

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.

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December 23, 2021

Santa Claus Rally

The Omicron Grinch is working hard to suppress a Santa Claus Rally. But virus news is becoming less market moving with every wave. It appears the virus is also having less of a health impact with every wave. Bloomberg is reporting that South Africans contracting Omicron are 80% less likely to be hospitalized than if they caught prior versions of Covid-19.

This week, the economy delivered positive news on several fronts which is helping restrain the Omicron Grinch.

- The Leading Economic Index (LEI) percent change from the prior month was plus 1.1% in November. This is the ninth consecutive month of positive improvement in the LEI.
- Despite inflation and Omicron, the Conference Board's Consumer Confidence Index increased to 115.8 in December from an upwardly revised 111.9 in November. This suggests consumer spending will remain robust.
- Q3 GDP was revised higher on the third estimate to 2.3% from 2.1%. Sources of upside included personal consumption expenditures and gross private domestic investment.
- Bellwether companies Nike (NKE) and Micron (MU) posted better-than-expected earnings and talked about supply chain problems easing. Nike revealed strong consumer demand and Micron highlighted the tremendous amount of silicon (NAND and DRAM memory chips) that will be used in 5G phones and electric cars.

Both we and the stock market are grateful for the good tidings.

Happy Holidays!



"This one's from you know who, so make a fuss and thank him."

Delta Stock Market Dashboard

MARKET SENTIMENT IS

BULLISH

THIS WEEK'S NUMBER IS

56.8

Our technical indicator increased from 60.6 to 56.8 this week

INDICATOR STATISTICS

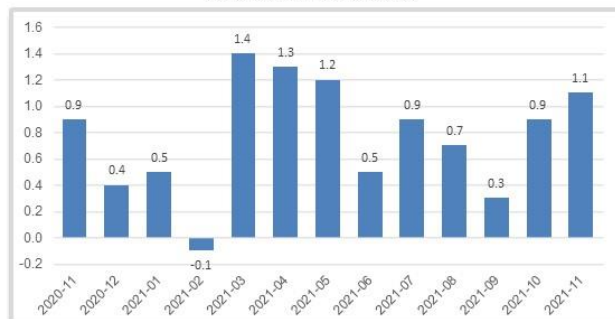
Consecutive Bullish Weeks:	10
Cycle Inception Date:	10/21/2021
Range:	51.0 – 71.4
Mean:	61.2
Bullish Weeks YTD:	46
Bearish Weeks YTD:	5
*S&P 500	3.1%
*DJIA	0.6%
*NASDAQ	1.9%

* Percentage change during current cycle



Leading Economic Index % Change Monthly

Nov. 2020 – Nov. 2021



Source: The Conference Board – last update 12/20/2021

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