](#) [Stock Scans](#) [Commodities](#)

Exchange Traded Funds (ETFs) in Australia

ETFs are managed funds that trade on the ASX just like ordinary shares.

Most ETFs track a benchmark of some sort (e.g. index, sector, commodity etc.) so they are a great way to get exposure to an entire component of the market through one share transaction.

As at October 2024 there are over 360 ASX listed ETFs from which to choose, including [~30 listed on Cboe](#).

THIS IS THE 3 MONTH CHART FROM MARKET INDEX, FOR AN ASX LISTED ETF CALLED QRE, WHICH IS BASED ON THE RESOURCES SECTOR.

USING THE “ADVANCED” FACILITY, YOU CAN COMPARE ETF PRICE CHARTS JUST IN THE SAME WAY AS SHARES.

QRE ASX Chart



I LIKE THE “KISS PRINCIPLE” – KEEP IT SIMPLE, STUPID!

IF I WANT TO MAXIMISE GROWTH, I NEED TO OWN GROWTH STOCKS – NOTHING ELSE.

Question - “OK JOHN, WHAT ABOUT RISK?”

Answer – I AM NOT LOCKED IN! I’M AN ACTIVE INVESTOR AND I KEEP AN EYE ON MY PORTFOLIO SEVERAL TIMES PER WEEK!

BY PUTTING IN A BIT OF WORK, I AVOID THE HIGH COST OF BUYING SAFETY THROUGH DIVERSIFICATION.

I USE MARKET INDEX TO SELECT GROWTH STOCKS, USUALLY ABOVE \$100M MARKET CAP, AND HOLD A PORTFOLIO OF ABOUT 15 to 20 STOCKS.

THE FIRST ROUGH SELECTION IS BASED SOLELY ON CURRENT GROWTH PER CHART.

I THEN REFINE THIS TO A SHORT LIST, BASED ON THE FINANCIAL SITUATION AND PROSPECTS, THE CHART PATTERN, AND WHAT I CAN GLEAN ABOUT THE FUNDAMENTALS OF THE COMPANY FROM THEIR REPORTS AND ANNOUNCEMENTS.

SOURCES OF INFORMATION ON SHARES

SOMEWHAT UNRELIABLE		MODERATELY RELIABLE		AS GOOD AS IT GETS
FUNDAMENTALS This is a somewhat subjective approach, because much of the verbal information presented in announcements, quarterly and annual reports is subject to selection, omission, bias and interpretation by both the author and the reader.	+	CHART ANALYSIS This is an objective approach, because the chart inarguably shows the <u>price</u> we paid to buy a share, the price now, and the price at the time we sell it.	+	FINANCIAL ANALYSIS The most recent Financial Appendix is essential reading for investors as it enumerates the details of cash flows, assets, and the financial situation of the company.
SELECTING A STOCK FOR INCLUSION IN A GROWTH PORTFOLIO REQUIRES CHART ANALYSIS COMBINED WITH A CRITICAL UNDERSTANDING OF THE FINANCIALS				

THIS IS WHAT CHAT GTP SAYS:

Dynamic Defence: Attention, Liquidity, and Agility

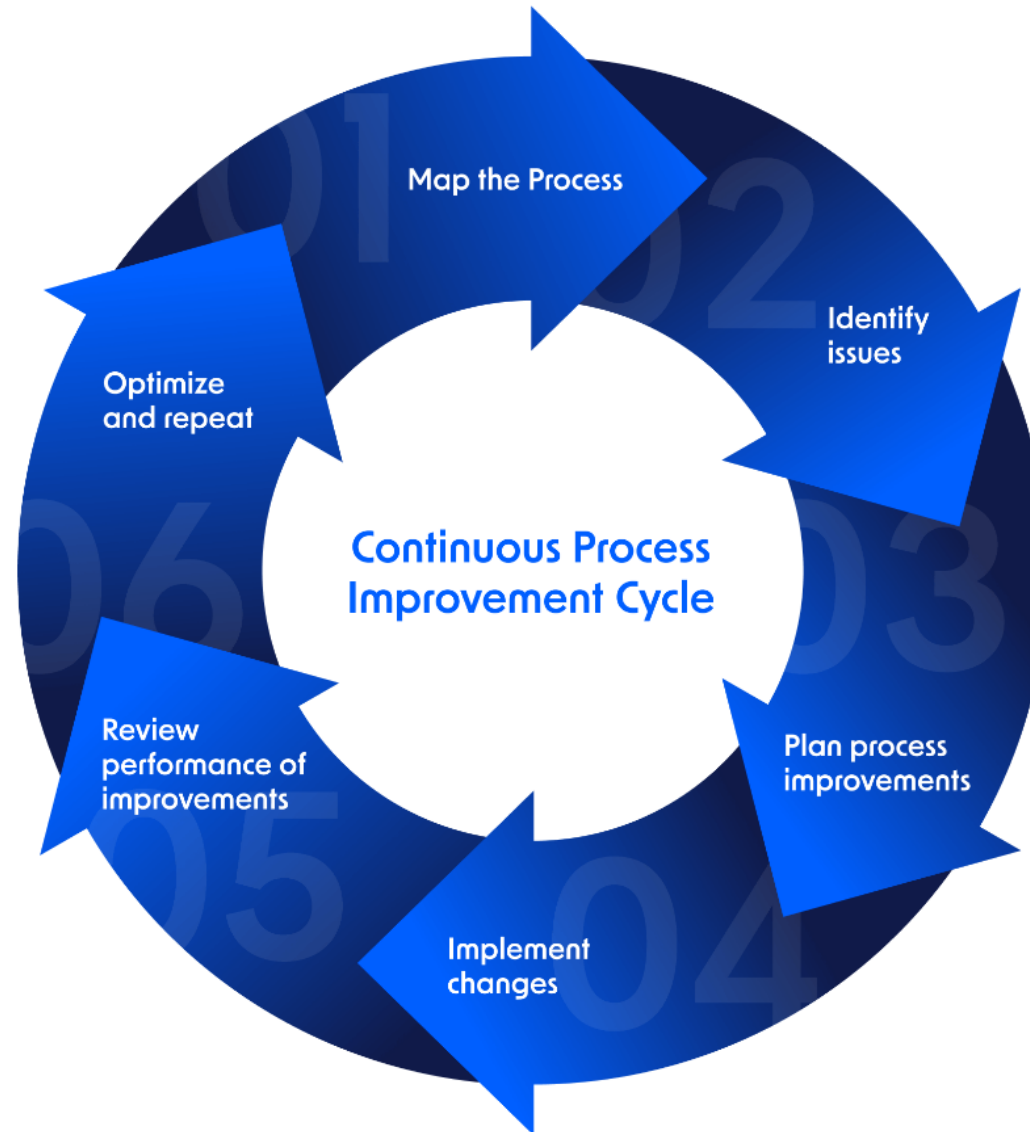
Conventional wisdom says safety means buying defensive stocks or bonds.

