

Delta Investment Management is a registered investment advisory firm. Delta welcomes discussions with individuals seeking investment advice and advisors seeking a new turnkey asset management solution.

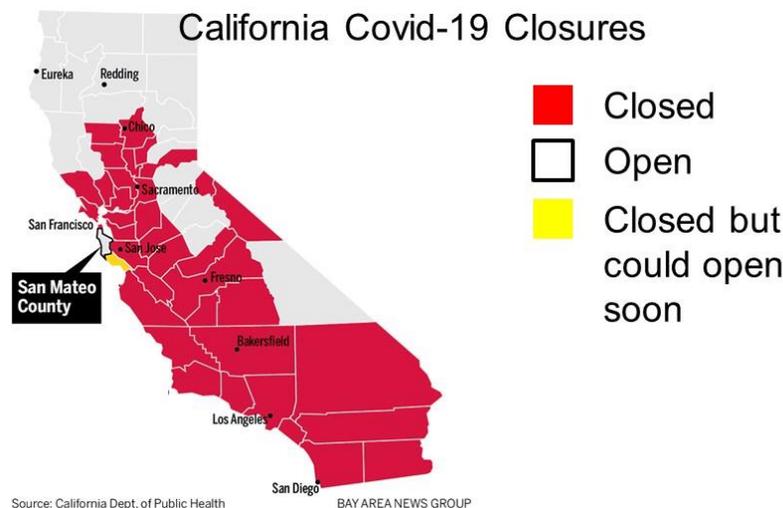
Delta manages portfolios at TD Ameritrade and Schwab.

Please contact Delta at info@deltaim.com or 415-249-6337 to learn more.

July 31, 2020

Google This: “Next July”

Google (Alphabet) is a California headquartered company. California is mostly shut-down. San Mateo is the only coastal county still open from Mendocino all the way to the Mexican border.



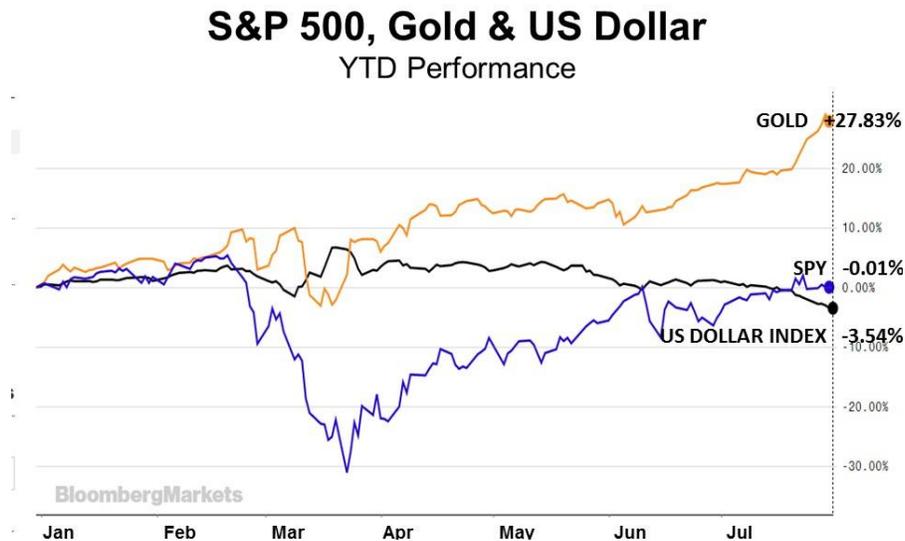
Closed means public K-12 education is mostly virtual. With the kids at home, on-line, many parents are unable to leave their homes for work. Google announced that its roughly 200,000 employees/contractors (many young parents) may work from home until July, 2021. Part of the reason for this is Google is not anticipating the re-opening of K-12 schools during the 2020/2021 academic year.

What the schools do impacts what parents do. What parents do impacts commercial real-estate and the economic viability of the businesses benefitted by people working in an office with other people.

Google’s “next July” announcement suggests more of the same for the stock market. On-line retail, education and most other virtual services are likely going to continue to

take market share at an accelerated pace. Large capitalization technology should continue to thrive. Support for stock prices will continue to come from easy monetary policy (zero interest rates) and trillions of dollars of federal stimulus.

Trillions of dollars are being injected into the economy/financial markets. As the supply of dollars goes up, their value goes down. The U.S. dollar is depreciating which is causing the value of gold, silver and bitcoin to rise. U.S. exports also become less expensive making U.S. industry more competitive globally.



Over time, the risk to the rest of the economy is that the COVID-19 closure adjustments households are making today become permanent. This risk is priced daily in the market. For the cruise lines, airlines and hotel industry, the stock market appears to agree with Google that a return to normal is, at best, a long-ways off. Looking over a wider array of small-capitalization stocks (Russell 2000) and industries, the outlook looks more optimistic with the index holding above its 200-day moving average.

From an optimistic standpoint, maybe “next July” is the worst-case scenario. There is a limit to how much virtual life people can tolerate. This week, the market took the “next July” announcement in stride as it was once again reassured by the Federal Reserve that it will continue to provide financial stimulation.

Give Us a Call Today

We have unique and sophisticated investment methods that seek to capture the stock market’s gains while minimizing drawdowns in bear markets. If you would like to learn more about how we manage money, we invite you to give us a call at **(415) 249-6337**, visit www.deltaim.com or email us at info@deltaim.com.



"Herbert thinks women should be allowed in combat."

Delta Stock Market Dashboard

MARKET SENTIMENT IS

BULLISH

THIS WEEK'S NUMBER IS

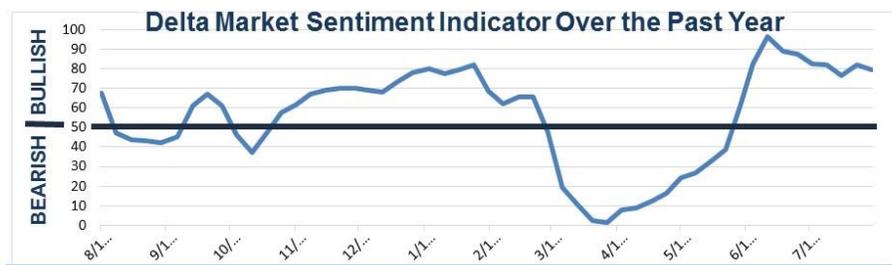
79.5

Our technical indicator decreased
from 81.9 to 79.5 this week

INDICATOR STATISTICS

Consecutive Bullish Weeks:	10
Cycle Inception Date:	5/28/2020
Range:	60.9 – 96.2
Mean:	81.9
Bullish Weeks YTD:	18
Bearish Weeks YTD:	13
*S&P 500	7.1%
*DJIA	3.6%
*NASDAQ	12.5%

* Percentage change during current cycle



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