

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.

June 18, 2021

“Summertime”

As DJ Jazzy Jeff and The Fresh Prince recommended in their song *Summertime*, its “time to sit back and unwind.” Covid restrictions are being lifted across the country. The Federal Reserve says they will not raise rates until 2023. The CBOE Volatility Index (VIX) below 20 indicates investors are relatively calm. If low volume traded is the measure, stock investors are unwinding.

S&P 500 (SPY) Price and Volume YTD



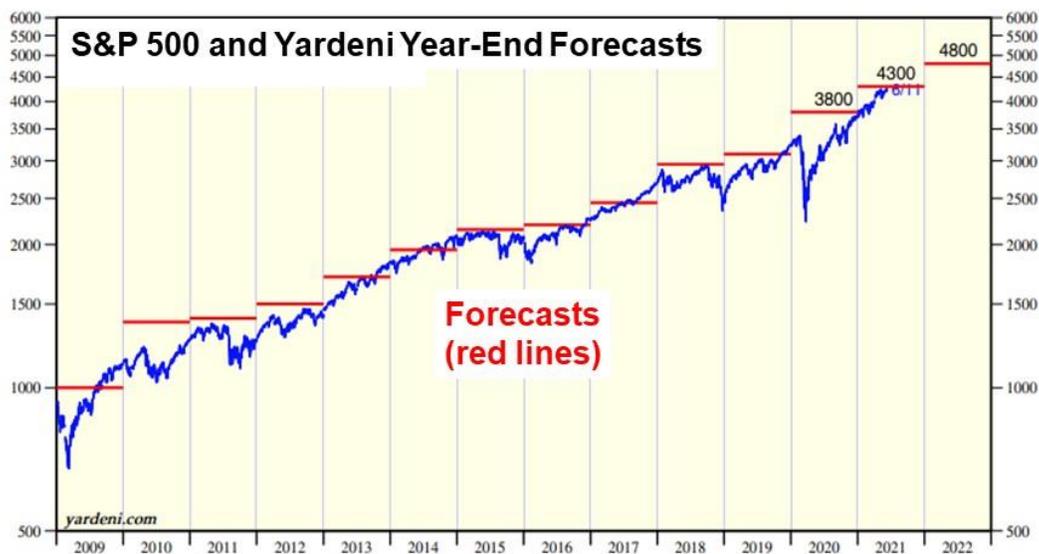
When there is no news, don't make it up. When there is no compelling reason for the market to make a strong move higher or lower, there is a good chance it won't. Little to no news, little to no market action – that's where we are today.

Summer will come and go, too fast. Soon, we will be talking about Christmas. Where might the stock market be in six months to a year?

Edward Yardeni is a Wall Street economist and investment strategist who wrote the book: *“Predicting the Markets: A Professional Autobiography.”* He is a paid consultant to financial institutions, CEOs, CFOs and government policymakers. Dr. Ed (he earned a PhD in economics from Yale University) publishes some of his forecasts on the Internet. Ed has been on a hot streak lately.

For the 2020 year-end S&P 500 index value, Ed predicted 3,800. The market closed on December 31, 2020 at 3,756.07. Ed is forecasting a 2021 year-end value of 4,300. Today, the S&P 500 is roughly 4,225. For 2022, Ed expects 4,800.

Yardeni Research S&P 500 Price Targets



If Ed’s hot streak continues, the S&P 500 is on its way to another 13%+ gain over the next year.

It’s summertime and the stock market may drift as there are few catalysts. But as summer passes and we move towards 2022, earnings growth, low interest rates and investor enthusiasm should keep us trending up. The Leading Economic Index (LEI) was reported this week slightly higher than expectations at 1.3% in May. The Conference Board says “After another large improvement in May, the U.S. LEI now stands above its previous peak reached in January 2020 (112.0), suggesting that strong economic growth will continue in the near term.”

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.



"Thanks for almost everything, Dad."

Delta Stock Market Dashboard

MARKET SENTIMENT IS

BULLISH

THIS WEEK'S NUMBER IS

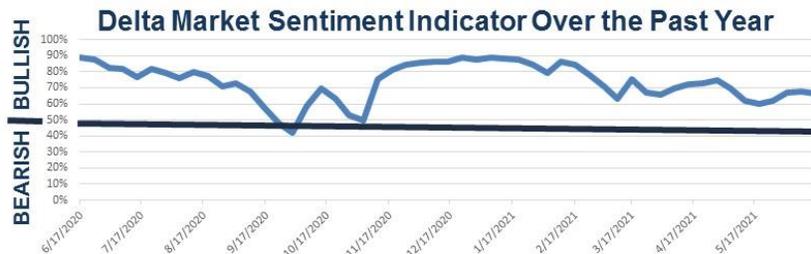
66.2

Our technical indicator decreased from 67.9 to 66.2 this week

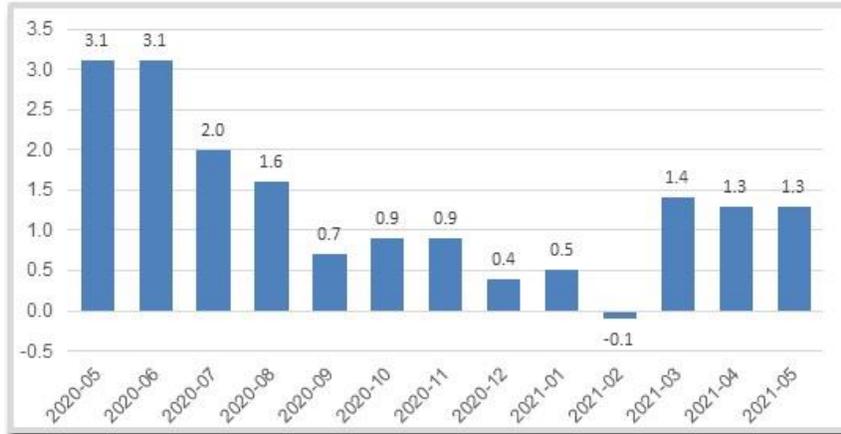
INDICATOR STATISTICS

Consecutive Bullish Weeks:	37
Cycle Inception Date:	10/8/2020
Range:	58.6 – 88.6
Mean:	73.8
Bullish Weeks YTD:	24
Bearish Weeks YTD:	0
*S&P 500	22.1%
*DJIA	18.5%
*NASDAQ	23.2%

* Percentage change during current cycle



Leading Economic Index % Change Monthly May 2020 – May 2021



Source: The Conference Board – last update 06/17/2021

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