

# Business

6 | Thursday, March 17, 2016 | North Lake Tahoe Bonanza

## The bull market: 7 years and counting...

**T**he bull market turned seven last week and it can still be described as one of the most unloved ever. Since the 2009 low, the S&P 500 has more than tripled.

And here's the good news: even after that advance the market's p/e ratio is near its historical average.

During the seven years there have been



**David Vomund**  
*Market Pulse*

a lot of scary events and bearish headlines. There were the Greek crisis, terrorist actions both here and

abroad, Ebola, China, ISIS, starting and stopping quantitative easing, plunging oil, etc.

There have also been a lot of gloomy forecasters claiming what's happening in the real world shouldn't be happening.

With every pullback the financial media parade the perma-bears and scary headlines appear on their webpage to increase clicks.

In January, when the market had its worst start of the year in nearly a decade, financial websites reported their best month ever for traffic. Bad news sells, but one has to wonder if readers were actually better informed.

During the bull run, there have been a lot of zig-zags. That's been especially true the last two years when the market advance stalled. I'm reminded of John Templeton's insightful comment that "stock prices are a lot more volatile than stock values."

In volatile times it's helpful to take a longer view. Every market pullback, correction, bear market, etc. has always been followed by a move to new highs.

In fact, stocks have never delivered a negative return over periods lasting 17 years or more.

But what if you bought at the end of a bull market? If you bought the S&P 500 right before the financial crisis at its 2007 high you would still be up 70 percent including dividends.

When you buy quality stocks, even if your timing is wrong, the next bull market will make it right.

The bull market began amid extreme pessimism and very cheap valuations. Later the driving force was the lack of attractive alternatives. Sound familiar? It should. I've been repeating that message for years ... and I'll continue to do so.

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*David Vomund is an Incline Village-based, fee-only Registered Investment Advisor. Information is found at [www.VomundInvestments.com](http://www.VomundInvestments.com) or by calling 775-832-8555. Clients may hold the positions mentioned in this article. Past performance does not guarantee future results. Consult your financial adviser before purchasing any security.*