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

It's the start of a new week! In tonight's session, we will start with several key points to deeply analyse market dynamics and distil effective investment strategies:

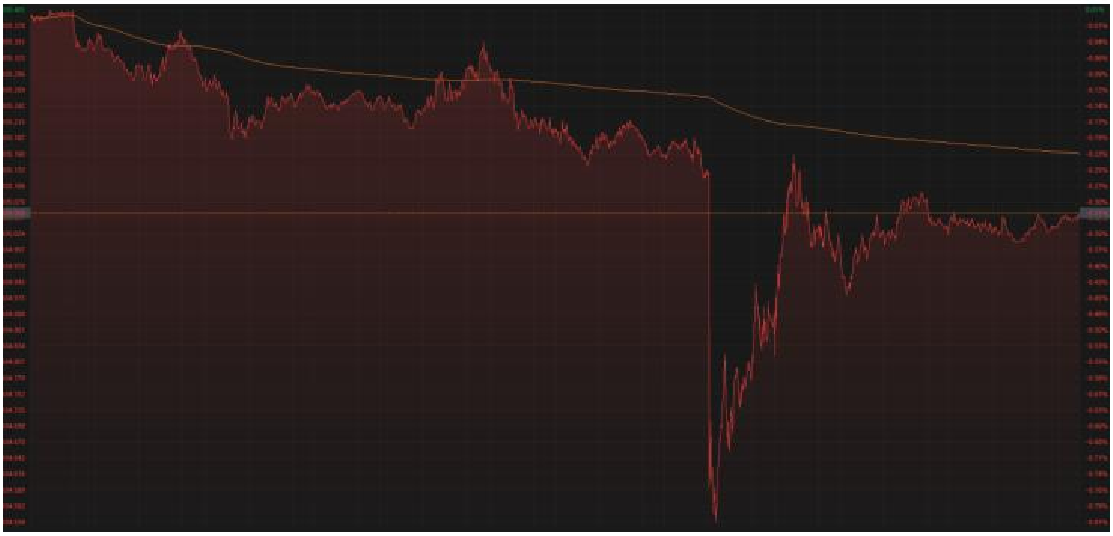
1. Key news over the weekend and economic data for the coming week: We will discuss the key news released over the weekend and the important economic data to be published, analysing how they will impact the sharemarket tomorrow and throughout the week. Understanding the implications behind these news items is crucial for predicting market trends.

2. Friday's US non-farm employment data reignited market expectations for a rate cut, driving a general rise in US stocks. We will delve into how these factors might influence the potential trends in US stocks this week, and what the likely trends for US stocks might be.

3. Against the backdrop of a general rise in US stocks, how will Australia's XJO index respond? We'll explore the potential reactions of the Australian sharemarket and analyse how the stocks in our portfolio should be managed this week to respond to potential market changes.

Through these discussions, we not only review and analyse past market performance, but also better predict future trends, thus making wiser investment decisions.

Mates, are you ready?



This image displays the daily chart of the Dow Jones Index and the intraday chart of the US Dollar Index.

Friday's charts of the Dow Jones and the US Dollar Index demonstrated the market's dynamic response to the US non-farm payroll data. The number of non-farm jobs in the US for April dramatically decreased to 175,000, significantly lower than the expected and previous month's 315,000, which somewhat alleviated market concerns about persistent inflation and sparked investor expectations that the Fed might soon cut interest rates. Following the release of the non-farm data, both the US Treasury yields and the US Dollar Index experienced significant declines, with the Dollar Index dropping over 70 points sharply, gold prices rising rapidly by $20, and Bitcoin prices surging by $1000.

In Friday evening's session, I shared an anticipatory analysis of the non-farm data, and the actual market performance post-release largely matched our predictions. This not only validated our method of market analysis but also provided actual profit opportunities for mates participating in the discussion. Through interactive learning within our community, we are able not only to deepen our investment knowledge but also to apply this knowledge in real-time to optimize investment strategies and enhance asset value. What do you think of such a learning experience?

I hope to continue exploring more market opportunities with you on our shared financial learning journey.

This image shows the one-minute candlestick chart of Bitcoin following the release of the US non-farm payroll data last Friday. From the chart, we can see that Bitcoin's price surged by nearly 1000 US dollars within a minute after the non-farm payroll data fell short of market expectations. Why would Bitcoin experience such significant volatility?

Firstly, it's important to understand that non-farm payroll data is a key indicator of the health of the US economy and usually has a significant impact on the global financial markets, including the cryptocurrency market. When non-farm payroll data falls below market expectations, it can lead to significant volatility in Bitcoin prices due to:

1. Adjustments in monetary policy expectations: If non-farm payroll data is poor, the market might anticipate more accommodative monetary policies to stimulate the economy. Such expectations typically weaken the US dollar's value, and Bitcoin, as an alternative investment, may benefit, thus driving up its price.