In practice, safety comes from vigilance — watching markets, thinking clearly, and acting early.

- **Attention beats inertia** – review your portfolio daily and respond, don't react.
- **Liquidity is the best defence** – a cash buffer gives freedom and calm in any market.
- **Growth compounds, defence doesn't** – volatility is survivable; missed opportunity isn't.

→ True protection lies in being ready, not hiding.

**REMEMBER CPI?
NOW WE CAN USE;
“CONTINUOUS
PORTFOLIO
IMPROVEMENT”**



I DON'T ATTEMPT TO DIVERSIFY.

I STAY AROUND 98% FULLY INVESTED IN ASX STOCKS, AND VARY THE ALLOCATION OF FUNDS BETWEEN INDIVIDUAL STOCKS ACCORDING TO THEIR PERFORMANCE WEEK BY WEEK.

PERFORMANCE – CURRENTLY IN MY SMSF, THE GAINS OUTWEIGH THE LOSSES BY 262%.

I HAVE A SMALLER PORTFOLIO OUTSIDE OF SUPER, THAT PROVIDES ALL MY LIVING COSTS, IN WHICH THE GAINS ARE ONLY 20% MORE THAN THE LOSSES.

MISTAKES.

I SOLD DRONESHIELD ON 18th AUGUST AT \$4.11. IT'S NOW \$6.36.

