
How to Navigate a Bull Market

Bear markets get a lot of attention. The market meltdowns of 2008/9, 2000 and 1987 are the subjects of many hundreds of books. And a good thing it is. Learning from history, and then preparing your portfolio to survive and prosper through dysfunctional markets, is a fundamental weapon in the long-term investor's armory.

But most of the time markets are not dysfunctional. Over the past 200 years, the US stockmarket has, on average, [risen seven years in 10](#). And only one year in 20 have investors suffered a loss of more than 20%.

So the market we are in at the moment - one of generally rising prices - is normal rather than exceptional. And successfully navigating the good times is as important as handling the bad.

Hence the topic of our recent webinar - *Investing When Animal Spirits are Running* (see the 30 minute presentation in full below).

The three pieces of advice we give are: avoid getting caught up in speculative madness (see [Stockmarket Mania Taking Hold](#)); where possible, stay invested; and hold elevated levels of cash if necessary. Granted, two of those pieces of advice run counter to each other. It's not meant to be easy.