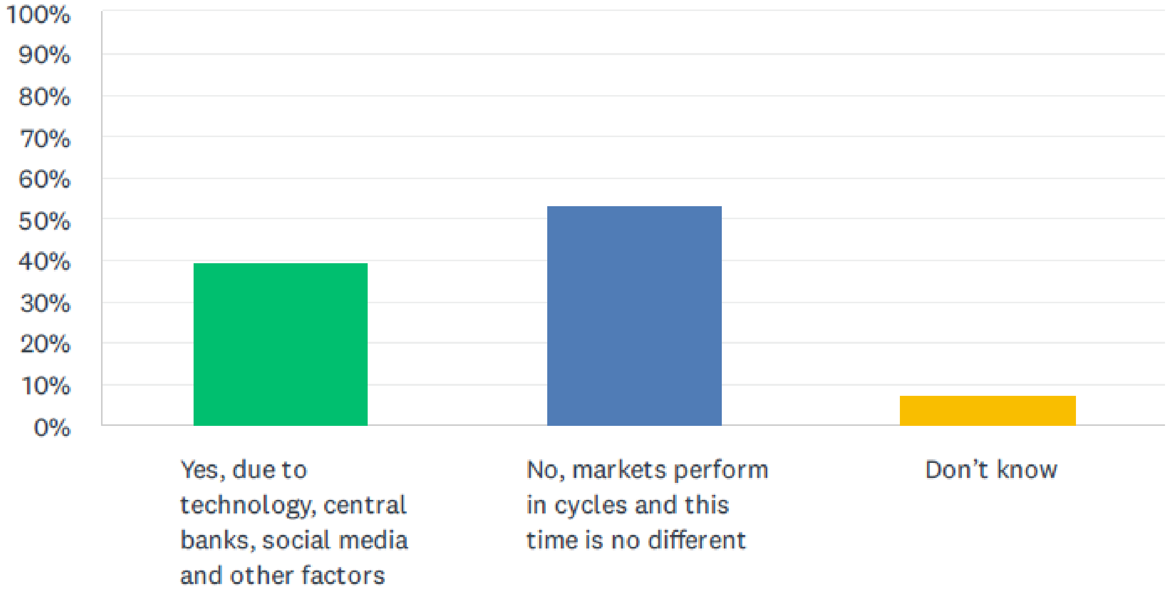
Firstlinks poll: Is this time different?

Do you think investing has fundamentally changed in the last 5-10 years?



Please provide any comments

Technological rate of growth is a major factor!
Investing has not fundamentally changed and neither has speculation. Crypto currency's are just the latest attraction of speculators.
Fundamentally nothing has changed. The boundaries have been stretched and pulled - and the speed of change has accelerated dramatically.
Its Yes (for above factors) and No because cycles are a fact of life in investing (as well as for reasons of "reversion to the mean", climatic cycles, life cycles etc)
ETF are a great option for those starting out
Memories are short. None of us were around for tulip mania but many were for the dot com bubble only two decades ago. Optimism promotes the false idea that "it is different this time". It isn't. Eventually things will sort themselves out.
A few basic differences, 1st, we have 2 totally conflicting subjects competing, Global warming and the financial systems absolute need for Growth (encouraging consumption). Population Growth, which everyone knows is not sustainable on "Planet Earth" but a means to maintain the concept of Growth, more consumers to sell to, The first time in the Western world that our grandchildren cannot expect a better life than us. Intrest rates have never been this low since currency was invented. All the newly "invented" concepts of making money by just moving it around but not actually producing anything, US dollar being the worlds "reserve currency" and it is appearing out of thin air. The whole worlds Monetary system is so manipulated it is just Smoke and Mirrors. Good luck?
This cycle has been distorted to a degree by the Covid-19 Pandemic and governments' and central banks' responses to that
Same but different!