**DON'T DO IT MY WAY! DO YOUR OWN THING!
AND THANKS FOR LISTENING!**

David Brooke



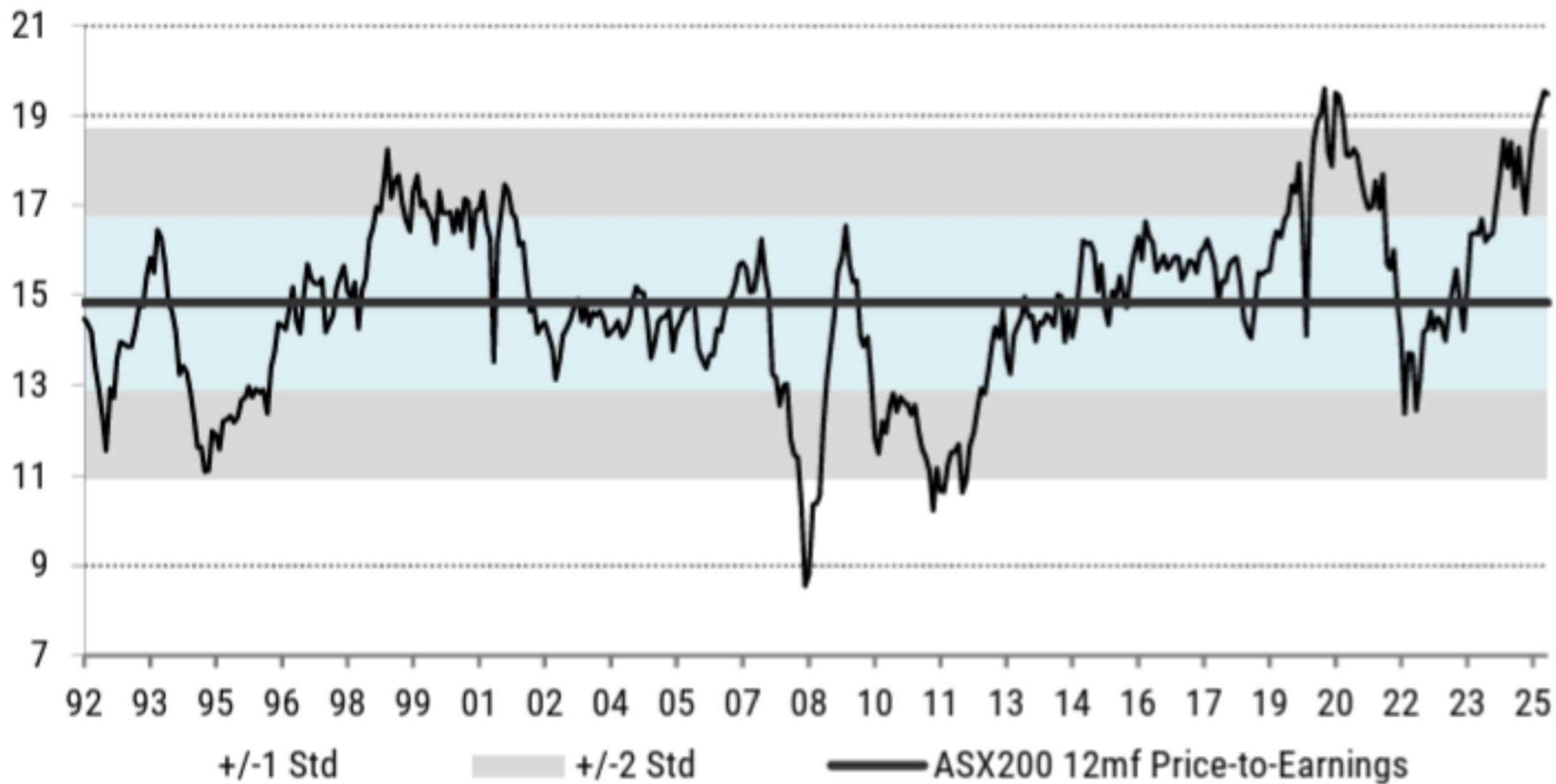
Peak bull market

A detailed illustration of a brown bull with large, curved horns, standing in a field of falling gold coins. In the background, there is a large, stylized upward-pointing arrow, suggesting a bull market. The overall scene is set against a dark, textured background with a warm, golden light emanating from behind the bull.

- Spec Miners and explorers are going parabolic
- Beaten up coal, iron ore and lithium miners are trying to bottom
- Copper, rare earths and other strategic metals are vertical
- Nuclear/Uranium pending boom - will WA/Qld allow uranium mining?
- Select growth stocks are at all-time highs

