

Opportunity Awaits

At Zacks Investment Management we believe no one (not even Warren Buffett or any other "guru") can time exactly when the market turnaround will come. But history has taught us one resounding lesson: A rebound is inevitable and when it happens, the gains will be explosive.

Indeed, the stock market has offered better long-term prospects than any other investment class. So it's no surprise that smart investors are staying in for the long haul.

The chart below lists the 10 worst market declines since 1929, and their subsequent bull market rallies. The purpose is to emphasize the importance of thinking at least one year down the road. Don't stay out of the market and wait for the right time to buy stocks - this is a defeated strategy.

Yes, this is a time of crisis in the market, but we also view it as an hour of shining opportunity. By investing in a proven philosophy and following a disciplined investment strategy, there are fortunes to be made in the months and years ahead.

Top 10 Worst Bear Market Declines from 1929 to Present* and their Subsequent Bull Market Rallies

	Top 10 Worst Declines and Duration Dow Jones**	% Decline	Within 1 Yr. Later % Increase	Within 3 Yr. Later % Increase	Within 5 Yr. Later % Increase	
1	Sep. 1929 to July 1932 34 months	-89.48%	172.17%	212.81%	381.77%	
2	Mar. 1937 to Mar 1938 12 months	-50.15%	62.97%	42.36%	40.72%	
3	Jan. 1973 to Dec. 1974 23 months	-48.59%	55.95%	80.05%	59.25%	
4	Sept. 1939 to Apr. 1942 34 months	-41.25%	48.33%	78.75%	130.20%	
5	Aug. 1987 to Oct. 1987 2 months	-41.16%	35.82%	87.12%	112.47%	
6	Jan. 2000 to Oct. 2002 33 months	-38.75%	36.85%	52.62%	97.26%	
7	Dec. 1968 to May 1970 18 months	-36.92%	52.69%	70.07%	38.42%	
8	Nov. 1961 to June 1962 7 months	-29.23%	39.71%	80.10%	90.83%	
9	Sept. 1976 to Feb. 1978 17 months	-27.69%	22.31%	36.52%	52.97%	
10	Feb. 1968 to Oct. 1968 8 months	-26.51%	29.35%	35.20%	30.23%	
	Average	19 Months	-42.77%	55.62%	77.56%	103.41%
	Current Bear Market	10/15/07 to 3/9/09 17 months (so far)	-53.54%	<div style="border: 1px solid black; padding: 5px;"> Present bear market low was 10.77percentage points lower than the average decline. The current bear market would rank 2rd in the top 10 bear markets listed above. </div>		

*Date of this study is 3/10/09

**DowJones Industrial Average Index is property of Dow Jones & Company.

For more information, please contact your investment consultant or call us at 800-245-2934.