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MACROCOSM

Obama: "...today does mark the beginning of the end."

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Donald Luskin

The more the government rescues the economy, the lower stocks go.

Did Obama have this coincidence of stock market history in mind when [he said](#) the stimulus bill was "the beginning of the end"? The bear market in the Great Depression started at the September 6 1929 top, and ended 997 days later on June 1 1932, with a loss for the S&P 500 of 86.2%. At the halfway point, after 499 days, the S&P 500 had lost 50.4%. Yesterday marked 499 days in the bear market from the October 9 2007 top, with the S&P 500 down 50.2%. ▶

Update to strategic view
<p>US STOCKS: As we expected, stocks are testing the November lows. They will keep flailing until confidence is restored, when something slows the runaway train of destabilizing government interventions in the name of "emergency."</p>
<p>[see Investment Strategy Dashboard]</p>



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