**Gotta let the good times Roll - or
Time for Contrarian thinking?**

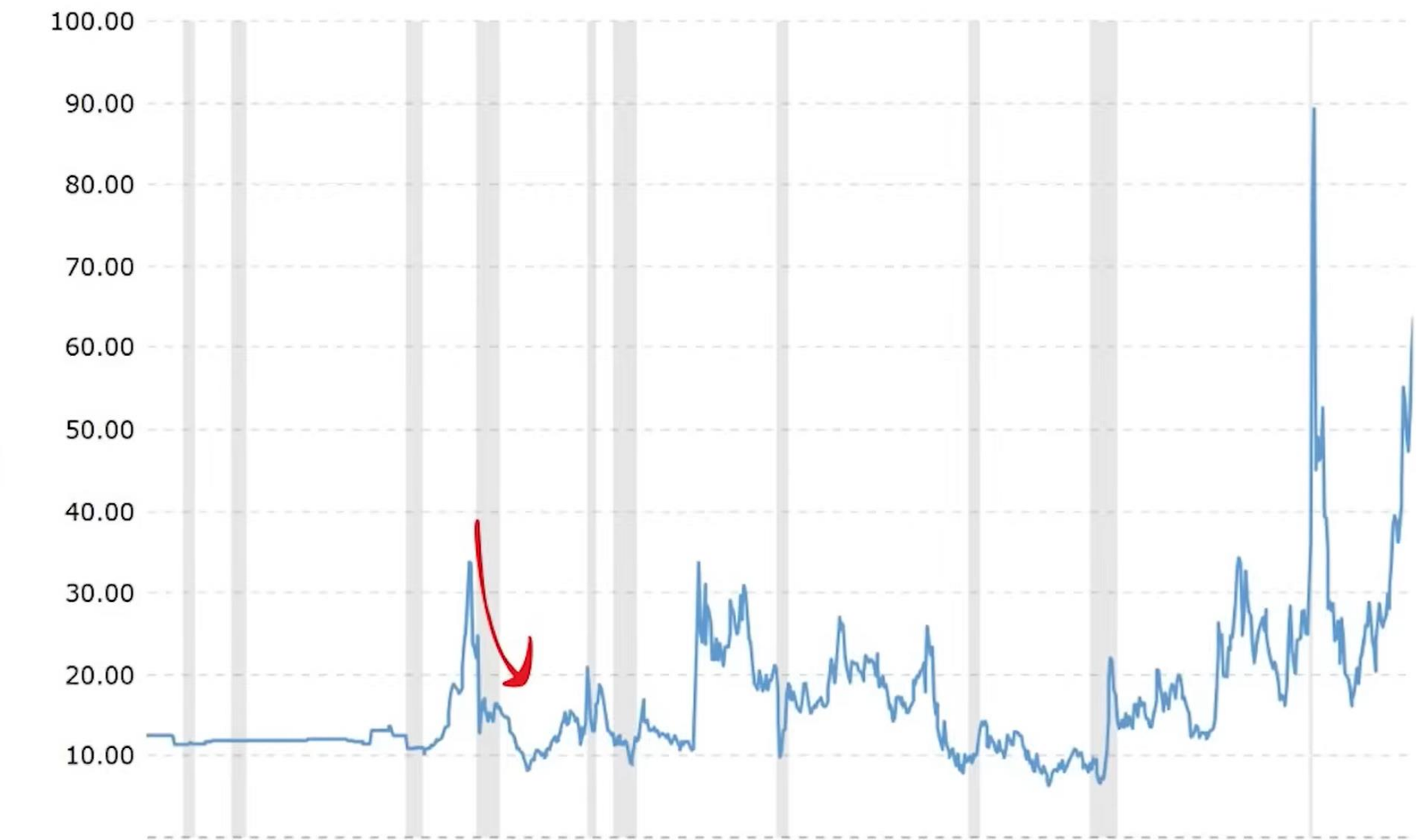
ASX200 12mf Price-to-Earnings



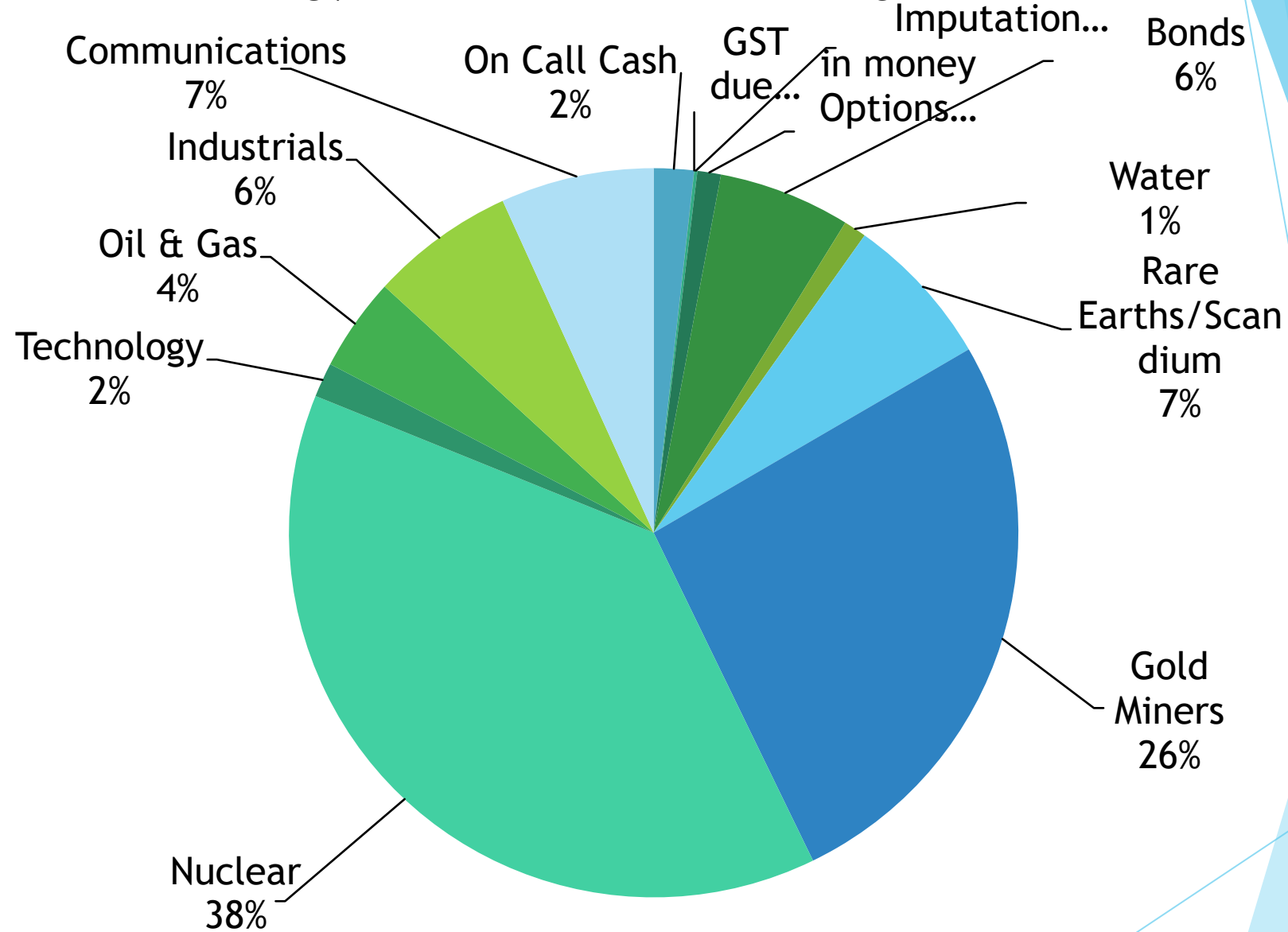
1. Gold sector weight has surged to 14.0% of small caps and 3.6% of large caps (matching COVID peak, exceeding 2012 levels) following Genesis Minerals and Ramelius Resources' transition into ASX 100
2. Materials the only major sector with a positive contribution (+117 bps), while Financials detracted the most (-47 bps) - where is AI going?
3. CBA detracted 21.2 bps while NAB gained +15.6bps, suggesting potential pivot from CBA to the other major banks.
4. Energy was the worst performing sector (-9.8%) after Santos' withdrawn takeover offer dragged peers lower. Healthcare and Real Estate also detracted significantly. High-profile growth names CSL, MQG, GMG, and WTC all underperformed.
5. BHP in stand off with China over Iron Ore Prices - 2 copper mine collapses
6. China adds 5 new elements to rare earth restrictions (Ho, Er, Tl, Eu & Yb) & Trump responds with 100% tariff (1/11/25 deadline)
7. US up tight about Chinese critical mineral restrictions - impacts rare earth's, Scandium & Antimony - what is Albo going offer Trump? - **Uranium?**

