

## Ten Years, Tremendous Gains



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*A look at where stocks were in 2009 and how they have performed since.*

Where were you on March 9, 2009? Do you remember the headwinds hitting Wall Street then? When the closing bell rang at the New York Stock Exchange that Monday afternoon, it marked the end of another down day for equities. Just hours earlier, the *Wall Street Journal* had asked: “How Low Can Stocks Go?”<sup>1</sup>

The Standard & Poor’s 500 stock index answered that question by sinking to 676.53, even with mergers and acquisitions making headlines. The index was under 700 for the first time since 1996. The Dow Jones Industrial Average tumbled to a closing low of 6,547.05.<sup>2</sup>

To quote Dickens, “It was the best of times, it was the worst of times.” It was the bottom of the bear market – and it was also the best time, in a generation, to buy stocks.<sup>2</sup>

The next day, a rally began. Buoyed by news of one major bank announcing a return to profitability and another stating it would refrain from further government bailouts, the Dow rose 597 points for the week ending on March 16, 2009. On March 26, the Dow settled at 7,924.56, more than 20% above its March 9 settlement. The bull market was back.<sup>3</sup>

This bull market would make all kinds of history. In fact, it would become the longest bull market in history – at least by one measure.<sup>2</sup> While the last 10-plus years have seen some big ups and downs for the benchmark S&P 500, the index has never closed more than 20% below a recent peak in that span, meaning the current bull market is more than 10 years old.<sup>2</sup> (see graphs on page 2)

Ten years later (at the close on Friday, March 8, 2019), the S&P 500 had risen 305.5% from that low. The Dow had gained 288.7%.<sup>2</sup>

How about the Nasdaq Composite? 483.94%. (As you look at these impressive numbers, remember that past performance may not be indicative of future results.)<sup>4,5</sup>

Those gains did not come without turbulence, and stocks in no way turned into a “sure thing.” The risk inherent in the market is still substantial along with the potential for loss. The lesson this long bull market has taught is simply that the bad times in the stock market are worth enduring. Good times may replace those bad times more swiftly than anyone can anticipate.

### Citations

1 - [forbes.com/2010/03/06/march-bear-market-low-personal-finance-march-2009.html](http://forbes.com/2010/03/06/march-bear-market-low-personal-finance-march-2009.html) [3/6/10]

2 - [thetreet.com/investing/stocks/bull-market-10th-anniversary-14891697](http://thetreet.com/investing/stocks/bull-market-10th-anniversary-14891697) [3/10/19]

3 - [tinyurl.com/yyhbtw8](http://tinyurl.com/yyhbtw8) [4/2/19]

4 - [bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=03%2F09%2F2009&x=0&y=0](http://bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=03%2F09%2F2009&x=0&y=0) [4/2/19]

5 - [bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=3%2F08%2F19&x=0&y=0](http://bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=3%2F08%2F19&x=0&y=0) [4/2/19]

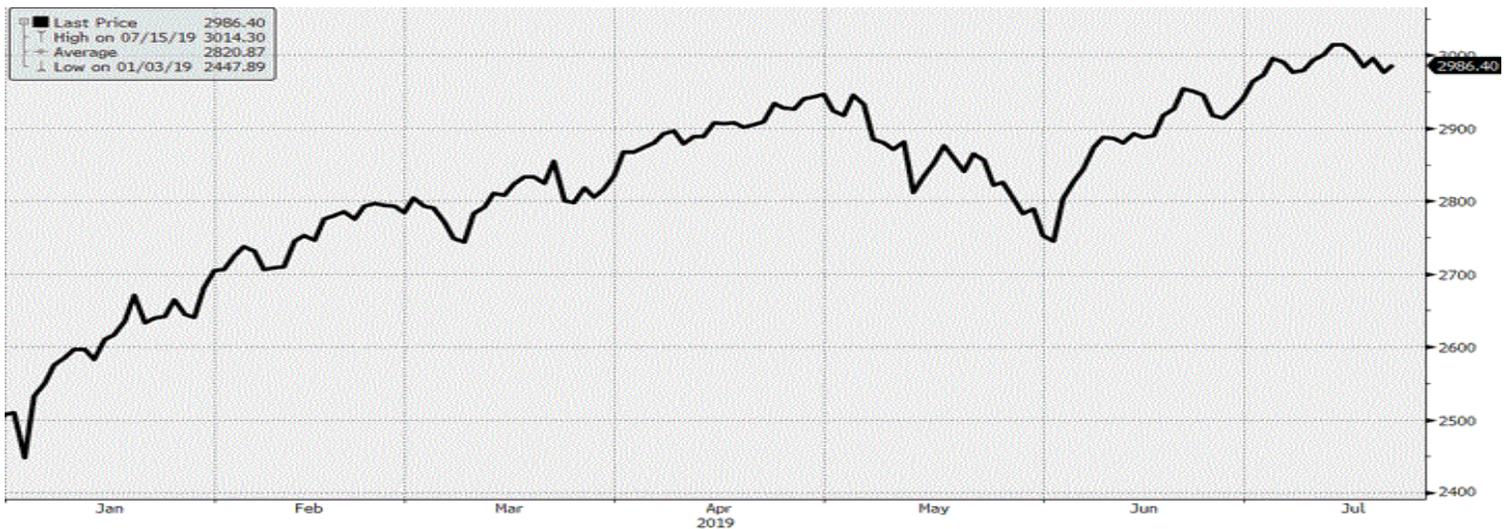
## S&P 500 - Market Bottom, March 9, 2009 to July 22, 2019



## S&P 500 - Last 12 Months, July 22, 2018 to July 22, 2019



## S&P 500 - Year-To-Date, January 1, 2019 to July 22, 2019



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