

## Looking Good at the Start of the New Year

There was a strong improvement in sentiment last week, but on thin volume. While it looks good we should be careful about getting too enthusiastic just yet, though it is looking positive for the coming months. The market does seem as if it wants to resume the enthusiasm that we saw back in October/November of last year.

Commodity prices right across the board are looking the strongest we have seen for a long time, while the geopolitical situation on many fronts is leading to stronger demand out of the USA. Gold has recovered to hit US\$4,500/oz again and silver is actually outperforming gold in terms of percentage movements. Copper prices continue to rise on tight supply. Tin has strengthened, also on supply concerns. There was even renewed interest in rare earths and lithium stocks.

The first two weeks of 2026 have had us preoccupied with cyclones in the North and associated flooding, and a heat wave and bushfires in the south. Company news flow has been seasonally limited but the flow will probably pick up next week. In the meantime, the Venezuelan events have dominated the press in the last week. What are the implications for our market?

### What Does Venezuela Mean to the ASX?

While we are not directly impacted by what happens in Venezuela, the US actions provide confirmation that America is prepared to take whatever action it needs to in order to promote its geopolitical interests. We could say Trump is being a statesman for world democracy in removing the Venezuelan dictator, but that would be too idealistic. There is much more to it than that.

On a general level, the USA is seeking to counter China's dominance in many specialist commodities. That is good for Australian mining stocks operating all around the world as it means that US funds will continue to flow into the sector. Some of the narrative on Venezuela mentioned the rare earth mining activities being undertaken, with China being behind that activity. The link is somewhat tenuous, and rare earths are still more conceptual than reality ... at least with respect to profitable operations, but it aids the sentiment.

There was commentary on the vast oil reserves of Venezuela, saying that the US wants to control them. In reality, Venezuela oil production is low, it has been declining and it is heavy, low quality crude. But it is oil nonetheless and there are vast in-situ resources. I heard that there could be US\$170bn worth of claims from US companies seeking compensation for when Chaves nationalised the oil assets of US companies.

I can't help but think that the spectre of the Cuban missile crises can be seen here, especially if Maduro was engaging in friendly relations with China, and Russia, with an eye on drone manufacturing. Florida is within striking distance of drones that could be launched from Venezuela.

There is no way that Trump would tolerate the potential of any threat to the USA homeland, so it is better to take pre-emptive action even if it is being disguised as an anti-drug operation.

But, what does the future hold for Venezuela? Is it suddenly going to become a compliant state? I don't think so. There has been a circuit breaker with the removal of Maduro but what comes next? The real hard work is yet to be done.

I recently read a book that provided good historical reading on the relationship between the USA and Mexico in 1910-20. Mexican politics was a complete mess with all sorts of internal conflict and political struggles but the most important considerations had to do with the vast business interests of the USA in Mexico. The USA effectively controlled the country though business interests, but it was dismissive of local political concerns. Nothing seems to have changed much over the last 100 years.

Could we be seeing the development of such a relationship in Venezuela? Maybe the USA is happy to see Venezuelans fighting amongst themselves provided they don't get in the way of business. The USA will certainly back whatever party is going to ensure enough stability for its businesses to operate profitable, but at arms length. The Monroe Doctrine is coming back into the spotlight as the USA seeks to keep other world powers out of its backyard.

There is optimism in countries like Colombia that the Venezuelan developments will be positive for that country as it enters a presidential election year. Commentators are looking for a swing to the right and better times. Whatever, there is still much work to be done.