Valuations are intrinsic and can't change
Markets and technology are constantly evolving, so in a sense this time is always different. But if you reduce markets to their core, over the long term nothing changes. Bubbles always burst, markets always eventually mean revert, and cycles run out of steam.

There is always a wall of worry around shares
Cycles will continue however, science and technology will change the cycles we think about and care about, and therefore invest in
Don't know what to believe.
Humans haven't changed. We are (on average) still greedy, biased, over confident and love to follow the crowd. Until human kind changes, nothing else will. We are in a bubble, and the more retail investors who start trading like we have see during covid, the bigger the pop will be. The question is who long will it take to recover when it does pop. Will people be scared off, or will the craze of 'stocks only go up' flood more people in to buy cheap.
Noting that cycles and length may change and what creates the downward spiral is different everytime. What is different is the historic low interest rates which mean that more investment is happening outside of cash and the ubiquitous use of technology making investment more democratic
Youngsters are influenced by social media, deceived by renewables and central banks will fight. No one is doing revolution and developed countries will move the socialism. So essentially it would be much worse than we new in the last century because elite will be more powerful and the rest of population will be too spoil to fight for their rights
t seems more younger people are investing/punting on a quick buck currently.
Some of the elements are new (eg. crypto currencies) however the basic principles of investing have not changed.
Even though I think, this time is no different, there are so many things that don't make sense to me. One of the biggest is that most of the money in the markets is institutional money, managed by professionals, who know far more than I do. And they are the one's supporting and driving these conditions.
There’s always a black swan swimming just out of sight
Software (particularly AI) is eating the world, automating many functions previously done by unreliable, expensive to maintain humans. The value proposition of software has always been about reducing the need for human labor. No-one worried when it did not affect high value-add jobs, but now far more roles are vulnerable to being at least partially replaced by software, including jobs like lawyers and financial analysts. Without the income taxes on these previously very high income roles, funding welfare for the less fortunate becomes more difficult. Taxes for those still working will have to rise, reducing their post-tax investment dollars. What's left will increasingly go to those tech companies creating the problem, as their value proposition is so powerful.
Always remember that the market cycles can last longer than your own investment timeline.
Yes we are in a different investment climate. Whilst I expect that there are still good times ahead we are also heading towards the end of a larger 98-100 year cycle. Let 1928 be a great learning base of what could be ahead. It will be the property cycle before the economic cycle that will be our danger points ahead. There are opportunities and dangers ahead.
It is undeniable that markets go through cycles - periodic bouts of extreme irrationality, be it be pessimism or optimism. They spend the time in between these two extremes fluctuating in a band that we might for want of a better term call "fair value". Of course, innumerable factors exert their influence throughout these cycles and act to either exacerbate or moderate these cycles, but one should not confuse cause with effect. The cycle will always exist; the factors that amplify its effects will come and go according to fad and fashion.
Exponential growth can't go on forever
Technology is already changing the investable landscape so I say this time is different BUT it's not. We are going through a new cycle that is changing the way we live and work.
Things appear to run much faster and there is more variety available as far as investments go - like ETF's, ESG type investments etc
Lots of things have changed, but some things haven't - logic will prevail given time. Traders can still make money buying things that are essentially worthless e.g. Bitcoin while the price is rising providing they sell before prices collapse or they short it when it starts falling. Tesla may

eventually be worth what it is now but a many years future growth is already included in its current price.
yes in how long the cycle runs, not in the end result
Yes markets move in cycles. It just umknown the length of the cycle or were exactly we are in the cycle at any given point in present time.
The driver is the exceptionaly low interest rates!
Another Black Swan will appear; 1974 oil crisis, 1987 October crash, 2000 dot com crash, 2008 GFC, 2021 Covid 19, 2??? ????crash
Interest rates are historically low and may stay low longer. But markets will still go down as well up. Cycles are here to stay.
