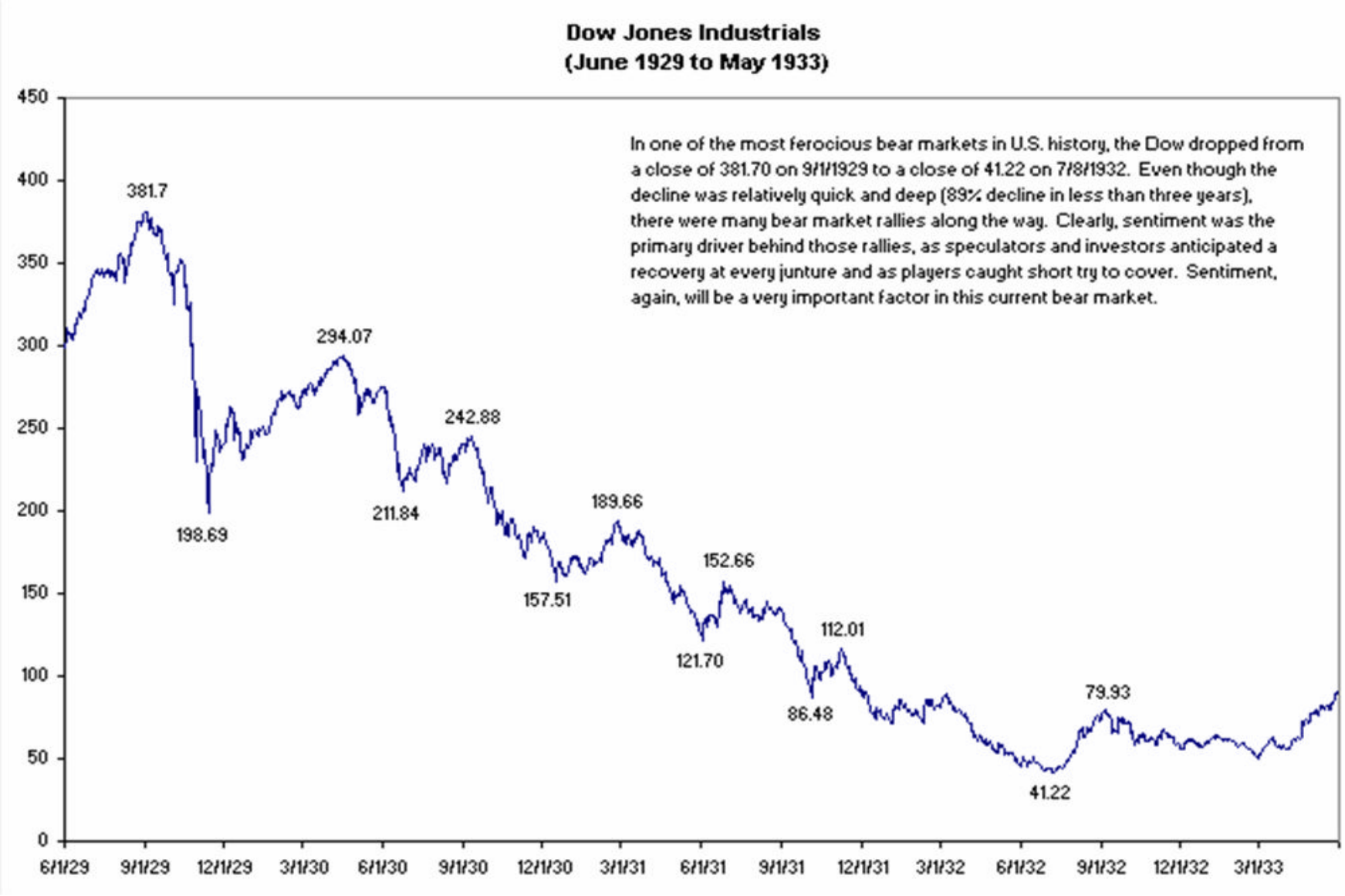
Dow Jones Industrials
(June 1929 to May 1933)
In one of the most ferocious bear markets in U.S. history, the Dow dropped from a close of 381.70 on 9/1/1929 to a close of 41.22 on 7/8/1932. Even though the decline was relatively quick and deep (89% decline in less than three years), there were many bear market rallies along the way. Clearly, sentiment was the primary driver behind those rallies, as speculators and investors anticipated a recovery at every juncture and as players caught short try to cover. Sentiment, again, will be a very important factor in this current bear market.
381.7
198.69
294.07
211.84
242.88
157.51
189.66
121.70
152.66
86.48
112.01
41.22
79.93
450
400
350
300
250
200
150
100
50
0
6/1/29
9/1/29
12/1/29
3/1/30
6/1/30
9/1/30
12/1/30
3/1/31
6/1/31
9/1/31
12/1/31
3/1/32
6/1/32
9/1/32
12/1/32
3/1/33