2. Increased demand for safe-haven assets: Economic data that falls short of expectations may increase market uncertainty and risk aversion, leading investors to seek safe-haven assets. Bitcoin is viewed as a potential safe-haven tool, especially during traditional market fluctuations.

3. Market sentiment and speculative activity: The release of non-farm payroll data often comes with high volatility, which can trigger speculative activities in the market. Especially in the

cryptocurrency market, such data can quickly alter market sentiment and lead to drastic price fluctuations.

As a significant component of the global financial market, Bitcoin's price is influenced not only by traditional economic indicators but also by the global macroeconomic and policy environment. Thus, the US non-farm payroll data, as a barometer of economic health, naturally has a significant impact on digital assets like Bitcoin. This influence highlights Bitcoin's importance in the global financial market and its interaction with traditional financial markets.

Let's first review some significant news from the weekend markets and comment on some data that might affect market performance next week:

1: The US Bureau of Labor Statistics (BLS) released the non-farm employment report for April 2024 on Friday.
The report indicated that non-farm employment in the US increased by 175,000 in April, with an unemployment rate of 3.9%. Job growth was primarily seen in healthcare, social assistance, and transportation and warehousing. The employment figures for April were below market expectations, which deepened the market's anticipation of an impending rate cut by the Fed. As the labour market cools, there could be adjustments in Fed policy directions, with the market now expecting the first rate cut to be brought forward from November to September and potentially two rate cuts in 2024, each by 25 basis points.
The release of this report had a profound impact on global markets, especially in terms of interest rate and monetary policy expectations. In upcoming discussions, I will further explore the macroeconomic implications behind these data and how they impact our investment decisions and strategies.

2: US Treasury Secretary Yellen indicates that fundamentals still point to inflation slowing.
In a recent speech, US Treasury Secretary Yellen mentioned that although some underlying indicators of inflation have shown a slowing trend, issues in the housing market continue to plague the economy, mainly due to ongoing supply shortages. Yellen admitted that despite repeated hopes for a decrease in housing costs, the actual reduction in housing inflation has been much less than expected, limiting the Fed's room to cut rates further after a significant drop in inflation.
Her perspective underscores the importance of remaining vigilant about the ongoing challenges facing various sectors of the economy before making broader economic policy adjustments. For investors, these remarks are key to understanding the current direction of economic policies and their long-term impact on financial markets.

3: Buffett: I know nothing about AI but that doesn't mean the technology isn't important

Buffett recently expressed his views on AI technology at the Berkshire Hathaway shareholders' meeting. He admitted to knowing nothing about AI but recognized its importance and likened the potential risks of AI technology to nuclear weapons. Buffett warned that like "genies out of the bottle," the development of AI is irreversible and brings unpredictable consequences. He hopes the technology will be used for positive purposes in the future, although he is unable to assess its impact himself.

In the financial industry, the impact of AI has expanded from simple automation to decision support systems. AI enhances market efficiency through functions like high-frequency algorithmic trading, market trend prediction, and risk management, while also introducing regulatory challenges. More broadly, AI is changing everyday life, from smart homes to autonomous vehicles to customized medical services, showcasing its vast application potential. Thus, AI remains not only a focal point in the financial sector but also a hot topic for ongoing attention in the capital markets.

This week, we need to focus on a series of significant economic data and events that will have a notable impact on market trends:

Monday:
US 10-year Treasury auction for May 7 - total amount in billions of dollars (0504-0508)
Speeches by European Central Bank (ECB) Executive Board member Isabel Schnabel and ECB Executive Board member Fabio Panetta.

Tuesday:
Australian ANZ Consumer Confidence Index for the week ending May 5
RBA announces interest rate decision and monetary policy statement, with RBA Governor Philip Lowe holding a press conference.
Eurozone retail sales for March - monthly percentage change

Wednesday:
US wholesale inventories for March - final monthly percentage change
US May IPSOS Main Consumer Sentiment Index (PCSI)

Thursday:
US 10-year Treasury auction for May 8 - total amount in billions of dollars
US initial jobless claims for the week ending May 4 - in tens of thousands
Speech by ECB Vice-President Luis de Guindos

Friday:
US University of Michigan Consumer Sentiment Index preliminary figure for May
ECB publishes the minutes of its April monetary policy meeting

Federal Reserve Board Member Michelle Bowman speaks on financial stability risks

The publication of these economic indicators and policy decisions is crucial for understanding market trends. For investors, being informed about these data, whether they are positive or negative, will help us better predict market directions and formulate corresponding investment strategies. Let's stay alert and adjust our actions flexibly according to market dynamics.

