

Dow 20,000!

eResearch Corporation is pleased to provide an article from *The Reformed Broker*, featuring Josh Brown.

Today's article looks at the DJIA breaking through 20,000.

The Reformed Broker is a blog about financial markets and the economy.

From Josh Brown's website: My blog is about markets, politics, economics, media, culture and finance. I'll use statistics, satire, anecdotes, pop culture references, sarcasm, fact, fantasy, and any other device that I feel necessary to get my points across.

What I don't do on this site is give financial advice or tell anyone what to invest in. The Reformed Broker is a forecast-free blog. What I will do on this site is provide you with a running commentary of my market-related insights and thoughts as events unfold. I'll point you toward other interesting content around the web. I'll challenge your perceptions, call it like I see it and, occasionally, I'll make you laugh.

A link to the blog's website is provided here: <http://www.thereformedbroker.com/>.

Joshua Brown is with Ritholtz Wealth Management, a New York City-based investment advisor, whose clients are high net worth individuals, charitable foundations, retirement plans, and corporations. He helps people invest and manages portfolios for them. He is the author of the book *Backstage Wall Street*, from publisher McGraw-Hill. He is a regular contributor to: CNBC, Investment News, The Daily Beast, TheStreet.com, Forbes, CNNMoney, Fortune, Christian Science Monitor, The Faster Times, Marketplace Radio, The Wall Street Journal, and The Business Insider.

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This Is My Dow 20,000 Post

By Josh Brown
January 25, 2017

This is my Dow 20,000 post. There are many like it, but this one is mine.

Check out this logarithmic Dow chart:

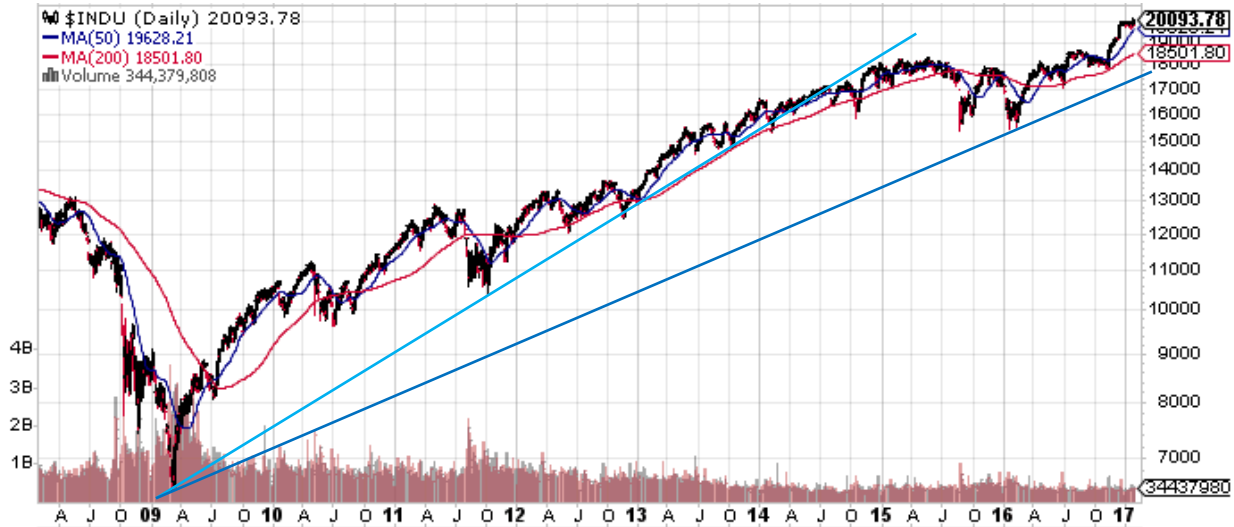


BW: I have reproduced the above chart below with three up-trend lines drawn in. The long-term up-trend **GREEN** line that began in 1933 is still easily intact. The intermediate-term up-trend **Light Green** line that began in 1982 is also well intact. The short-term up-trend **Lightest Green** line that began in 2009 is just intact. In this respect, it is difficult on this very long-term log chart to see clearly just how well the third up-trend line is performing. So, below is a shorter-term chart (next page).





BW: Let us have a look at the chart starting at the beginning of 2008. I have drawn two up-trend lines. The **Light Blue** up-trend line is no longer in play. The **Dark Blue** line is still intact. Currently, the Index would have to fall below about 17,500 to constitute a break-down. Keep in mind that this is a long-term chart.



BW: Back to The Reformed Broker

I want you to reflect on how much could have gone wrong for the markets and economy that hasn't. The optimist will say "of course things turned out okay." The pessimist will say "just you wait." The intelligent investor will say "it is what it is."

I also want to remind you how many ghouls and devils there are who have invested a substantial amount of their time and energy in attempting to scare you out of your investments. They have tried everything – misleading chart overlays, massive compendiums of frightening statistics, hyperbolic commentary, exhortations to pay them subscriptions so you can learn to churn your own account "like a pro", websites who will print anything to get you to click, and all other manner of devilry. If you've fallen prey to it – any of it – now is a good time to review the list of people you're paying attention to.

If you want to make it to Dow 25,000, the time to add [the Ministers Without Portfolio](#) to your Pay No Mind list is today. Do it now. Remember: *One thing I've learned in recent years, as a general rule, is that the more bullying and carrying on you see someone doing, the less relevant they are to what you're trying to accomplish as an investor.*

And also this – there will always be the next thing to worry about:

No one knows what will happen from here. But the Dow Jones Industrial Average has now gained more than 13,000 points from its low 8 years ago. There were many reasons for why this should not have happened. Many will tell you it wasn't deserved, for this or that economic or political reason.

However, as Clint says in *The Unforgiven*, "Deserve has got nothing to do with it."