Can't discount trends young people follow as they have spending power & thus influence the success of 'modern' stocks eg JBHifi
the information super highway is driving a convergence of technologies which is crashing old world industries. are the new world companies worth their valuations? only time will telll
They are shout term influences and will pass
Fundamentals of investing have been constant for generations. Products change regularly through generations. New products take a lot of time to become established and only a few of the many will survive the many trials and tribulations of becoming established.
Extremely difficult/impossible to pick individual winners; maybe use fund mangers who live in the market to decide for you.
Low interest rates, government stimulus and high growth technical companies have increased the valuation of assets.
Definitely. Young investors are thinking: ethical, sustainable, climate crisis. What's the point in having a pack of money in the future when the world is caving in due to our warming climate.
I think it has changed fundamentally but I’m unsure whether the fundamentals have changed if that makes sense. I’ve made a lot of money on Afterpay for example. I think it has been a brilliant example of a great strategic move in a market well executed. I’ve largely cashed in though and diversified the investment
As with housing prices markets tend to a trend over lengthy periods of time. Yes, there are signs that a bust is coming perhaps some move to cash (if that is any longer a secure bet?).
On-line brokers have made it so much easier to invest and to follow you investments. Also, one can "invest" in quality on-line commentary like Eureka Report and Firstlinks.
When central banks print unlimited amounts of money and drop interest rates to zero, the discount rate on future earnings also approach zero and valuations of everything go through the roof. We are in for an all mighty crash when central banks reverse their policies.
Rather than cycles, increased volatility in an irregular pattern seems more likely,
Articles about 'the next big crash', 'this is a bubble', 'this time is different' become more common during all upcycles, and finally some lucky commentator is correct.. Was that timing a result of superior understanding and research or just luck?
Currently we're likely in the late stage of a bull market. Earnings have been strong though, and interest rates are still quite low, so, as usual, it's impossible to know when the party ends.
Real Estate going up 30% per annum borrow at 3% per annum Shares up 20% per annum Inflation at 3% per annum have a look at those figures.Then take a second look.
Always consider my Investment Trifecta ... does the company that you are going to invest in have: REVENUE from sales of goods and services PROFIT and CASH FLOW PAY DIVIDENDS If company has none of these, it is a SPECULATION

You can't just dismiss the evidence on cycles over the last 150 years!
The market has never favoured small players. This is even more so today
Maybe. In the same way that technology causes Global warming and sea level to rise, maybe our new technologies are creating some sort of a new high water mark with market valuations. Just saying...
I have been investing (and a financial adviser) for 20 years - same old - biggest bubble i've seen though (other than US real estate in 2007)
Diversification is the key investing strategy with a 5-10% limit per investment.
Markets are reacting much faster,
Government support to reduce risk of natural market readjustment has investors believing risk has been diminished. I believe risk taken will appear at a future time
Typically the is so much easy money about fueling what are stock bubbles and Ponzi coin schemes.
A young person should concentrate on stocks. However that person should not buy "stocks" per se. That young investor should seek out the relatively few excellent business,s available which are very likely to be able to produce profits for the next several years and wait for a favourable price to buy and then hold. That type of business is very likely to offer regular solid returns over the time frame or be bought by another business offering a favourable gain to the original investor.
Everyone now has access to the same information, almost as soon as it’s available. So no one has an “edge” in the market, it’s completely democratised.
AI is changing the type of workforce needed in the future. Many jobs will simply disappear. The share market is now dominated by technology monopolies or a very small number of companies.
We are riding a runaway train
This is a trick question because the answer is it depends on the timeline. Markets DO perform in cycles, but cycles can be long periods and in between, they can act irrationally (for want of a better word) and reward those investors willing to take risks in new technologies and ideas in the shorter term. Case in point are the huge profits made by some investors in assets like tech stocks, crypto, etc
Remain diversified. The future is unknowable.
Bubbles burst, and huge bubbles burst more catastrophically. I've been a professional investor since 1986 and the simple reality is always true - an asset only provides long term worth if it can throw off cash and you did not pay too much for the free cashflow.