### Updates on Stocks Recently Covered

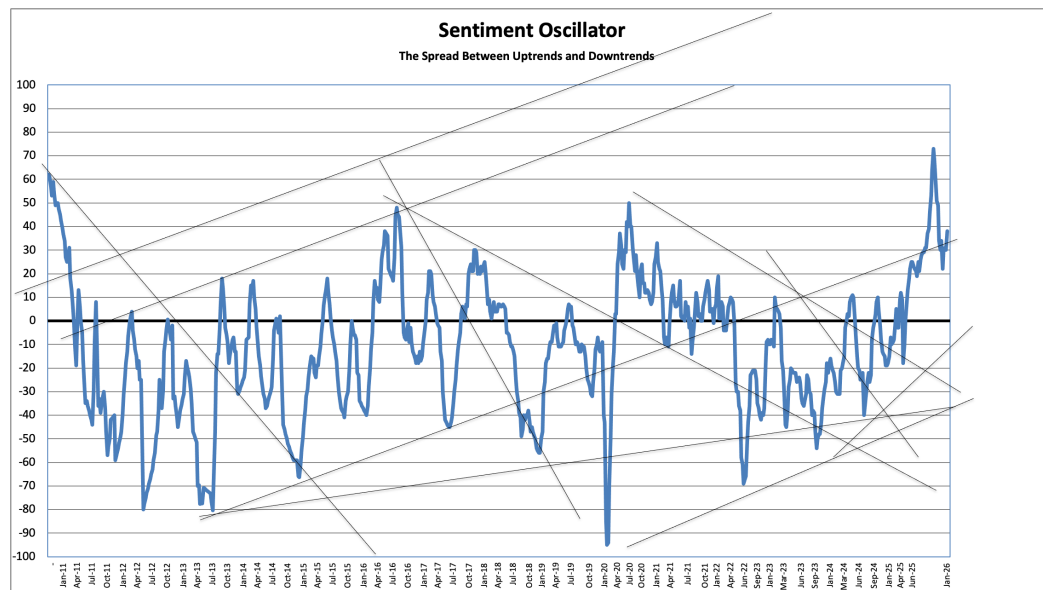
We previously mentioned two stocks that we think could be good performers in 2026, **CuFe** (bismuth) and **Hawk Resources** (scandium) but cautioned that it is all about timing. Both of them needed to breach downtrends first. Well, it looks like this has happened last week.

CuFe has had considerable turnover on a number of days as the Tony Sage group has been soaking up stock. That seems to be happening now with the spike in the share price on Thursday.

Similarly, Hawk Resources was weak initially as the share issue was being digested. Last week however, the shares went for a run and breached the downtrend under which it was previously bound, closing at a high of 5.3¢ on Friday. Percentage moves have already been good, but maybe this is the starting gun for something bigger. However, I don't have a crystal ball!

**Lode Resources** reported another five holes from its Montezuma silver/antimony project in Tasmania, with three returning large intercepts, best being 10m at 302 gpt AgEq, including 3.7m at 653 gpt AgEq. Assays for another three holes are pending. This is a developing story.

*Disclosure: Interests associated with the author own shares in CuFe and Hawk.*




**Sentiment Oscillator:** Sentiment improved as there was a large fall in in stocks in downtrend last week, along with more in uptrend. There were 58% (55%) of shares under coverage in uptrend, and 20% (25%) in downtrend.

## Detailed Chart Comments

*NB. Only the bold comments have been updated. Comments in grey type are from previous weeks and will be less relevant. Please note that this list is a cross section of the market. It IS NOT a list of recommendations.*

Indices	Code	Trend Comment	
All Ordinaries	XAO	rising again	
Metals and Mining	XMM	rising	
Energy	XEJ	weaker	
Stocks	Code	Trend Comment (updated comments in bold)	Main Interest
Agua Resources	AGR	rallying from lows	phosphate, gold
Alkane Resources	ALK	rising again	gold
Alicanto Minerals	AQI	spiked higher	base metals, silver, gold
Alligator Energy	AGE	breached downtrend	uranium
Almonty Industries	AII	surge to new high	tungsten
Alpha HPA	A4N	down	HPA
American Rare Earths	ARR	improving	rare earths
American Tungsten & Antimony	AT4	sideways	antimon
Anax Metals	ANX	new high	copper
Andean Silver	ASL	new high	silver
Arafura Resources	ARU	back above support line	rare earths
Ardea Resources	ARL	rising again	nickel
Ark Mines	AHK	new high	rare earths