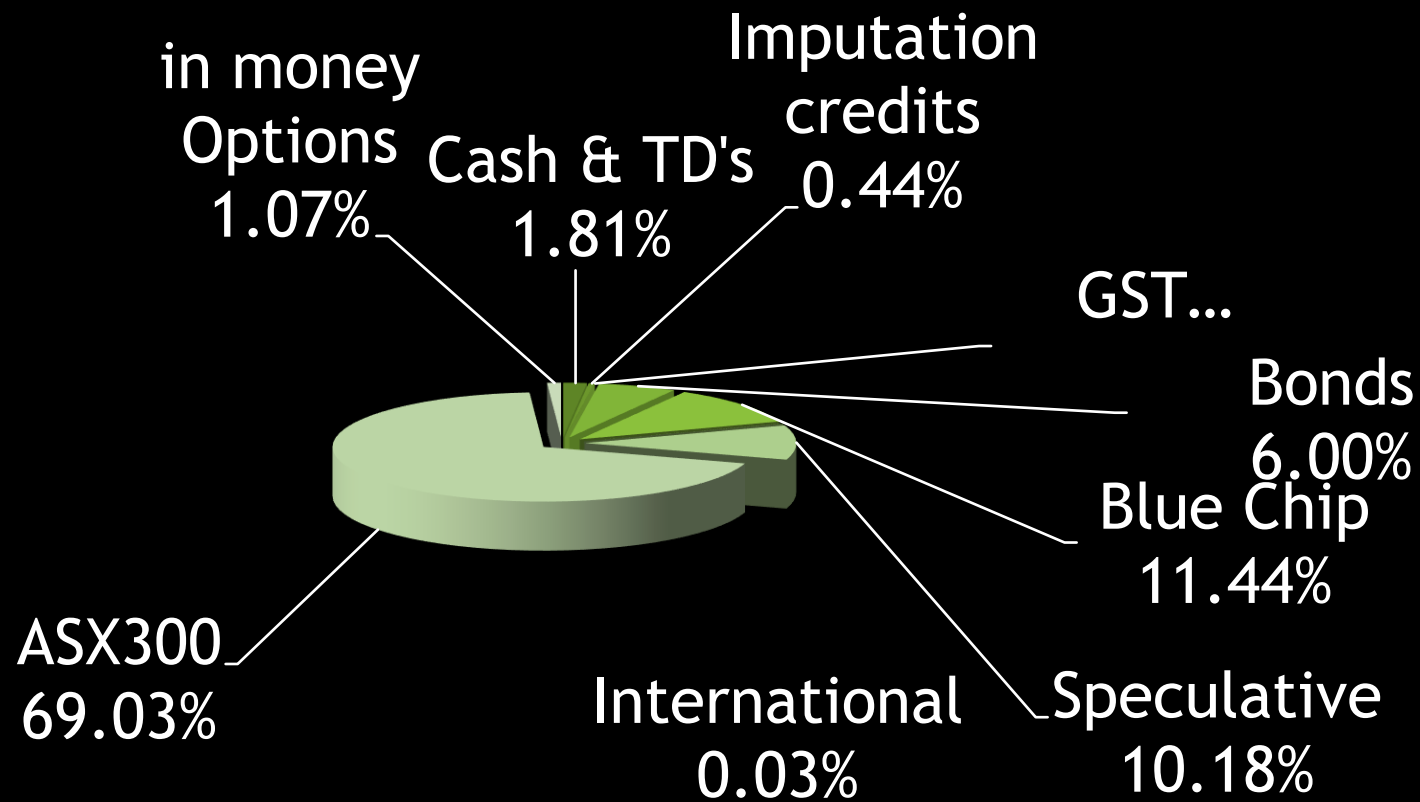
Gold to Oil Ratio - Historical Chart

(Is oil/gas a hated sector?)



DFB/CMB Investment Portfolio - 15th Oct 2025





Types of Investments

- Cash & TD's
- Imputation credits
- GST due
- Bonds
- Blue Chip
- International
- Speculative
- ASX300
- in money Options

Exponential MA:Wk:40:[w]

WEEKLY
CHART

89c. upside
repeating range

Selling down (25% - 30%)
- Still hold some

channel range high
07/03/2003 @ \$1.72c.

11/12/1998

34c. sp low
07/03/2003

83c. channel
range low

83c.

\$6.27c.

\$5.38c.

\$4.49c.

\$2.71c.

\$1.72c.

\$8.05c.

\$8.94c.

\$3.60c.

Dec98

Nov02

Nov06

Oct10

Oct14

Sep18

Aug22

May26

Jan29

12.00
11.00
10.00
9.00
8.00
7.00
6.00
5.00
4.00
3.00
2.00
1.00
0.00
-1.00
-2.00
-3.00

SRL ASX Chart



Disclosure I own both SRL & CNQ

URANIUM BAN COSTS WA \$1B A YEAR: CCI



Australia has world largest resources

Country	Tonnes U Resources	Percentage of world
Australia	1,684,100	28%
Kazakhstan	815,200	13%
Canada	588,500	10%
Russia	480,900	8%
Namibia	470,100	8%
World total	6,078,500	

Source: World Nuclear Association, available from <https://world-nuclear.org/information-library/nuclear-fuel-cycle/uranium-resources/supply-of-uranium.aspx>

