

*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.*

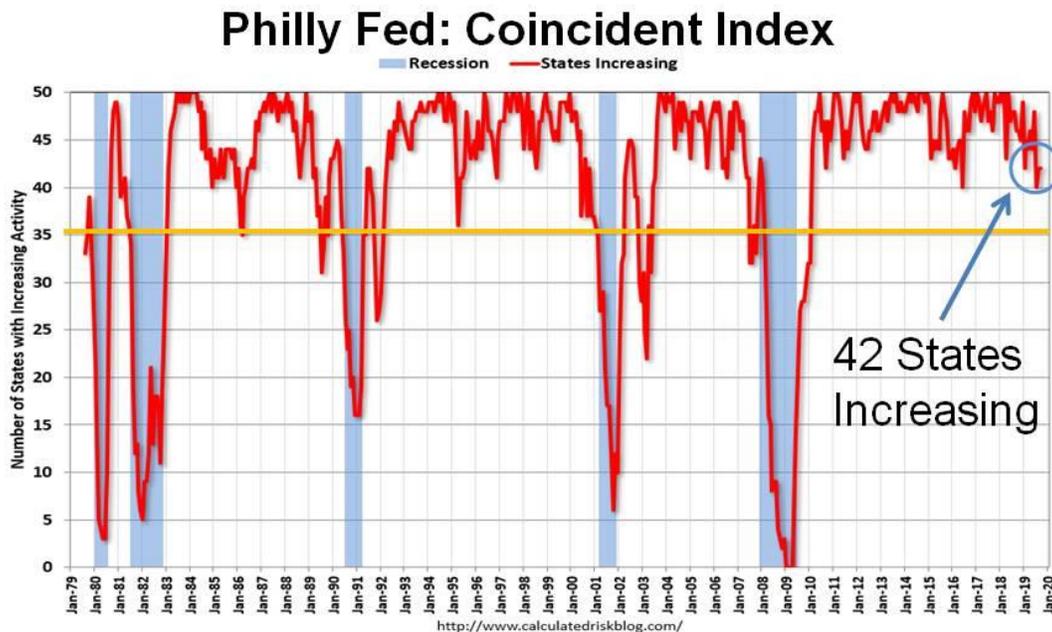
*Please contact Delta at [info@deltaim.com](mailto:info@deltaim.com) or 415-249-6337 to learn more.*

October 25, 2019

## An Uptick

The Federal Reserve Bank of Philadelphia publishes State Coincident Indexes for all 50 states. The economic data is “coincident” meaning it is tracking how conditions are now rather than predicting conditions in the future or looking at what they were in the past.

The coincident index tracks state nonfarm payroll employment, unemployment rates, wage and salary disbursements and average hours worked by manufacturing and production workers. In the latest report, conditions improved in 42 states, decreased in six states and were stable in two states.

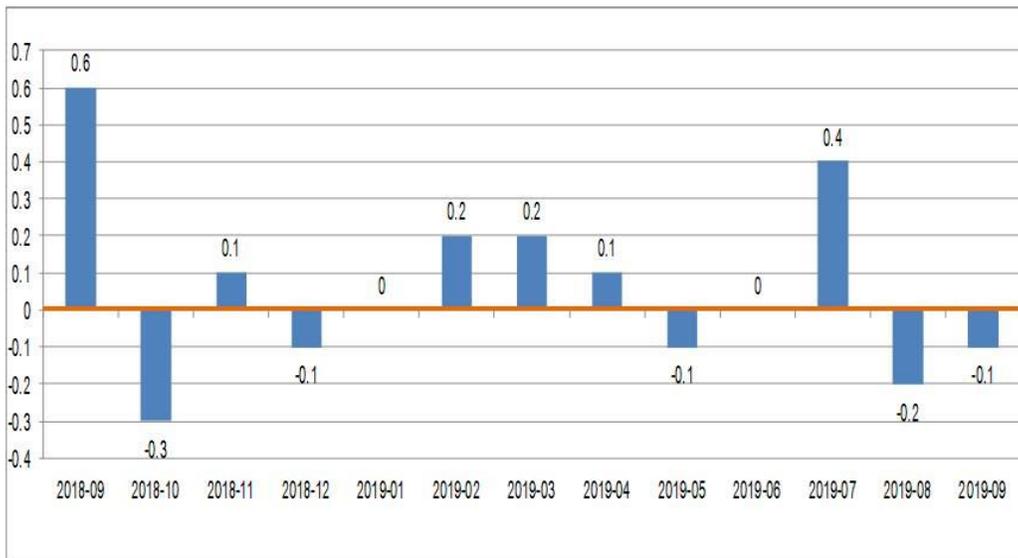


When conditions are improving in only 35 states (orange line in the chart above) and the trend is down, the U.S. is often in recession. When conditions are improving in only 40

states and the trend is down, the U.S. is often on its way to a recession. On the margin, to have this indicator tick higher after reaching 40 is incrementally positive.

The Leading Economic Index (LEI) has been weak for the past year with a six month moving average barely above zero.

### LEI % Change Month/Month



The LEI is an index that attempts to forecast economic conditions in the future rather than today. It measures a much broader array of economic activity than does the State Coincident Index. As of now, there is no recession warning. Over the next couple of months, we will see if the LEI is able to deliver an uptick as have the states.

This week, the Delta Market Sentiment Indicator (MSI) turned bullish and investment strategies tied to this intermediate term indicator are invested in equities.

### 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](http://www.deltaim.com) or email us at [info@deltaim.com](mailto:info@deltaim.com).



"Trust me, detainee orange is going to be huge this fall."

## Delta Stock Market Dashboard

MARKET SENTIMENT IS

**BULLISH**

THIS WEEK'S NUMBER IS

**57.4**

Our technical indicator increased this week from 47.4 to 57.4

### INDICATOR STATISTICS

Consecutive Bullish Weeks:	1
Cycle Inception Date:	10/25/2019
Range:	57.4
Mean:	57.4
Bullish Weeks YTD:	27
Bearish Weeks YTD:	18
*S&P 500	NA%
*DJIA	NA%
*NASDAQ	NA%

\* Percentage change during current cycle



(Delta MSI is published every week in *Barron's*)

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