Good evening, mates!Welcome to Wilma Wealth Management , I'm White Green, your closest investment buddy!

As April is about to wrap up, it's a prime time to look back at our investment performance this month. The Australian sharemarket generally had a tough run in April, with the three major indexes dipping about 4%, presenting a challenge for many investors. In such a market environment, outperforming the broader market is no small feat. Did your account manage to beat the market this April?

If you've turned a profit this month, well done! This indicates that your investment strategy is highly effective and capable of generating returns even in difficult market conditions, a commendable ability indeed. On the flip side, if your performance didn't outstrip the market, or if you've encountered losses, it doesn't spell failure but rather an opportunity to learn and tweak your strategy. Investing in stocks is an ongoing process of learning and adapting. By continuously improving and refining your approach, you can enhance your investment skills and optimise your portfolio.

In our upcoming sessions, we will delve deeper into how to analyse market dynamics and devise robust investment strategies. We'll also learn from real-life examples on how to navigate market volatility. Achieving success in investing requires time and persistent effort. I hope our community members will engage actively, constantly learn, and practise to boost their investment prowess. Let's aim to become investors who can steadily navigate through volatile markets.

A new week is about to kick off, and here are the key points for tonight's discussion with mates:
1. What news over the weekend might impact the sharemarket tomorrow? What important data should we keep an eye on this week?
2. BHP's attempted acquisition of Anglo American has been rejected, leading to a significant drop in their stock price. What impact could this event have on the resources sector and the overall market?
3. Over the past four years, Australia has seen an inflation rate of 17%, with the price of many essentials increasing by over 25%. This is putting pressure on everyone's cost of living. How should we respond to sustained high inflation?
4. We'll analyse the potential trends for the XJO index tomorrow and discuss specific strategies for AGL and COL.

Through tonight's share, I hope mates can better understand market dynamics, make wiser investment decisions, and optimise their asset allocation. We'll delve deeply into these issues together.

Let's start with a review of several significant financial news items from the weekend and markets to watch this week:

1. The Pennsylvania regulatory authorities shut down the Republic Bank headquartered in Philadelphia, marking the first U.S. bank closure this year! Last year, five banks including Silicon Valley Bank were also closed.
2. The Japanese yen depreciated, hitting a 34-year low. The yen fell sharply against the U.S. dollar, at one point dropping below 158 yen to the dollar, setting a new low for the first time in 34 years.
3. On the evening of the 27th, the Israeli Defense Forces reported that at least 26 rockets were fired from southern Lebanon towards the Meron Mountain region in northern Israel, triggering air raid alarms in several local communities.

The content described above refers to significant tremors that could affect the financial markets last week. Firstly, the closure of Republic Bank in the United States might unsettle investors and the public, sparking concerns about the stability of other banks, especially if the closed bank is large or holds a significant position in the financial system. This could also lead to reduced market liquidity, making it harder for businesses and individuals to obtain loans or credit. This is not a good situation for the stock market, similar to last March when the closure of five U.S. banks triggered market panic and led to a six-month bear market. Therefore, our focus should be on whether the closure of Republic Bank is an isolated incident or if it might lead to further market panic, potentially repeating the events of last March.

Additionally, the escalation of geopolitical conflicts in the Middle East over the weekend is potentially good news for precious metals, which typically have safe-haven properties in the short term. Lastly, the ongoing depreciation of the yen in Asia has raised questions among many about whether a financial crisis is looming. While the depreciation of the yen, Thai baht, and Korean won may raise concerns about the financial stability in Asia, it does not necessarily mean that a financial crisis is imminent. Currency depreciation can be driven by various factors, including changes in economic fundamentals, the impact of external trade environments, or market adjustments to anticipated economic policies.

This week, we need to keep an eye on a series of important economic data and events that will significantly influence market trends:

Monday:

Final values for the Eurozone's April Economic Sentiment Indicator and Consumer Confidence Index

U. S. April Dallas Fed Manufacturing Activity Index

Tuesday:

Australia's ANZ Consumer Confidence Index for the week ending 28 April

Wednesday:
Australia's April AIG Manufacturing Performance Index
U.S. April ADP Employment Change
The Fed interest rate decision and Chairman Powell's monetary policy press conference

Thursday:
Australia's March Goods and Services Trade Balance
Australia's March Import and Export monthly rates

Friday:
Australia's March Investment Home Loans monthly rate
U.S. April Non-farm Payrolls and Unemployment Rate

The release of these economic indicators and policy decisions is crucial for understanding market trends. For investors, knowing the nature of these data will assist us in better forecasting market directions and formulating corresponding investment strategies. Let's stay tuned and flexibly adjust our operations based on market dynamics.

The image above shows the daily chart for BHP and the trend chart for the Metals and Mining Index (BK7095). Last week, BHP's share price took a significant hit following the rejection of its initial $39 billion acquisition offer to Anglo American. There are rumours that BHP is considering a higher bid, with discussions about submitting a revised offer to Anglo American in the coming weeks still ongoing. The group has not yet made a decision on the size and structure of the new proposal.

If BHP does propose a higher bid, this could have a complex impact on its share price. On one hand, the market might respond optimistically to the increased acquisition efforts, seeing it as potentially strengthening BHP's market position and future growth potential. On the other hand, a higher offer could raise concerns among investors about the company’s financial burden and its future profitability.