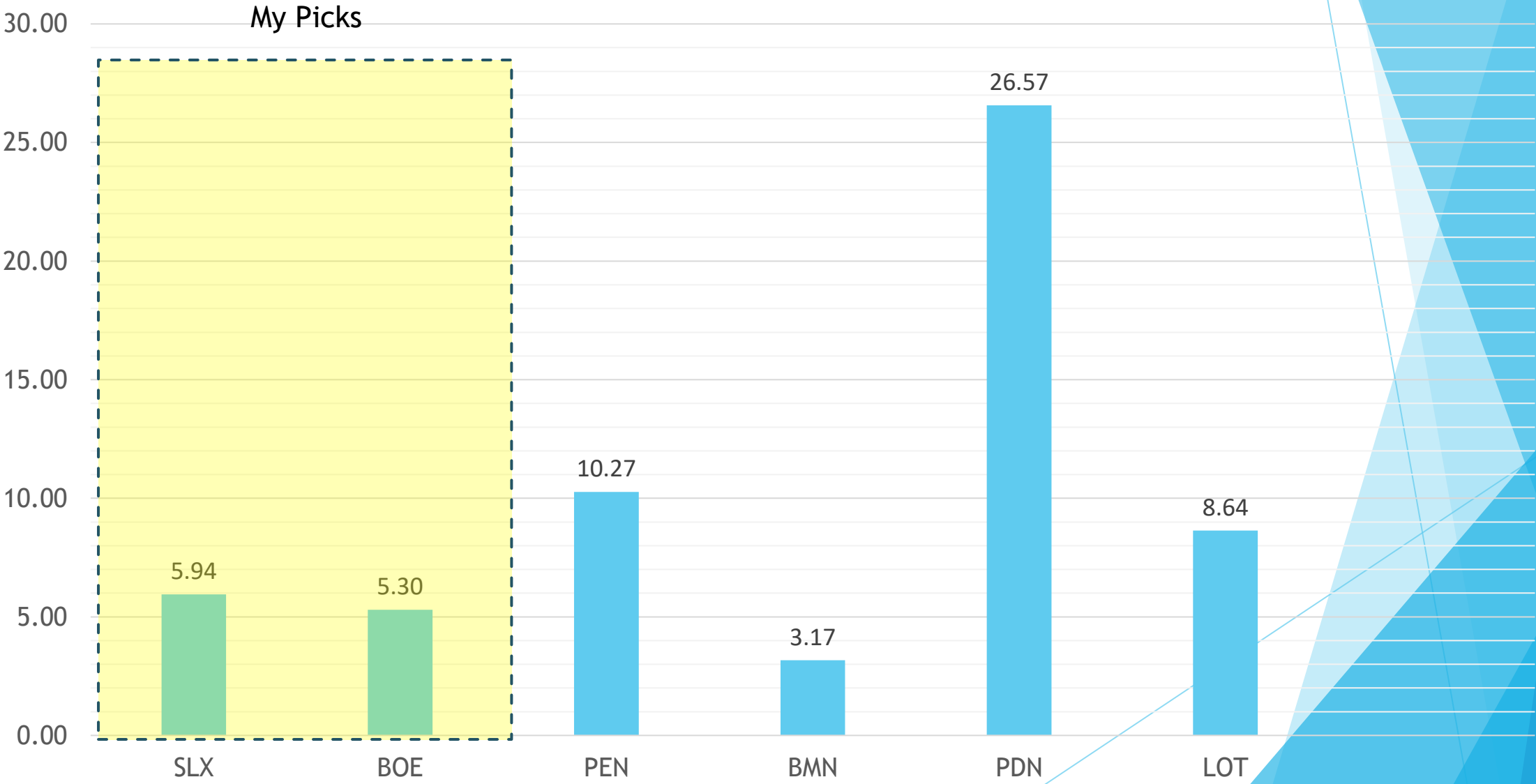
But is only 4th largest producer

Country	2022 Production from Mines (Tonnes U)	% of World Mined
Kazakhstan	21,227	43.0%
Canada	7,351	13.9%
Namibia	5,613	11.3%
Australia	4,553	9.2%
Uzbekistan	3,300	6.7%
Russia	2,508	5.1%
TOTAL WORLD	49,355	

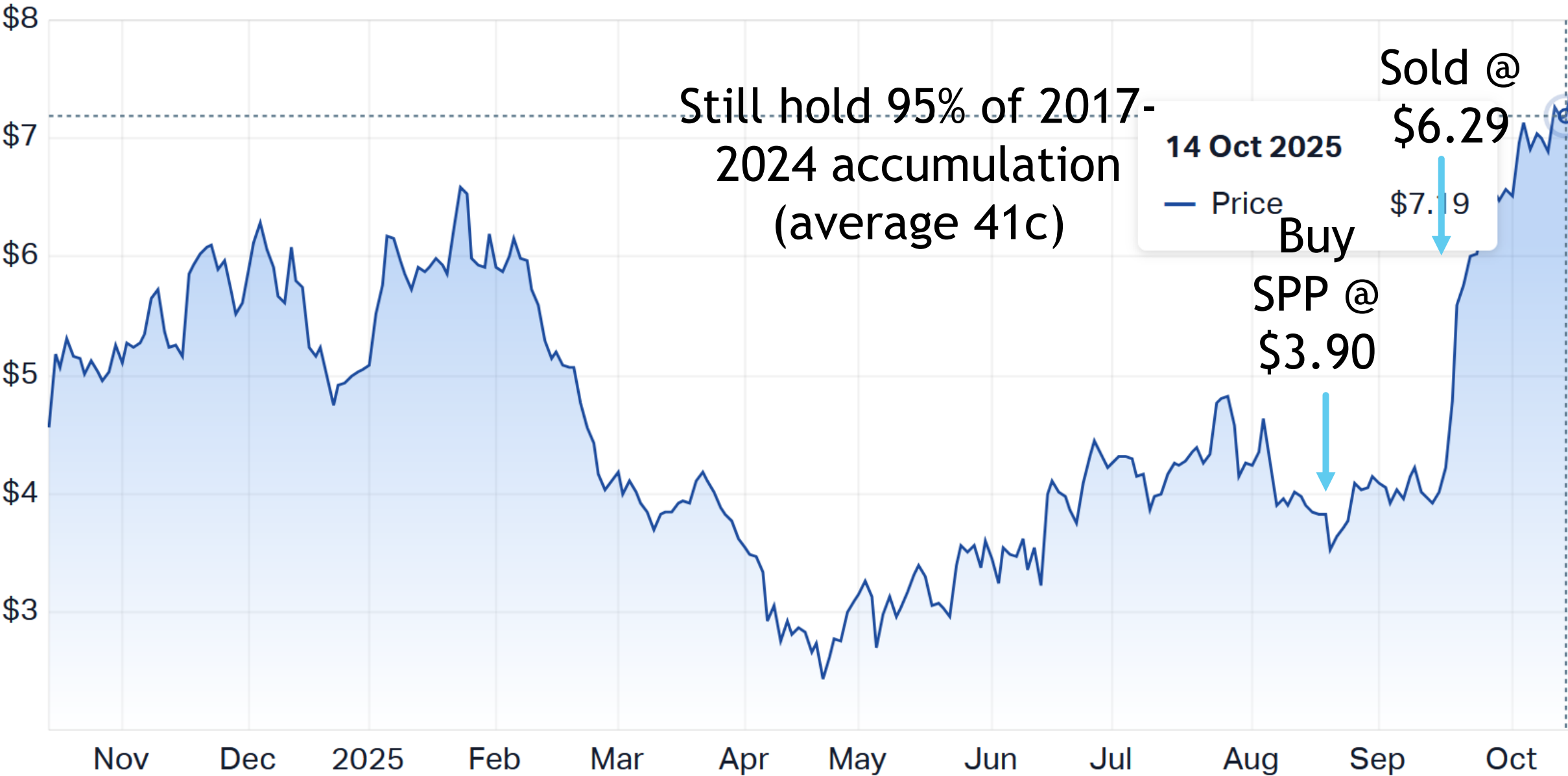
Source: World Nuclear Association, available from <https://world-nuclear.org/information-library/nuclear-fuel-cycle/mining-of-uranium/world-uranium-mining-production.aspx>

