Trends in the STOCK MARKET

- IT'S A -
MONEY THING®

WHAT'S WITH THE BULL AND THE BEAR?

The bull and the bear are the unofficial mascots of stock markets around the world and are used to describe **MARKET TRENDS**

Market trends are the upward **(BULL)** and downward **(BEAR)** patterns of the stock market over a period of time

A **BULL MARKET** is a period of generally rising prices. The start of a bull market is marked by widespread pessimism. This is the point when the crowd is the most bearish. The feeling of despondency changes to hope, optimism and eventually euphoria, as the bull runs its course. This often leads the economic cycle, for example in a full recession, or before a recession starts.

The bullish investor buys up lots of stock and is optimistic about the future

TYPICAL BULL MARKET

4.7 YEARS » 159% RETURN

A typical bull market lasts 4.7 years, with average total returns of 159% per bull market period!*

A **BEAR MARKET** is a general decline in the stock market over a period of time. It is a transition from high investor optimism to widespread investor fear and pessimism. According to The Vanguard Group, "While there's no agreed-upon definition of a bear market, one generally accepted measure is a price decline of 20% or more over at least a two-month period."

The bearish investor sells lots of stock and tends to be pessimistic about the future

TYPICAL BEAR MARKET

1 YEAR » -33% LOSS

A typical bear market lasts 1 year, with an average decline of -33% per bear market period!*

INVESTING CAN BE RISKY — Investments made in stocks or commodities carry the risk of losing money, even when made through a financial advisor or financial institution

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*Findings from an analysis of stock market data from 1957 to 2019 by Bloomberg L.P. Returns