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Astral Resources	AAR		new high	gold
Aureka	AKA		spiked higher	gold exploration
Auric Mining	AWJ		sideways	gold
Aurora Energy Metals	1AE		breached uptrend	uranium
Aurelia Metals	AMI		recovering	copper + base metals
Aurum Resources	AUE		improving	gold
Australian Gold and Copper	AGC		rising	base metals, silver, gold
Australian Rare Earths	AR3		back to support line	rare earths
Australian Strategic Materials	ASM		rallying	rare earths
BHP	BHP		new high	diversified, iron ore
Ballard Mining	BM1		rising	gold
Ballymore Resources	BMR		rising	gold exploration
Barton Gold	BGD		rising again	gold exploration
Beach Energy	BPT		at resistance line	oil and gas
Beetaloo Energy	BTL		breached uptrend	gas
Bellevue Gold	BGL		higher	gold
Besra Gold	BEZ		rising again	gold
Black Cat Syndicate	BC8		recovering	gold
Boab Metals	BML		at highs	silver/lead
Brazilian Rare Earths	BRE		down	rare earths
Brightstar Resources	BTR		consolidating	gold
Caravel Minerals	CVV		rising	copper
Carnaby Resources	CNB		rising	copper
Castile Resources	CST		rising	gold/copper/cobalt
Catalyst Metals	CYL		rallying	gold
Cazaly Resources	CAZ		breached uptrend	rare earths
Centaurus Metals	CTM		new high	nickel/cobalt/HPA
Challenger Gold	CEL		improving	gold
Cobalt Blue	COB		down	cobalt
CuFe	CUF		correcting lower	bismuth
Cyprium Metals	CYM		higher	copper
Emmerson Resources	ERM		new high	gold
EQ Resources	EQR		strongly higher	tungsten
Estrella Resources	ESR		down	manganese
Evolution Mining	EVN		new high	gold
Felix Gold	FXG		heavy slump	gold exploration, antimony
Finder Energy	FDR		correcting lower	oil/gas
First Graphene	FGR		breached uptrend	graphene
Flagship Minerals	FLG		new high	gold
Genesis Minerals	GMD		surge to new high	gold
Globe Metals and Mining	GBE		correcting lower	niobium
Gold 50	G50		surge higher	gold exploration + gallium
Golden Horse	GHM		rising	gold exploration
Great Boulder Resources	GBR		steeply higher	gold exploration

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Green360 Tech	GT3		rallying	kaolin
Hamelin Gold	HMG		down	gold exploration
Hawk Resources	HWK		strongly higher	scandium
Heavy Minerals	HVY		testing uptrend	garnet
Hillgrove Resources	HGO		new high	copper
Iltani Resources	ILT		rising again	antimony
Iluka Resources	ILU		breached downtrend	mineral sands
Investigator Resources	IVR		new high	silver
Jupiter Mines	JSM		improving	manganese
Kairos Minerals	KAI		rising	gold
Kaiser Reef	KAU		improving	gold
Kalamazoo Resources	KRZ		rising	gold
Kalina Power	KPO		breached uptrend	carbon sequestration
Koba Resources	KOB		rallied off lows	uranium
Larvotto Resources	LRV		return to highs	gold, antimony
Litchfield Resources	LMS		falling	copper exploration
Lindian Resources	LIN		rising	rare earths + bauxite
Lode Resources	LDR		testing downtrend	antimony, silver
Lotus Resources	LOT		longer term downtrend	uranium
Lynas Corp.	LYC		down	rare earths
Many Peaks	MPK		rising again	gold exploration
Marmota	MEU		spiked on good drilling gold	gold/uranium exploration
Matsa Resources	MAT		rising	gold
Meeka Gold	MEK		at highs	gold
MetalsX	MLX		new high	tin, nickel
Meteoric Resources	MEI		testing downturn	rare earths
Metro Mining	MMI		rising again	bauxite
Midas Minerals	MM1		testing uptrend	lithium
Mithril Silver & Gold	MTH		breaching downtrend	silver, gold
Native Mineral Resources	NMR		down	gold
New Murchison	NMG		rising	gold
New World Resources	NWC		rising	copper
Nexgen Energy	NXG		rising again	uranium
Northern Star Res.	NST		rising again	gold
Nova Minerals	NVA		heavy fall	gold exploration
Novo Resources	NVO		testing downtrend	gold exploration
Omega Oil	OMA		rising	oil
Pacific Gold	PGO		spiked higher	gold exploration
Pacific Lime & Cement	PLA		rising.gently	renewables, cement
Paladin Energy	PDN		rising again	uranium
Pantoro Gold	PNR		rising again	gold
Patriot Battery Metals	PMT		rising	lithium
Peninsula Energy	PEN		rising again	uranium
Perseus Mining	PRU		new high	gold