I think that the term "investing" has become divided into what I think of as 1.] INVESTING IN DECENT COMPANIES FOR A LONG TERM , DECENT RETURN in the FUTURE [companies that produce a profit and may pay dividends] and 2.] GAMBLING with HIGHLY VALUED , PROMISING , but fundamentally LOSS-MAKING COMPANIES and IPO's , that often disappear , AND NFT's which I think are an absurdity ! It seems to me that technology has distorted the understanding of the present AND the future , and that Governments , Banks and Society are dumbfounded and irrational now. How it will resolve itself is beyond me ! Hopefully , not too painfully for all concerned , but I think that a financial crisis is already underway !
Three reasons. A. Interest rates effectively zero. B. Central banks creating wealth from thin air, printing money. C. Simple and straight forward access to investments, historically people either didn’t know how to invest or were put off by the ‘suits’.
I've been tracking my invesmtents since 1997. Every downturn is only temporary, the only thing that changes is the recovery time. The GFC had a long recovery time compared to the COVID one. Both downturns were buying opportunities for those people who had cash on hand.
The twelve most dangerous words in investing are: "The four most dangerous words in investing are, it's different this time."

The day to day volatilty is infuriating. Too many day traders and big institutional manipulation, too few genuine investors. It's a nightmare but you get used to it.
Yes news spreads much faster these days, but that does not mean anything is different this time when it comes to market bubbles. We are in a market bubble. There WILL be a correction soon. There WILL be a lot of investors caught with their pants down. Investment fund managers WON'T be immune...some will be more immune than others though. Same as always.
In the context of the dollar cost of capital being extremely cheap, relative to the last 30 years,This adds argument to the risk on position now seen in most Equity markets today.
Market fundamentals suggest that markets perform in cycles as in an option above however alongside that is the fact that tech has advanced and continues to do so, as does social media and the intervention of central banks remains strongly evident, hence the confusion and response 'Don't know' - Suspect however markets will revert to norm at some point.
Feels very much like 2000 and the dotcom
Markets will continue to be cyclical, but the length and strength of cycles may have changed and due to many factors. Government (central banks action), change of lifestyle (due to Covid, automation etc) and other factors
There is so much fog in the investment environment today due to the enormous amounts of industry data. Plus every person & his/her dog are into investing to make a quick buck so they can tell all their mates how easy it is. Many are likely to get burnt in a correction but these are the lessons of life - it has been happening for generations.
I don't know about cycles, but I do think when things look like a bubble they usually are. It's a nice surprise if not, but be prepared.
And because at the macro level it's following the normal cycle, it would tend to suggest we still have a few years of the bull before the big sell-off
History is a great teacher, and in fair "price discovery" markets they do perform in cycles. However the biggest distortion today is the role of the USA Fed (& other central banks) essentially "rigging" markets with unsustainable money supply actions.
Digitization is changing society, hence markets are changing
There is a huge difference in comparison to years back.
Technology changes have been tremendous for independent individual investors to effectively manage their investments. Other factors being, more younger investors, the millennials have bought into the stock market in recent years and for long term investment perhaps contributing to over valued stocks.
This time is different but also the same. Cycles will always occur but the intervention of central banks tend to make them more difficult to interpret/identify.
Greater opportunities to invest with a click - easy come easy go !
Every cyclical episode is, in fact, different in some respect. But the key drivers - especially behavioural factors such as fear, greed, over-confidence and certain cognitive baises -remain essentially unchanged.
If investing, markets go in both directions, save to invest when markets fall and ride the highs, or crystallize a gain. With shares you can do this in small packets.
