



## DHWA Investment Update 2008

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### **Do High Unemployment Numbers Mean a Weaker Stock Market?**

Last week, November payrolls reported the loss of more than a half million jobs - the worst employment report since 1974. Certainly not great news for workers. But what about investors? Is this equally bad news for the stock market?

You have probably heard that the stock market discounts bad news. How does that necessarily relate to bad employment news? Fortunately, really bad employment numbers reported after a bear market has already started have not historically been a signal for even the worst stock market news. In fact, it may be just the opposite.

SmartMoney.com offers an interesting review

(<http://www.smartmoney.com/Investing/Economy/History-Shows-Stocks-Recover-Ahead-of-Jobs/>) that examines previous bear market reactions to past high unemployment figures. Obviously, there are no guarantees that come with the article, but it does give rise to some potential investor optimism in this rather dismal job environment.

Feel free to contact us if you have any questions on this or any other subject on your mind.

Sincerely,

Dixon Hughes Wealth Advisors