

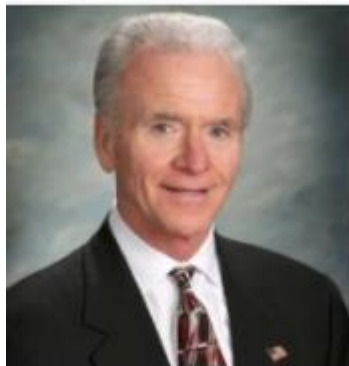
Bob Hardcastle

Delta Investment Services

A decorative graphic consisting of several horizontal lines of varying lengths and colors (teal, light blue, white) extending from the right side of the text area across the bottom of the slide.

The Reasons Why

Presented by Bob Hardcastle
Delta Investment Services



What I've learned in my 53 years in the business is that I always need to give my broker dealer disclosure at the start of every speaking event.

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I Like to Call This . . .

- Cinderella Time Frame

low interest rates

low inflation

good corporate earnings

jobs coming back



But it could all go away...



The Dow Jones Industrial Average, the NASDAQ and S&P indexes continue to make new highs almost monthly.

Why is the stock market moving higher?

WHY?



There is a resurgent growth and health in American corporations.

- Oil moved up from \$27 a barrel last year to the \$50 range now ₁.
- The tech market has exploded.
- Med / pharmaceutical research & development have moved higher.
- Bell weather companies continue to move.
- Transnationals are moving higher.

WHY?

Source:
1 kitco.com
Yahoo Financials



Our economy is expanding and growing around the world, but not quickly

- The dollar was growing strongly against the Euro, but now has weakened over the last year ².
- This helps our corporations sell more products overseas with our dollar down and the foreign currency up, our products are cheaper to purchase, so more are purchased.

WHY?



There aren't many alternatives that could pay as much as the U.S. stock market.

- Investing in a treasury, CD, savings bond, or money market account, make it very difficult for many investors to get the return they need to pay their bills.

WHY?



They can get out and try to preserve principal, or stay in the market, or try real estate.

- If they get out, they lose their dividend. If they lose their dividend, they lose their income.
- If they stay, they may see their principal erode, but could still see their dividend, and could still get their income, and could pay their bills.
- In real estate, if they lose their income, they can't pay their bills.

WHY?



Farmer's Insurance



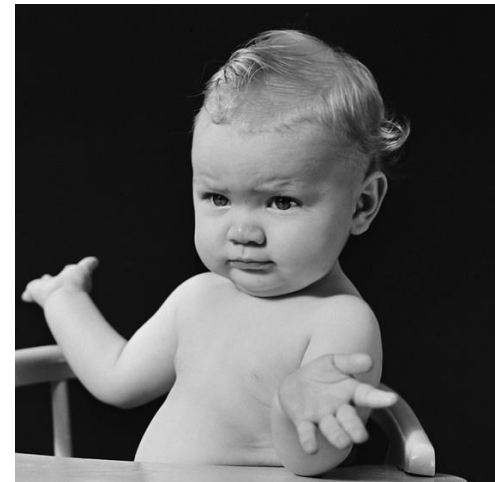
WHY?

https://www.youtube.com/watch?v=kMgxA_irtdg

I first started in the investment field 53 years ago, so I've seen some things.

- **markets collapse**
- **markets recover**
- **people get in and out at the wrong times**
- **in and out of the wrong investments for various reasons**

WHY?



My next reason . . .

- I'm going to call this “Trump-it”



WHY?

President Trump pointed out that he was going to lower income taxes for you, me, and corporations.

- The market likes that, people like that, and corporations like that.
- And short-term, in my opinion, is very good for America.
- Long-term, who's going to eventually pay the bills? You and I?

WHY?

- I believe the main reason (along with all these other reasons) that the stock market has moved higher is because we all are looking forward to lower income taxes
- Because I don't believe that vote will come until next year, I think the stock market could continue to move higher into that vote.



Disclosure: The interpretations and organization of these ideas do not represent the opinions of BFCFS. There is no assurance that the stock market will continue to move higher for any specific amount of time.

THANK YOU!



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