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## India & U.K. Covid-19 Data Suggests Delta Variant Fears Will Peak Late August

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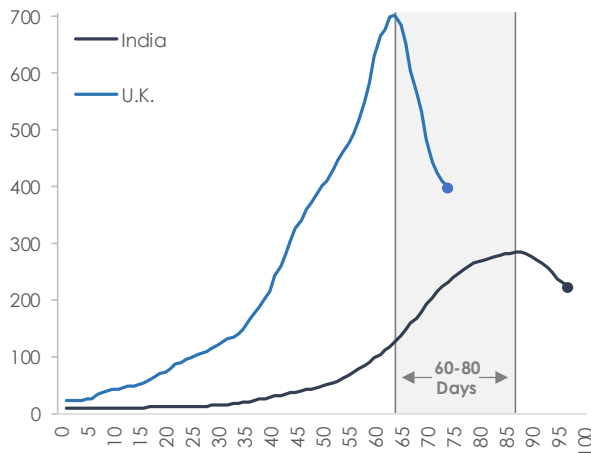
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**Covid-19 case counts are the most important data point driving markets currently.** Markets are concerned the highly transmissible delta variant will delay the economic recovery. July's market action was noticeably risk-off, with the 10Y Treasury yield plunging from 1.46% to 1.23% and defensive sectors outperforming. The key question is when will U.S. case counts peak.

**India and the U.K. faced earlier delta variant surges, and their experiences can help model the U.S.'s trajectory.** Figure 1 charts India and U.K. new Covid-19 cases per million. Each country's start date is set as the trough prior to the delta variant surge. India's cases troughed on 2/8/21 and peaked 86 days later on 5/11/21. (Note: India's early slope is gradual, so you could move the start date back to 2/28/21 and shorten the peak to 72 days.) The U.K.'s cases troughed on 5/19/21 and peaked 63 days later on 7/21/21. Taken together, the India and U.K. delta variant surges point to a trough to peak timeline in the 60-80 day range.

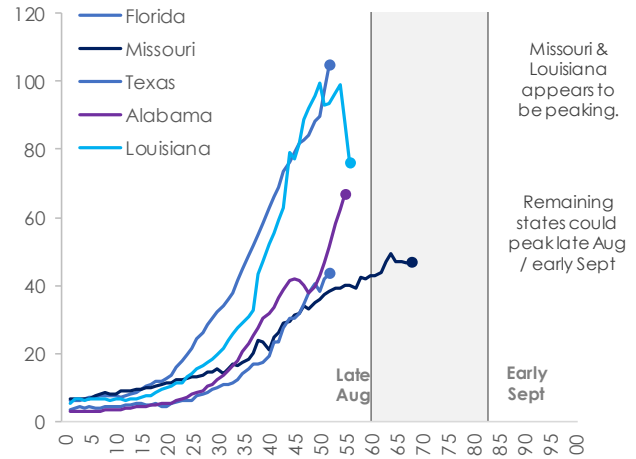
**The U.S. delta variant surge started in June 2021.** Figure 2 charts new Covid-19 cases per 100,000 across five states: Alabama, Florida, Louisiana, Missouri, and Texas. Like Figure 1, the start date is set as the trough prior to the recent surge but could be pushed back by 15 days across the board. MO troughed first on 6/2/21 and is the furthest along at 67 days, while AL, FL, LA, and TX all troughed around mid-June and sit near 50 days. Using the India and U.K. timelines to model the states' forward path implies case counts could start peaking over the next 1.5 to 4 weeks (i.e., late August or early September). The data shows LA and MO may have already peaked, and the remaining states may not be far behind.

**FIGURE 1 India & U.K. Delta Variant Case Trajectories**



Source: MarketDesk, OurWorld in Data. Note: Lines represent the rolling 7-day average of new cases per 1 million individuals. The starting point represents the trough prior to the delta variant surge.

**FIGURE 2 U.S. State Delta Variant Case Trajectories**



Source: MarketDesk, CDC. Note: Lines represent the rolling 7-day average of new cases per 100,000 individuals. The starting points represents the trough prior to the delta variant surge.

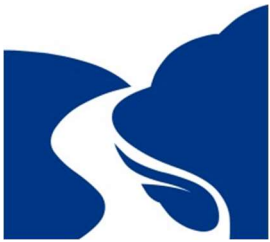
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