

## Weekly Market Review

**eResearch Corporation** is pleased to provide a review of the markets by Eddy Elfenbein of **Crossing Wall Street**.

Mr. Elfenbein introduces his commentary with the following quote from Rudyard Kipling:

*“If you can keep your head when all about you are losing theirs....”*

Read Mr. Elfenbein’s analysis and market comments on the following pages.

Information about **Eddy Elfenbein** and **Crossing Wall Street** is provided at the end of this article. You can also learn about **Crossing Wall Street** by going to its blog website at: <http://www.crossingwallstreet.com/>.

**eResearch** was established in 2000 as Canada’s first equity issuer-sponsored research organization. As a primary source for professional investment research, our Subscribers (*subscription is free!!!*) benefit by having written research on a variety of small- and mid-cap, under-covered companies. We also provide unsponsored research reports on middle and larger-sized companies, using a combination of fundamental and technical analysis. We complement our corporate research coverage with a diversified selection of informative, insightful, and thought-provoking research publications from a wide variety of investment professionals. We provide our professional investment research and analysis directly to our extensive subscriber network of discerning investors, and electronically through our website: [www.eresearch.ca](http://www.eresearch.ca).

Bob Weir, CFA  
Contributing Analyst

<p><b>Note:</b> All of the comments, views, opinions, suggestions, recommendations, etc., contained in the Crossing Wall Street articles, and which is distributed by eResearch Corporation, are strictly those of the Author and do not necessarily reflect those of eResearch Corporation.</p>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



December 28, 2018

## Crossing Wall Street: Weekly Market Review

by Eddy Elfenbein

**BW: We have taken only an extract of Mr. Elfenbein's latest weekly article. If you wish to read the entire article, which includes stocks in his recommended portfolio, there is a link provided below.**

---

It is as if the stock market sat on its allotted volatility for the entire year, like vacation days, and is now frantically trying to use it all.

On Monday, Christmas Eve, the S&P 500 plunged to its lowest close in 20 months. On Tuesday, the market was closed for Christmas. Then, on Wednesday, Boxing Day, the S&P 500 had its best day in seven years. The Dow soared, gaining over 1,000 points for an all-time record.

Then, on Thursday, the stock market started off soggy but staged a frenetic turnaround. In the final 86 minutes, the Dow surged 810 points. Those were the first back-to-back gains we have had all month.

Confused? Don't worry. In this week's *CWS Market Review*, I will try to make sense of the chaos. At least, to the extent that that is possible.

### Don't Let the Market Scare You

I wanted to say a few words about the recent stock market. Obviously, it has been highly volatile, and I won't predict that the selling is over. However, I think the worst is probably over, and it is reasonable for investors to act as if it were.

In most bear markets, the damage is concentrated in a short period. This time, the S&P 500 lost 15.7% in 14 trading days. Even if we go lower, I doubt we will see another stretch quite that bad.

Keep in mind that bear markets often have false rallies. Many of the best days in market history have come during bear markets. All that selling causes a massive reaction, but it does not spell the end of the correction. Don't be fooled. We are going to see more volatility. Things will start to settle down once we cross above the 200-day moving average.

<continued>

# Crossing Wall Street

*Your Guide to Financial Success*

Hosted by Eddy Elfenbein



Bear markets are a natural part of investing. Expect a few more retests. Bear markets are usually over before anyone realizes it. It sounds obvious to say, but bull markets always start at the bottom of bear markets. The last few weeks have given investors a lot of bargains. This is not the time to get scared of them.

Next week, Monday is the final trading day of the year. The stock market will be closed on Tuesday for New Year's. On Wednesday, we will get the ADP payroll report. Thursday is jobless claims and ISM. Then Friday is Jobs Day.

Be sure to keep checking [the blog](#) for daily updates, and I will have more market analysis for you in the next issue of *CWS Market Review*!

I want to wish everyone a happy, healthy and profitable new year.

- Eddy

BW: In the rest of the newsletter, Eddy reviews his Buy List and highlights the “buys” and “sells” for 2019. You can read about them and the entire article by clicking on the following link.

<http://www.crossingwallstreet.com/archives/2018/12/cws-market-review-december-28-2018.html>



Named by CNN/Money as the best [buy-and-hold blogger](#), Eddy Elfenbein is the editor of Crossing Wall Street. His free Buy List has beaten the S&P 500 for the last six years in a row. This email was sent by Eddy Elfenbein through Crossing Wall Street.

**BW: Information on Eddy Elfenbein and Crossing Wall Street follows on the next page.**



## ABOUT THE AUTHOR



### Welcome to Crossing Wall Street

I started this Web site to help individual investors. I have to admit that I *love* the stock market. I think I must be an addict. In my opinion, the stock market is one of the greatest inventions in history. The stock market is simply the most consistently successful way to make money over the long term. Even after the financial crisis, stocks have still beaten every asset category over the long haul—bonds, commodities and real estate.

While the stock market may bounce around from day to day, and even month to month, the long-term trend has always been higher. Over the last 35 years, stocks have gone up 35-fold. And since the end of World War II, the stock market is up an amazing 120,000%. I wish I had been around! That was the beginning of an American financial revolution. Today, we are at the beginning of a *global* financial revolution. That is why I think the next 70 years will be even better.

The key to doing well on Wall Street is actually very simple: Buy and hold shares of outstanding companies. But too many investors never learn this valuable lesson. Or if they do learn it, they learn it the *hard* way. That is where I come in. I want to help investors avoid the mistakes that separate successful investors from those who always find themselves spinning their wheels.

There are lots of pitfalls on Wall Street. From shady companies that are more popular than they are profitable to a mutual fund industry that is more interested in its fees than serving investors. Today's investors must be careful.

At Crossing Wall Street, I give investors my free and unbiased view of the market. I probably analyze dozens of companies every week. I am always looking over income statements and balance sheets. I've spent several years collecting my list of the best companies to own. This is my current [Buy List](#). I've included a description of each company and its current share price. These are the ones that I make the most effort to follow on the site, but please feel free to [ask me](#) my opinion on any stock. I don't receive compensation from any of the stocks I recommend. Also, I don't "short" any of the stocks I criticize. At any time, I may own the companies on my [Buy List](#). All of the information on this site is free and unbiased. I also have a section for [Frequently Asked Questions](#) that will help you learn more about Crossing Wall Street.

Please feel free to [e-mail me](#). I enjoy getting feedback from investors. I am happy to give you my opinion on any stock or investing in general. I should warn you that I cannot give out personal portfolio advice, but all other topics are fair game. You can also check out some of my [favorite links](#).

- **Eddy Elfenbein**

**Disclaimer:** The information in this blog post represents my own opinions and does not contain a recommendation for any particular security or investment. I or my affiliates may hold positions or other interests in securities mentioned in the Blog, please see my [Disclaimer](#) page for my full disclaimer.