POLICY AND MARKET DISCUSSION

Enterprise value Payback (yrs) - Prodⁿ & re-starts only



SLX ASX Chart



BOE ASX Chart

Currently
19.07% shorted



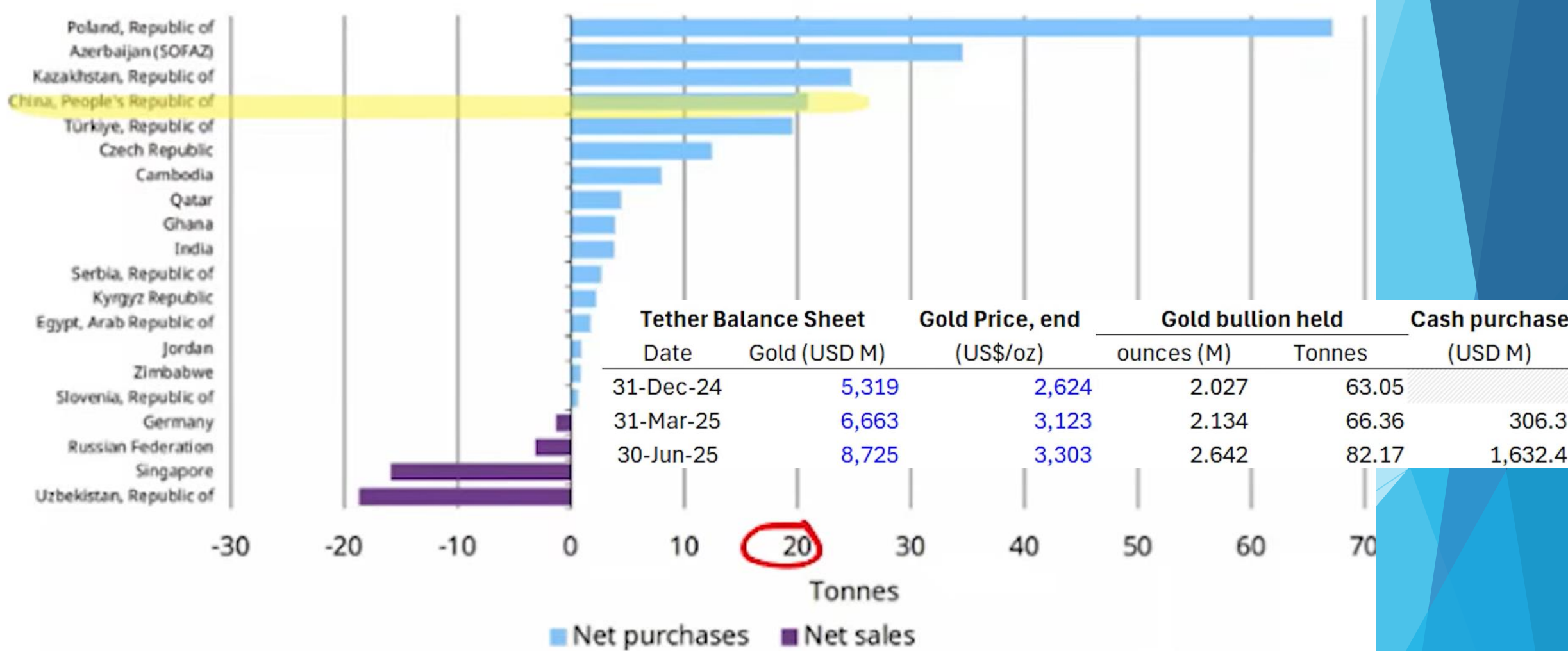
LRV ASX Chart



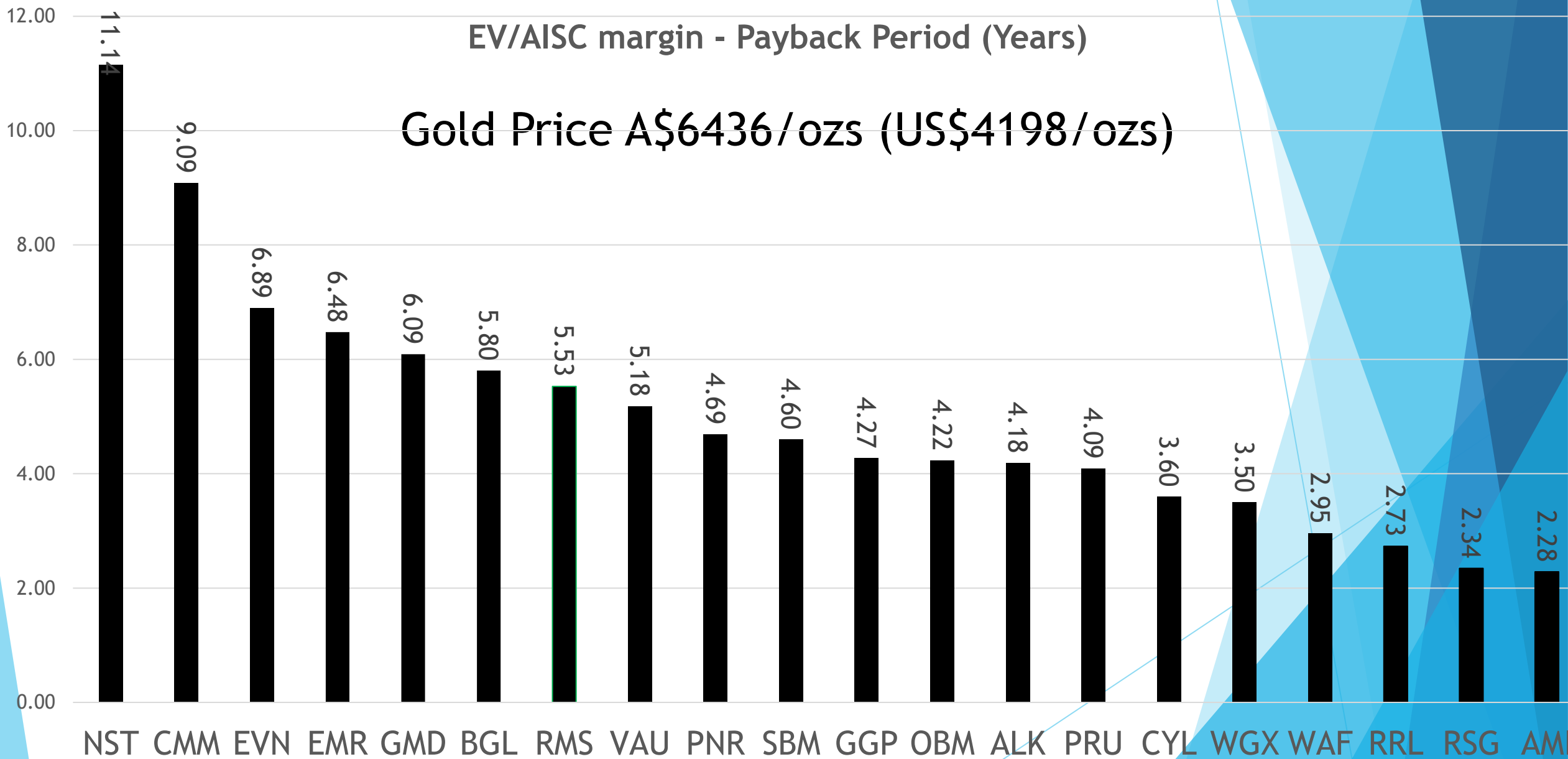
Gold Miners

1. There are currently 25 ASX-listed gold miners with a market cap of over \$1 billion
2. Gold stocks have recorded an average gain of 97% in the last twelve months (or 87% on a market cap weighted basis)
3. 25 miners have a combined market cap of \$162 billion
4. This is equal to about three Fortescue's or three quarters of a BHP (which is incredibly considering how many mines these 25 companies operate, probably north of 40 mines)
5. The gains suggest these stocks have added some \$70 billion in market cap in the past twelve months

Y-t-d central bank net purchases and sales, tonnes*



*Data to 31 July 2025 where available. SOFAZ represents the gold reserves of the State Oil Fund of Azerbaijan.
Source: IMF, respective central banks, World Gold Council



ASX Gold Mining Developers		11/Oct/25			*Have a plant	
Name	ASX Code	Resources (oz)		Reserves (oz)	Total EV\$/ozs	Countries
		M&I	Inferred	M&I		
Antipa Minerals	AZY	71%	29%	0%	\$150	WA/Telfer
