

REPORT ON BUSINESS

CANADA'S BUSINESS NEWSPAPER • FOUNDED 1962 • TUESDAY, MARCH 30, 1999

An audacious call in 1995 looks golden now

ANGELA BARNES
Investment Reporter

In January, 1995, Ron Meisels, president of P&C Holdings, made a fearless forecast before a joint session of the Canadian Society of Technical Analysts and the Toronto Society of Financial Anal-

ysts: The Dow Jones industrial average would hit 10,000 in 2000.

He even immortalized it with that slogan — "10,000 in 2000." It was an audacious call, with the Dow at about 3,800.

The forecast grew out of his study of stock market cycles. Looking at

statistics back to the 1880s, he became convinced that the U.S. market operates in roughly a 40-year cycle. As evidence, he points to the movement in the Dow since the Wall Street crash of 1929. The U.S. market dropped even lower, bottoming in 1932. It did not really

start to recover until 1942. The rally that materialized carried through until the late 1960s, at which time, the U.S. market again stumbled.

He then took the average rate of return in the U.S. market, which was 8 per cent a year, and came up with the projection of 10,000 for the Dow industrials in 2000.

Phases & Cycles Inc, 2020 University, Suite 1903, Montreal, QC H3A 2A5

Tel.: (514) 393-3653 E-mail: RonMeisels@phases-cycles.com www.phases-cycles.com

© Copyright 2013, Phases & Cycles Inc. All Rights Reserved

The opinions and projections contained herein are those of Phases & Cycles Inc., its principals, associates and employees (collectively "the researchers") and are subject to change without notice. The information contained herein has been obtained from sources that we believe to be reliable but cannot guarantee its accuracy or completeness. This report is not and under no circumstances is to be construed as an offer to sell or the solicitation of an offer to buy any securities. This report is furnished on the basis and understanding that "the researchers" are to be under no responsibility or liability whatsoever in respect thereof. "The researchers" may, from time to time, buy, own or sell securities mentioned herein. "Phases & Cycles" is a registered trademark of 104443 Canada Inc.