I have heard the comment “This time it is different” multiple times in my 40 years of investing only to find out it wasn’t. Fundamentals always matter,
Think more influential is investing experience which strengthens ability to see through to the basics of investing
Technology is always new (Telegraph, Railroads etc) and that drives speculation. Generally in efficient markets, advantages get whittled away. Some Cryptocurrencies will have value in the same way as gold is worth a lot more that it's industrial value
Company research is now not necessary to buy the best stocks. Investors can invest in ETF indexes that traditionally have always advanced
Markets are still basically priced by interest rates, as they have always been.
The amount of noise has increased exponentially, but the fundamentals remain the same.

The worm will turn as interest rates rise. When the next downturn comes it will be ugly
Technology, central banks and social media have impacts on investor's mind sets, but I've found that by sticking to the Buffet method invariably in the long term has always resulted in gains for me.
Though God invented economists to make weather forecasters reliable the cyclical pattern for investments has continued over the centuries since the time of the Dutch Tulip Mania then on to the English South Sea Bubble and the French Mississippi Company and more modern crises. Greed continues to raise its ugly head.
We are at Unsustainable all time highs in Stocks and property. These will fall over time. PE of 30 or 40 is unreasonable.
It's faster, there is more information available. You have to have your BS detector set on high. Scams are rife.
The length, width and volatility of each cycle is different but the root cause of downturns is always tight monetary conditions. Govts, Central Banks and private banks all contribute to this.
Tulips, South Sea, railroads……
Productivity and global change are major differentiators - but not sure how much of the market they explain!
I am a fan of Don Stammer who has always preached cycles. But he is even older than me so maybe this is different? Maybe, but I don't think Don would invest in Rivian and I certainly won't!
Central banks seem determined to destroy savings. Their main objectives are zero interest rates and then high inflation. They will continue on this course long after it is obviously bad for society. So this time we will have a bigger longer boom, and it would be logical to defer common sense and y our moral compass and keep investing. However, and this is important, keep taking a small amount off t he table every six months and invest. In property.
Human nature has not changed in thousands of years, and will never change.
The massive reach and world wide scalability of the big tech companies is something quite different in the last 20 years.
In my non-expert layman opinion, the long term difference are the tech companies that are priced with a view to high returns in the long term, hence their PE's are high. I think the impact of the digital currencies and social media are having an impact currently, but will diminish over time, especially when a market correction happens and people become far more conservative in their investing.
No one expects trends to reverse, until they do. Markets are just a reflection of sentiment. They will always over-shoot on the upside and the down-side.
+/- zero Government 10yr Bond yields. On line buying of equities, ETF's and such like.
In 2000 it was “different this time”. Investment bankers put valuations on Dotcom companies based on a multiple per number of site visits. All hype, no substance, and most valuations proved short lived and silly. This is no different. Ultimately, if the thing you buy can’t be relied upon to produce something of intrinsic value then you are speculating, not investing.
Central bank intervention in markets has been distorting asset prices since the GFC and preventing normal market cycles from occurring - instead continually ratcheting up the stakes through ever lower interest rates. High priced technology stocks are not a result of fundamental change - this bubble is part of the standard investing cycle and is likely similar to the 2000 tech wreck.
History always repeats
The crash in April 2020 and reversal to date proves my point .
Need to take a LONG time view; not just the last 5-10 years.
We can be sure the future will provide some humbling lessons. Exactly what they are, and when we will experience them, is what we don't know.
Technology is changing our world
there is a slow progression always eg online broking, its the corrections that must come that will be interesting

Exponential technology has made it easier for businesses to grow quicker
Yes and No! Tech, crypto, 0 cost of cash pushing share values and the endless printing of the USD all line up for a unique circumstance.... But somethings got to give, pay for all that free cash or let it sink into nothing , SO, the market will have its correction, something will cause a cascade of "oh F#%^ what have we done", and slip into selling mode. The world again is at a precipise of change - the USD screaming to hold on and the new Gens rushing into cyber values / crypto. A change of the guards, a change in who and what is in Control/Power. (China or USD, the death nell of the Trump world) - I hope, and hopefully some equilibreum. Greed will get smacked down again and hopefully the world can afford to contune to breath and eat. Be nice to you mum!
