

Figure 1: The Main Graph shows the stock's trend.

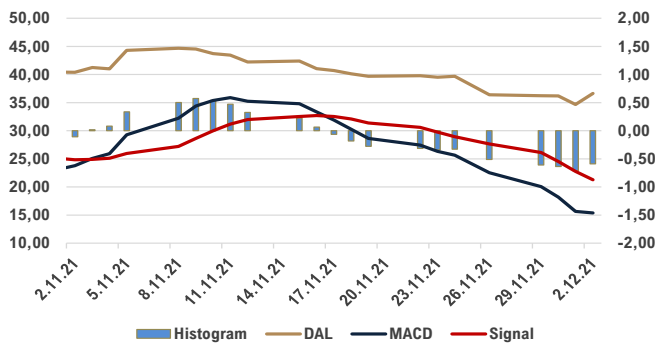


Figure 2: MACD line is below Signal line

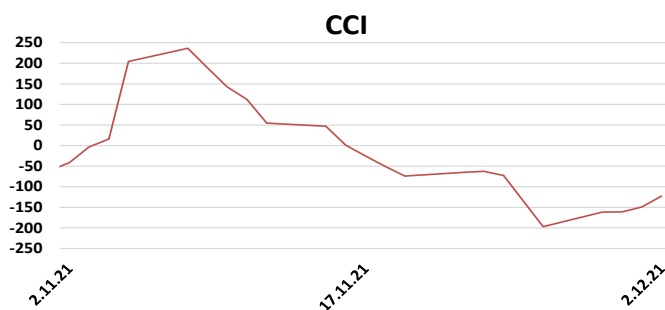


Figure 3: CCI line is below the level of -100

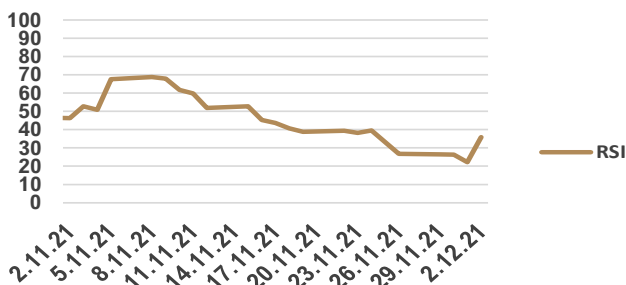


Figure 4: RSI is near the 30 level

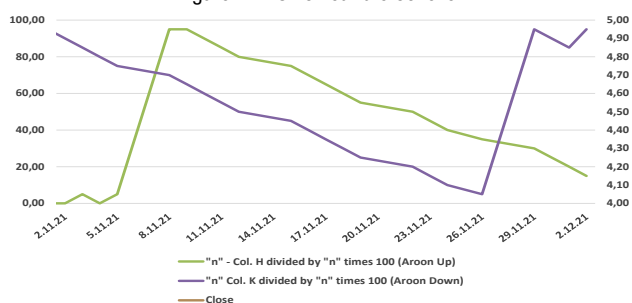


Figure 5: Aroon crosses and remains above Aroon down

Firm's Brief Description

Delta Air Lines, Inc. provides scheduled air transportation for passengers and cargo throughout the United States and across the world. The Company's segments include Airline and Refinery. The Company has hubs and market presence in Amsterdam, London-Heathrow, Mexico City, Paris-Charles de Gaulle and Seoul-Incheon. Its airline segment is managed as a single business unit that provides scheduled air transportation for passengers and cargo throughout the United States and around the world and includes its loyalty program, as well as other ancillary airline services. Its refinery segment operates for the benefit of the airline segment by providing jet fuel to the airline segment from its own production and through jet fuel obtained through agreements with third parties. The refinery's production consists of jet fuel, as well as non-jet fuel products. It also maintains complementary portfolio businesses, such as its cargo business and its Maintenance, Repair and Overhaul (MRO) operation.

Fundamental Approach

- Delta's revenue and profits are still below 2019 levels.
- Airline industry being hit by the new Covid-19 Omicron Variant, pushing Delta's stock down.
- Airlines expect expenses to rise next quarter 6-8%, due to gas price rise.

Technical Analysis

Firstly, taking into the account the main graph we can see that the price of the stock is ranging from 40\$ to 45\$, while the MA 10 and MA 20 are close to each other. Consequently, the price is consolidating during the examined period. Moreover, in figure 2 the MACD line crossed at the first place the signal line, and then crossed the zero level which both are indicating a strong sell signal. In addition, as it can be proved by figure 3 the stock should be sold because the CCI line is above 100. Furthermore, having seen the Relative Strength index it can be shown that it is nearly under the level of 30 which boosts the short position that should be taken. Lastly, the Aroon Indicator gives us an additional confirmation about the stock's move because the Aroon Down (purple line) crossed the Aroon Up (green line) and remains above it during the last days.

Prediction

Taking into consideration the stock's technical indicators, which are presented, in combination with its fundamental approach, a short position for Delta Airlines' stock is recommended. This sell proposal is analyzed in details in the former paragraphs.

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