This image is a weekly chart of the Dow Jones Index.
Last week, the Dow Jones Index showed a rise of 1.14%, particularly on Friday when the US non-farm payroll data fell short of expectations, deepening market expectations that the Fed might cut interest rates, thus driving the index higher. On Friday, the Dow Jones reached a high of 38,795 points, exactly at the resistance level of the MA13 moving average on the weekly chart. Additionally, analysing at the daily chart level, boosted by positive news, the index opened higher and attempted to break through the resistance of the MA55 moving average, but did not manage an effective breakthrough, with this resistance level around 38,750 points.

Thus, currently, whether at the daily or weekly chart level, the Dow Jones Index is facing imminent resistance, indicating that its upward trajectory may be limited. This week, in the absence of new positive news to drive the market, the Dow Jones Index is expected to first undergo a period of adjustment before attempting a rebound. We need to closely monitor market dynamics and any new information that might affect market trends, as this will help us more accurately predict and adjust our investment strategies.

This image displays the weekly chart of the XJO Index. Last Friday, influenced by a general rise in the US sharemarket, futures for Australia's XJO Index also showed signs of a slight increase. This upward trend provides a strong anticipatory basis for the XJO Index to open higher tomorrow. However, for tomorrow's trading strategy, we need to pay special attention to the resistance of the MA5 moving average at the weekly chart level.

Despite recent bullish attempts to break through the MA5 moving average on the weekly chart over consecutive weeks, these attempts have not resulted in an effective breakthrough. This indicates that the MA5 moving average around 7710 points forms a significant resistance point. Only when the index breaks through this key resistance level can the bulls possibly continue to push higher, attempting to break through the top resistance of recent range-bound fluctuations.

Given the current dynamics in the US sharemarket, the XJO Index is likely to test this weekly MA5 resistance point again this week. As the market develops further, especially with the performance of the US sharemarket, the XJO Index may undergo adjustments near this resistance level, forming a corrective trend structure.

This image is the weekly chart of AGL. Mates, although last week AGL's share price faced some pressure at the MA55 moving average, like a warrior encountering a steep cliff during a climb, it still performed better than the broader market. The XJO index's weekly line might look a bit defeated, with a bearish trend, but AGL is showing more muscle and strength.

Over the past two weeks, AGL has attempted twice to break through that stubborn MA55 moving average, and although neither attempt was successful, each attempt is a process of accumulating strength. It’s like doing squats; each squat is preparation for a higher jump. I've mentioned before that AGL's market structure is typically ‘long bull, short bear,’ and right now, the bulls might be gearing up for another charge at the MA55, ready to kick off a rapid ascent.

This is also why AGL has already made money, but it's still worth holding onto this stock. Because the share price has not yet entered the real main rising wave, and this craze hasn't reached its climax. Like surfers, we just need to go with the flow, patiently standing on our surfboards, enjoying the thrill that the wave brings.

So, hold onto your hats, keep following this trend. Patience is golden, and let's see how AGL continues to demonstrate its strength and potential in the market.

This image is the daily chart of COL. A few days ago, I delved into COL's market performance and the reasons behind its price failing to break through with my mates. Observing the intraday chart during the trading session, we noticed that institutions were intentionally depressing the stock price before they had sufficiently accumulated their chips, in order to absorb more at a lower price. This strategy is commonly employed by institutions during the accumulation phase to avoid driving up the stock price when the chips are not sufficiently amassed, which would not be beneficial for their long-term control of the stock.

Looking at last week's trading behaviour, every time the stock price touched the MA89 moving average, around 16 Australian dollars, it found strong support and managed a stable rebound, indicating that the 16 Australian dollar price region is a key support point. Additionally, on the weekly chart, similar rebound behaviour was demonstrated after the stock price touched the middle Bollinger Band, which again confirms the effectiveness of 16 Australian dollars as a strong support level.

Looking ahead to this week, for stocks like AGL and COL, their stable defensive characteristics may attract more market capitalisation. Technical analysis suggests that, considering COL's current price level and the support below, the current price is still an attractive buying point. In this scenario, maintaining or increasing holdings in COL is a sensible investment strategy based on its solid support and the market's preference for defensive assets. Given the current stock price and the support levels below, the current price remains a good entry point.

That wraps up today's discussion, thanks for your active participation, mates. Before we conclude tonight's session, I'd like to leave you with a question to deepen your understanding of today's content:
1: Are AGL and COL considered defensive sector stocks? In times when the broader market is less favourable, are these stocks opportunities or risks for AGL and COL?

I hope these questions spark your thoughts and help deepen your understanding of the sharemarket mechanisms. We will continue our discussion in tomorrow's session!

Have a goodnight! Mates!