

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 17, 2020

Commodity Prices Signal Global Recovery

Copper prices are largely influenced by the health of the global economy. Copper is used in power generation and transmission, construction, factory equipment and electronics. Copper prices are used as a leading indicator by some economists. Lumber, oil and silver are similar to copper as their prices measure global supply and demand. Many commodity prices are trading at 52-week highs.

Commodities Show Strength



China has the fastest growing, large economy in the world. It's second quarter GDP was up 11.5% sequentially (analysts expected 9.6%) and 3.2% year-over-year (analysts expected 2.5%). The Chinese consume large amounts of the commodities shown above. The rise in commodity prices helps confirm the recent upside breakout in Chinese stock prices.

Chinese Stock Market Upside Breakout



Germany is the third largest export country in the world (behind China and the U.S.) but has the largest trade surplus of any country (ahead of Japan and China). The German economy is primarily driven by what they export, not what they consume domestically. By contrast, the U.S. has by far the largest trade deficit of all countries and is most concerned with domestic consumption. The German stock market has appreciated over the past 12 months and is down less than 3% year-to-date providing another indication of a recovering global economy.

German Stock Market Index



The United States seems to be having more difficulty managing through the Covid-19 pandemic than much of Asia and Western Europe. The good news is global growth helps support U.S. stocks and our own economic recovery. Like much of the rest of the developed world, we will continue to improve the balance of virus control and economic reopening over time.

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.



Delta Stock Market Dashboard

MARKET SENTIMENT IS

BULLISH

THIS WEEK'S NUMBER IS

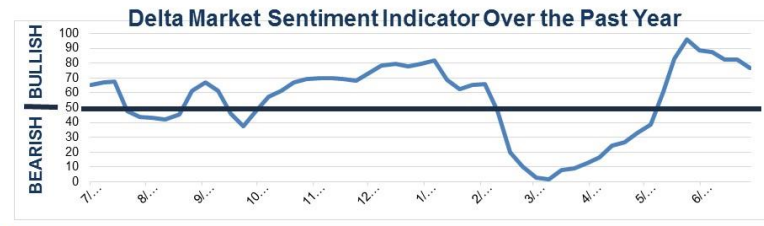
76.7

Our technical indicator decreased
from 82.1 to 76.7 this week

INDICATOR STATISTICS

Consecutive Bullish Weeks:	8
Cycle Inception Date:	5/28/2020
Range:	60.9 – 96.2
Mean:	82.2
Bullish Weeks YTD:	16
Bearish Weeks YTD:	13
*S&P 500	5.9%
*DJIA	5.6%
*NASDAQ	10.6%

* Percentage change during current cycle



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