For the entire resources sector, such activity could heighten expectations for M&A activity within the industry, potentially leading to increased valuations for similar assets. However, there is also uncertainty, especially if the acquisition fails or market conditions worsen, which could affect investor sentiment across the sector. Overall, such significant M&A activities usually attract broad market attention and affect the performance of the related companies and the entire industry.

From the charts, both BHP and the sector index appear to be weak, and it is likely that this weakness will continue in the short term.

In the first quarter of this year, Australia's CPI rose by 3.6% year-on-year, showing signs of easing inflation. However, since March 2020, the prices of some key commodities have increased by more than the overall inflation rate of 17%. Essentials such as food, fuel, housing, and insurance have seen price increases of over 25% in the last four years. This situation indicates that although the overall inflation rate is showing a downward trend, the rising costs of some basic goods in daily life still put significant pressure on household budgets. This discrepancy requires our special attention to better understand the real impact behind the inflation figures and to make corresponding financial planning and investment decisions accordingly.

Oils and fats	up 40%
Tobacco	up 39%
Fuel	up 38%
New homes	up 36%
Insurance	up 35%
Gas	up 31%
Domestic holidays	up 29%
Postal services	up 28%
International holidays	up 27%
Veterinary services	up 26%
Water, soft drinks, juices	up 26%
Cheese	up 26%
Bread	up 25%
Milk	up 25%
Eggs	up 25%
Pets and pet products	up 25%
Motor vehicle parts	up 22%
Clothes hire and cleaning	up 22%
Ice cream	up 22%
Cakes and biscuits	up 22%
Overall CPI	up 17%

Over the past four years, amid ongoing inflation, we've noticed significant price increases in essential commodities such as oils, fuels, insurance, and gas, which have directly impacted our daily lives. Without measures in place, the quality of our lives will be further pressured. Thus, increasing passive income has become an effective strategy to combat the effects of inflation and maintain a stable standard of living.

In such an economic environment, the investment market offers us valuable opportunities to overcome inflation. We need to continually learn and refine our investment philosophies and strategies to not only improve our financial situation but also gain a competitive edge in the market. Implementing effective diversification of investments, risk management, and regular evaluation of portfolios are key to staying in sync with market changes.

In our community classes, we do more than share investment philosophies and strategies. We encourage every member to continually accumulate financial knowledge and develop the ability to think independently. By optimizing asset allocation and enriching our investment portfolios, we help each member reduce reliance on any single market and pursue higher returns in a diverse financial environment. Our goal is for everyone to find their footing in this complex financial world, achieving financial freedom and security, and maintaining the quality and tranquillity of life.

We also regularly recommend quality stocks and combine these with practical trading, enhancing the effectiveness and engagement of learning. This mode of learning not only helps everyone deeply understand sharemarket dynamics but also exercises decision-making skills in practical operations, validating the learning outcomes. Seeing the direct effects of investment returns can greatly stimulate the motivation and interest in learning. I hope everyone will actively participate and improve together, mastering how to optimize investment portfolios in various market conditions to achieve stable financial growth.
What do you think of this learning model?

This image displays the daily chart of the XJO index. From the chart, we can see that last Friday the index experienced a significant drop of over 100 points. As I have discussed several times before with you all, the market might seek support in the 7470-7500 point range. Given that last Friday saw a general rise in the three major US stock indices and a slight rebound in the XJO index futures, there is a high probability of an oversold bounce in the market tomorrow. However, since the overall market trend remains weak, we must maintain strict control over sector selection and capital management to guard against potential market risks. This approach will help us more robustly navigate the uncertain market environment.

This image shows the daily chart for AGL. I've previously discussed this stock with you all, both from a technical and fundamental perspective, especially considering the overall poor performance of the market at the moment, choosing defensive sector stocks like AGL as investment objects is a wise decision. Looking at AGL’s performance last week, it indeed showed stronger resilience than the broader market, which validates our strategy.

Regarding AGL's future trajectory, as I've shared before: as long as the trend is not broken, there's no need to alter our trading decisions over minor price fluctuations. We should continue to follow the trend to maximise our profits. With the advancement of artificial intelligence technology and the expected continuous growth in global electricity demand, this is a significant positive for power suppliers like AGL. Tomorrow, I'll delve further into this topic and explain why it's a beneficial factor for AGL.

Operationally, as long as AGL's upward trend remains intact, we should continue to hold this stock. If there are signs of a trend reversal, I'll inform you all in time so that we can take profits and exit promptly. This strategic approach will help us better handle market volatility and protect and increase our investment returns.

This image displays the daily chart for COL. Yesterday, I prepared a detailed research report on COL for you all, which covered not only technical analysis but also a deep dive into its fundamentals. Like AGL, COL has shown excellent defensive qualities in the current less-than-ideal market environment. Our trading strategy for such stocks is relatively straightforward: follow their trend behaviour. This week, COL is expected to perform positively, bringing delightful results to our mates. Operationally, since COL's trend is positive, we should continue to follow this trend, which is key to our strategy. I hope everyone can understand the effectiveness and philosophy of this approach and apply it effectively in practical operations.

As today's discussion draws to a close, I'd like to leave you with three questions to help us delve deeper and digest the topics covered today:

1. What strategies can most effectively protect our quality of life when facing market inflation?
2. Under what circumstances should we consider selling stocks like AGL and COL?
3. Besides the current course content, what other areas or topics would you like me to cover to further aid your investment?

I hope today's insights have been enlightening, and we'll continue our financial learning journey tomorrow.
Goodnight, mates!