Geopacific Resources+	GPR	83%	17%	0%	\$40	PNG/Woodlark Isl
Larvotto Resources*	LRV	58%	42%	36%	\$200	NSW
Patronus Resources	PTN	52%	48%	0%	\$41	WA/Leonora/NT
Predictive Discovery	PDI	77%	23%	4%	\$241	Guinea
SnowLine	SGD (TSX)	55%	45%	0%	\$264	Canada/Yukon
Saturn Metals	STN	81%	19%	0%	\$115	WA/Leonora/NSW

Coming Soon

Our next meeting: Thursday, 20th November, 10 am, Citiplace.

Other ASA groups:

- ▶ 20-Oct, 2:30 pm — BIG-W (Peppermint Grove Library), contact [Anne](#)
- ▶ 21-Oct, 10 am — Stirling Discussion (Osborne Community Centre, Tuart Hill), contact [Chris](#)
- ▶ 23-Oct, 10 am — Nedlands Discussion (Drabble House), contact [Kevin](#)
- ▶ 24-Oct, 10 am — Perth South of the River (RAAFA, Bull Creek), contact [Peter](#)
- ▶ 4-Nov, 10:15am — Perth Member's Meeting & Investors Forum in State Library Theatre Auditorium, contact [Kaye](#) - Yes, it's on Melbourne Cup Day!
- ▶ 7-Nov, 10 am — BIG-E (Citiplace, Perth), contact [David](#)
- ▶ 19-Nov, 10 am — Busselton Discussion (Busselton Community Resource Centre), contact [Bernie](#)

See: <https://www.australianshareholders.com.au/learn-connect/local-meeting-groups/>

Coffee

Informal, broad ranging, discussion after the meeting at the State Library coffee shop.
All are welcome.

