

Transcription Sequence

Mike Fox

Will the stock market recover?

The stock market will eventually recover and there is a very good reason for that. Stock markets are fundamentally driven by the economy. When the economy does well, companies make more profits and that usually results in higher share prices. And that works in the other direction, so when the economy's not doing well, companies tend to make less money and their share prices tend to be lower. However, what history has shown us is that the economy tends to grow many more years than it actually contracts; and we've no doubt that this will be the same going forward, so when the economy recovers that will be good for the stock markets.