

Area experts weigh in on 2015 stock market trends

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NEW BRITAIN — The late Selden Griffen, manager of Advest's New Britain office, had a favorite saying about the stock market: "Bulls make money, bears make money, pigs get slaughtered." Or, there's the one by Kenny Rogers: "You got to know when to hold 'em, know when to fold 'em." In other words, smart investors know when to get in and out of the market.

Fortune Magazine online suggests that it may be time for investors to "fold 'em" and offers six reasons:

- Stock prices are too high.
- A federal interest rate hike is coming.
- Russia's economic instability could adversely affect the global economy.
- Europe's economy is sputtering.
- China's growth engine for the global economy may be stalled.
- A decline in oil prices has depressed the price of oil stocks.

Despite 2014's Dow Jones record levels, this year's slow start has some market analysts declaring an end to the bull market and predicting that the Wall Street's bear will soon emerge from hibernation.

Though area financial advisors advise caution, most of those the Herald Press talked to remain sanguine about 2015.

Brendan Conry, founder and principal of Conry Asset Management in Kensington, advises that "a well-diversified, long-term portfolio should have exposure to most asset classes including stocks, bonds, real estate and alternatives." Conry said he believes 2015 can be a good year for investors.

"With the price of oil down by 50 percent, inflation should stay under 1.5 percent, and the consumer will have extra money to spend," he says. "There is no way to know when oil prices and energy stocks will hit bottom, but we are positioning our portfolios to take advantage of the eventual increase in demand for [these] stocks."

Financial Advisor Michael Chadwick is more cautious. Chadwick, with offices in Unionville,



Wall Street

A screen on the trading floor of the New York Stock Exchange.

Torrington and Manlius, N.Y., warns his clients about the increasing risk in the stock market.

“I’ve been telling people to hunker down, put your money in safe places, even precious metals. Gold and silver should be doing very well because central banks around the world are trying to stoke inflation. But, since 2011, the price of gold has been going down. I’m not sure if gold has hit the bottom floor yet. A lot of things today don’t make sense.”

One area financial advisor, who asked not to be identified, noted that “this has been a long bull market. But, unlike other bull markets, this one has yet to be capped.” According to the broker, “This bull market may still experience a correction, but this market is nowhere near euphoria yet.”

Scott Whipple can be reached at (860) 801-5205 or at swhipple@centralctcommunications.com