Some things may be different (for example, the value of tech companies with no physical assets and their fast growth), but other things, like bubbles are still the same.
The 5 most dangerous words in the English language"This time it is different!".
Growth is by its nature a cycle like any other and metrics will come into play but over a longer time period.
the markets are beyond logic
The, I believe, markets still move in cycles, but the length of the cycles may be changing.
Day traders,computer based trading (algorithmic) etc have taken away basic trading common sense.Low interest rates have filled the share market with get rich quick dreamers!!Market shorting should be illegal
yes things have changed. Everyone is an investor. The money has to go somewhere. But valuations are made on profits. The pigeons will come home to roost and many people will be affected. But its hard to stay out while the party is still going.
Tech expansion provides a level of scalability at margins unseen in previous generations. In the 'olden days' you could basically only sell one copy of what you made (eg a car, a barrel of oil) and rely on capital intensive distribution channels (eg ships/trucks/dealers, oil rigs/tankers/petrol stations) and analogue marketing (eg TV, newspapers, magazines) to sell the one unit. Now you can build various levels of technology/apps in your garage, advertise it free of charge to multiple social media channels that can generate high volumes of highly targeted views and create sales/ subscriptions with limited costs. Build one app, but sell it 50 million times over. This type of business model transformation clearly does not apply to every sector, however the hyper inflated PE of many tech stocks is seemingly lifting the assessment of worth of some 'traditional' companies. A current 25 - 35 year does not know any different from the world they have grown up in. This is all normal. Crypto, FAANG, Elon, Melanie Perkins etc - what is their to be scared of? …… So, I'd suggest it is 'different' but that doesn't make it wrong. Understanding the difference is the key.
but that doesn't mean cash up
Market prices are set by buyers and sellers agreeing on a price. Given our herd instinct, the instantaneous access to information provided by technology amplifies our rush to move from one side of the trade to the other. That is, the internet has increased volatility. Otherwise markets behave as always. Buyers and sellers have different expectations of the future and that is why we have a market.
I think investing has changed, though many of the techniques used by successful investors over many years will continue to prevail.
Technology has made it easier & more accessible for investors
possibly yes.......I think the younger generation are seeing it , discussing it far more than I did 50 years ago...then I was just happy to have a job
I believe that , as a wise American observed, that the media has become the message, thanks to influencers and an emerging preference for a less rigorous examination, if at all, of fundamentals. A glitzy presentation, not on Powerpoint, wins over the gullible. Hard facts are too hard and inconvenient truths.

We’re seeing the start of an investment revolution
The valuations of some companies are extreme but if you are not invested in them then you are missing out on all the gains theses stocks have made. There is also the issue that some companies have captured so much of the market that you have to invest in them, as they control that market. Examples I'm talking about are Apple, Microsoft, Amazon, FB and Google.
The last 5-10 years has seen many self funded retirees emerge, by definition they have significant financial resources. This is a new thing and many are sound in their financial knowledge. Extremely low interest rates are also very significant and unprecedented and make it very difficult for conservative retirees without an advisor,
Although technology and social media have had an impact particularly in people’s behaviour (FOMO) and the speed with how the market can react, the fundamentals of the market have not.
The one big difference this time is Central Banks are printing money. This is now accepted, unlike when Weimar Republic and Uganda did it.
Apart from very low interest rates, this time is not different.
There is much wider timely access to stock price activity and analyst opinion on future direction. Fundamentally that doesn’t change the value of backtesting momentum/value algorithms. It just means the task needs to be performed more frequently and adjusted algorithms tested as well. In the 1920s the Empire State Building was erected in 18months. It still stands. Today in the digital age technology has advanced to the stage that a similar building would take 3 years to erect. Technology will change the world but slowly.
