

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.

April 23, 2021

Millennial Demand Wave

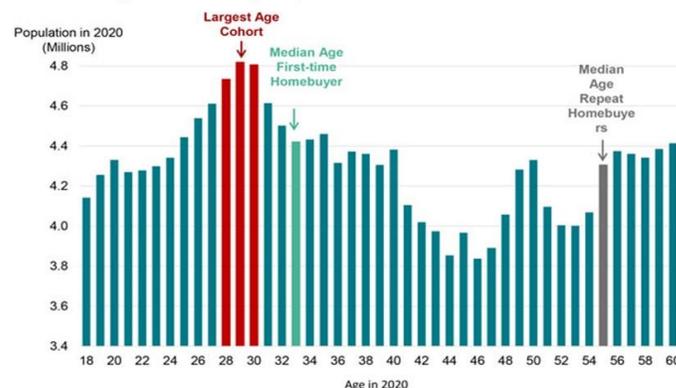
Modern stock market history is often referred to as beginning at the end of World War 2. The Baby Boom generation (roughly 69.6 million people) is comprised of people born between 1946 and 1964. Baby Boomers dominated economic activity during the second half of the 20th Century. Baby Boomers were some of the most voracious consumers buying cars, TVs, homes, etc. like never before. The great bull market of the 1980s and 1990s reflects much of the consumption appetite of Boomers.

The youngest Baby Boomers are now in their late 50s. Baby Boomers are no longer making babies and buying homes for the first time. Many are downsizing.

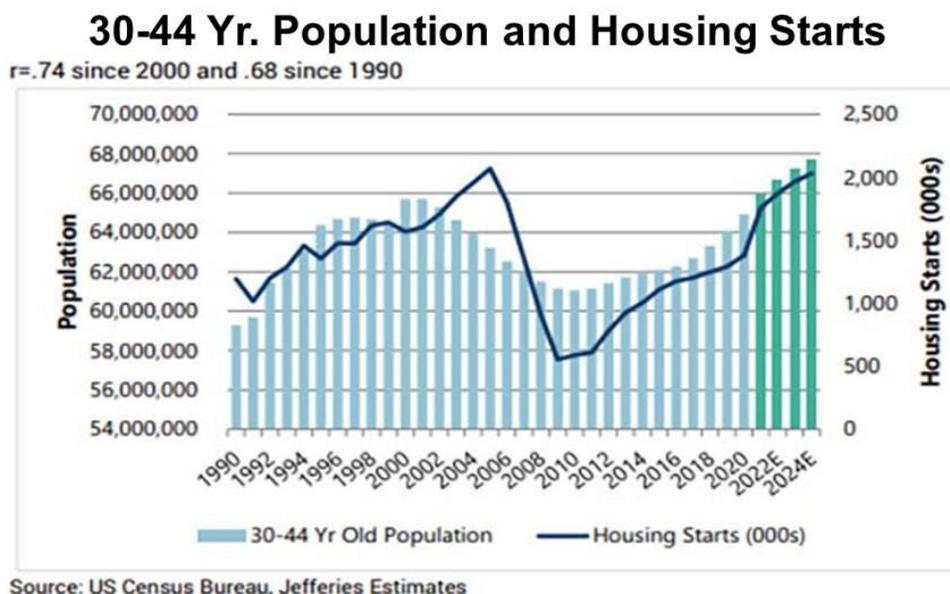
We are two decades into the 21st Century and the Millennials (born between 1981-1996, roughly 72.1 million people) are beginning to carry the consumption mantle. We are on the front edge of a Millennial consumption wave that could provide a tailwind to economic growth for years.

The average age of the first-time home buyer is 34 years old according to Zillow. When we look at the U.S. population by age, the largest cohorts are between ages 28 and 30 - roughly 15 million people.

Large Demographic Tailwind Has Arrived



For the next decade or two, Millennials will drive economic growth, especially in the housing sector. U.S. homebuilding surged to nearly a 15-year high in March. Millennials are forecast to add almost 25 million new households through 2028.



In the first two decades of the 21st Century, the US population expanded by 46 million people but only 20 million housing units were built. There is a demand/supply imbalance between the rising Millennial demand wave and the total supply of housing.

Home buying (household formation) drives consumption. Homes have to be furnished and improved. Cars, TVs, washers and dryers have to be bought. Families have children and children drive additional consumption.

The long-term investment landscape is influenced by demographics. Baby Boomers may develop a deeper appreciation of Millennials in the next decade as it will be principally Millennials who foster economic growth in the U.S. and provide a tailwind to higher stock market values over time.

Let Us Help You Position Your Portfolio – 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.



"I don't think it's anything serious, but, just to be sure, I'm going to bill you as if it is."

Delta Stock Market Dashboard

MARKET SENTIMENT IS

BULLISH

THIS WEEK'S NUMBER IS

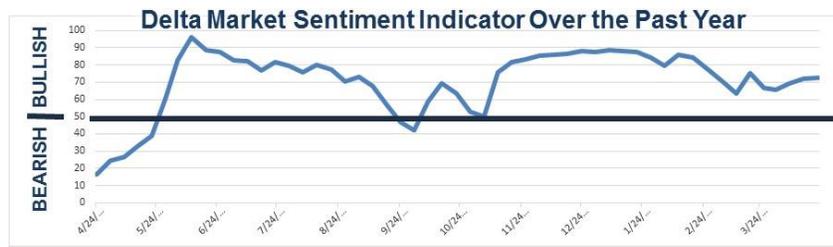
72.6

Our technical indicator increased from 72.2 to 72.6 this week

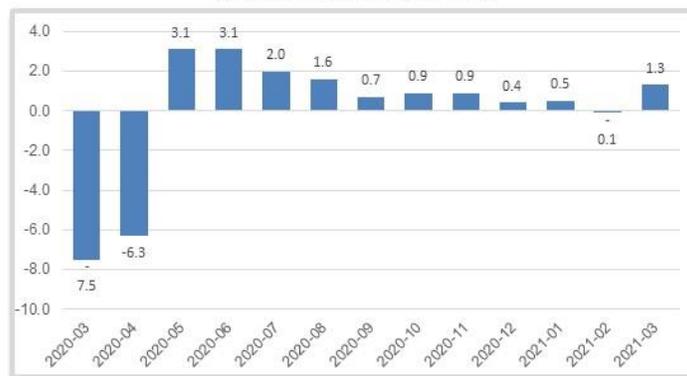
INDICATOR STATISTICS

Consecutive Bullish Weeks:	29
Cycle Inception Date:	10/8/2020
Range:	58.6 – 88.6
Mean:	75.9
Bullish Weeks YTD:	16
Bearish Weeks YTD:	0
*S&P 500	20.8%
*DJIA	19.7%
*NASDAQ	22.0%

* Percentage change during current cycle



Leading Economic Index % Change Monthly March 2020 – March 2021



Source: The Conference Board – last update 04/22/2021

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