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Prairie Lithium	PL9		new low	lithium
QMiners	QML		down	copper
Queensland Pacific Metals	QPM		down	nickel/cobalt/HPA
Regis Resources	RRL		rising	gold
Revolver Resources	RRR		breached uptrend	copper
Richmond Vanadium	RVT		down	vanadium
RIO	RIO		new high	diversified, iron ore
Rox Resources	RXL		testing downtrend	gold
RTG Mining	RTG		improving	copper
Rumble Resources	RTR		sideways	zinc, gold, tungsten exploration
S2 Resources	S2R		down	gold exploration
Santana Minerals	SMI		rising	gold
Santos	STO		slump	oil/gas
Sarytogan Graphite	SGA		breached uptrend	graphite
Scorpion Minerals	SCN		rallying	gold exploration
Siren Gold	SNG		testing uptrend - legal proceedings	gold exploration
Southern Palladium	SPD		new high	PGMs
Stanmore Coal	SMR		improving	coal
St George Mining	SGQ		breached downtrend	rare earths, niobium
Stellar Resources	SRZ		new high	tin
Sun Silver	SS1		higher	silver
Sunrise Metals	SRL		rising	scandium
Talga Resources	TLG		down	graphite
Tamboran Resources	TBN		rising	gas
Terra Uranium	T92		correcting lower	uranium
Toro Energy	TOE		spiked higher	uranium
Torque Metals	TOR		rising	gold exploration + lithium
Toubani Resources	TRE		rising, gently	gold
Verity Resources	VRL		down	gold
Vertex Minerals	VTX		down	gold
Waratah Minerals	WTM		down	gold exploration
Westgold Resources	WGX		new high	gold
West Wits Mining	WWI		rising	gold
Whitehaven Coal	WHC		rising again	coal
White Cliff Minerals	WCN		down	copper exploration
WIN Metals	WIN		down	gold
Yandal Resources	YRL		down	
Totals	58%	83	Uptrend	
	20%	29	Downtrend	
		142	Total	

### Guides to Chart Interpretations

- Charts usually go pass from one trend (up or down) into the other via a period of indecision and uncertainty during which the trend can either recover or change. This period is signified by the orange colour. The orange represent both the greatest risk and greatest reward possibilities.
- Once a chart is in confirmed up or downtrends it is not uncommon for 10-20% of that trend to have already transpired.
- There are trends within trends. The focus of this chart review is the immediate trend that affects the sentiment i.e. it can be a downtrend within a long-term uptrend.

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- Not every chart warrants a new comment every week. The new comments are in bold type. Grey type comments may be dated.
- Individual charts provide a single view. It is valuable to look at charts of other companies in similar commodities, and the overall sentiment is also very valuable. Not many stocks can swim against the tide.
- We periodically add or delete charts, some times for obscure reasons. If a chart consistent gives poor signals or is very erratic, we may delete it. Sometimes we add a chart because we want to see what all the fuss is about. We do have a preference for charting stocks that we cover in our research as well.
- Errors and omissions may occur from time to time, especially in fast moving markets.

Amber Lights in Tables: Just a reminder if when the amber light is used in the table – it is when the charts are ambiguous or when there is a change of trend taking place. If a chart is breaching a downtrend it can either be a positive sign or a trap. Only once it has done more work can it be confirmed as a new uptrend. Maybe it is a new uptrend (or conversely a new downtrend); the risk takers can decide to jump on board early (or sell). They will maximise their profits (or minimise their losses if indeed it is the start of the new uptrend (downtrend)). More risk-averse investors should wait a little longer, being prepared to give up some of the gains in return for greater certainty.

#### Weightings of Sectors Represented in the Company Charts

Sector	No. of Companies	Weighting	
Gold	37	26.1%	
Gold Exploration	22	15.5%	
Copper	13	9.2%	
Rare Earths	11	7.7%	
Uranium	9	6.3%	
Oil/Gas/Hydrogen	6	4.2%	
Silver	5	3.5%	
Antimony	4	2.8%	
Iron Ore/Manganese	4	2.8%	
Lithium	3	2.1%	
Graphite/graphene	3	2.1%	
HPA/Kaolin	3	2.1%	
Nickel	2	1.4%	
Scandium	2	1.4%	
Tungsten	2	1.4%	
Tin	2	1.4%	
Coal	2	1.4%	
Bismuth	1	0.7%	
Niobium	1	0.7%	
Potash/Phosphate	1	0.7%	
Vanadium	1	0.7%	
Zinc/Lead	1	0.7%	
PGMs	1	0.7%	
Mineral Sands	1	0.7%	
Bauxite	1	0.7%	
Cobalt	1	0.7%	
Other	3	2.1%	
Total	142		

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