Technology has resulted in making it easy to invest. This has fundamentaly changed the ability of young people to invest. Social media provides a wealth of free investment advice through such mediums as podcasts etc.
In layman's terms why are we hung up on records in markets isn't that just human nature as the world grows we obtain more info, records are what drives competition and we all strive to put the last record in the history books. Celebrate and get rid of the dour faces
This time we have western nations apparently in self-destruct mode. Examples: 1. moral decline, so honesty, integrity, speaking the truth and considering others are less common, while greed, lying, fraud and acting out of self-interest are more widespread. 2. governments and companies bowing before the climate change gods, putting in place policies that negatively impact on the financial well-being of individuals, businesses and nations. Both of these make it much more difficult to assess an investment, as one does not know how reliable the available information is, or whether governments will suddenly make changes that negatively impact on an investment.
I believe markets are still driven by fear, greed and the credit cycle
Corporates are cashed up having reduced borrowings post GFC, whilst Governments are now more indebted, so central banks are not likely to raise rates too high too quickly (eg the new cash rate normal will be around 2%-3% in this next cycle instead of 5%-8%. Central banks will allow inflation to rise past their preferred ranges as inflation helps Government debt especially USA as money printing reduces the real debt level.
The world is now a crazy place, who knows what's coming next?
but who knows when the cycle will turn
Capital light, sticky businesses with sometimes large encumbency benefits at early stages of of their lives have altered the equation somewhat.
In every boom we hear the note: This time it is different. It is only different until things fall apart. When the interest rates are finally start rising and maybe even rising quickly to catch up with inflation, we might see that this time is no different. Surely Tesla and others that are extremely overvalued will be crumbling at some stage. It can't go on forever.

Social media appears to be a controlling factor for the masses,and rumours are believed but there is no responsibility taken by anyone for the end results, whereas news media can be held accountable for irresponsible reporting, but less and less also
this time is no different
We're a bunch of repeatable patterns and history does repeat itself. More people have access to markets. Technology has changed but behaviour doesn't. Beware debt; it's currently global. Beware
Investing has changed but the underlying values will fall as interest rates rise and company profits flatten out.
This bubble may be bigger than others due to technology, central banks interference, and social media, but it will have a similar end to other bubbles. Interest rates have been kept lower for longer, with debt mainly held by governments and homeowners, so the fallout could be greater, with governments less able to ride to the rescue!
As they say, it may not be the same, but it sure rhymes
liquidity and low interest rates are driving valuations, both will stop at some time
The cycle is still here: Central Banks and social media appear to have aggravated it.
The actions governments are increasingly aligned with crony capitalism. Low interest rates make activities look profitable if using borrowed money-beware!
Technology has allowed us to respond instantaneously to any market news so volatility is much greater now due to this.
Im a veteran of 30 years in the industry and Im paralysed. Ive got no idea any more.
Covid , central bank response , social media etc has only impacted the market for the last two years . Before that market was still trading well with the occasional 10% drop.
True, markets perform in cycles BUT there are differences in that technology, central banks and social media play a bigger role, accentuated by a pandemic. However, there are several fundamentals that remain true.
Technology has increased the pace of decision making, production cycles whilst reducing labor costs
Its just different noise in the cycle now.
Just because it is different does not mean there will not be cycles. But technology and easy money will make the peak to trough deeper.
The universal constant in investing is that people, which bring to bear human characteristics and frailties, cause irrationality. The adjustment mechanism are "trigger events" which create forced adjustment. Like always, its a matter of time and timing.
Technology is always changing and providing opportunities. Cycles occur as investors react to what they expect to happen. There will always be cycles, of varying intensity, due to human behaviour - which includes government policy.
The Internet allowing the faster gathering and dissemination of information and data, and the speed with which transactions can be made.
This question could be interpreted several ways but I have taken the position that the ways people read data about trends has changed as social reporting appears to concern this generation more than data analysis