

# 140 Years Of Bull And Bear Markets

Henry Blodget | Apr. 6, 2009, 3:25 PM | 30

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Doug Short has created a nice snapshot of 140 years of market history. It's a logarithmic chart, so it shows the impact of percentage rather than absolute price moves, and prices have been adjusted for inflation. Note that the chart is price-only: It does not include the impact of dividends.

## Key points:

Bull and bear markets have always been with us (duh)

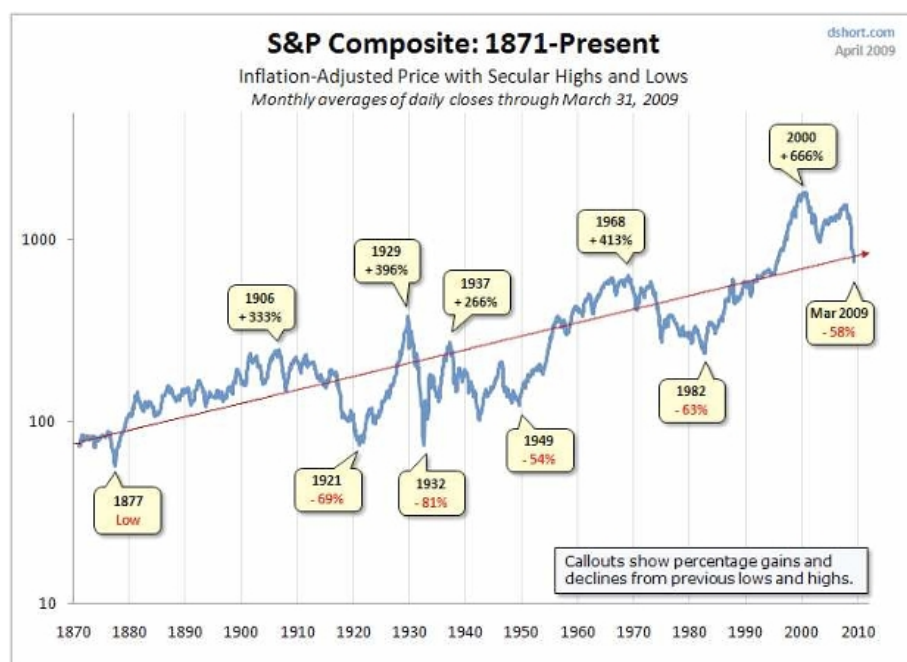
The market spends about half the time above trend and half below trend (duh)

The market has been above trend for about 20 years (ruh roh)

The trough-to-peak 18-year bull market that peaked in 2000 (+666%) was the biggest in history by a mile (ruh roh)

In the 5-year bull market in the middle of the Great Depression (1932-1937), the S&P jumped 266% (five years is a long time--don't want to miss that)

20 years after the 1929 peak, the S&P traded at half its 1929 value (ruh roh)



And here are the moves in chart form:

Year	Market Milestone	Percent Change	Number of Years	Annualized Real Return with Dividends	Annualized Real Return, No Dividends
1877	Low	-	-	-	-
1906	High	333%	29	10.1%	5.1%
1921	Low	-69%	15	-2.0%	-7.5%
1929	High	396%	8	28.4%	21.9%
1932	Low	-81%	3	-41.2%	-44.9%
1937	High	266%	5	38.7%	32.1%
1949	Low	-54%	12	-0.8%	-6.2%
1968	High	413%	20	13.3%	8.8%
1982	Low	-63%	14	-3.0%	-7.0%
2000	High	666%	18	15.3%	11.9%
2009	Near Low?	-58%	9	-9.2%	-10.8%

Based on S&P Composite monthly averages of daily closes.