# Market Valuations and Expected Returns – Jun. 6, 2013

In the first half of 2013, the stock market gained 2.44% in January, 0.10% in February, 3.36% in March, 2.27% in April, and 3.04% in May. This is after a double-digit return gain in 2012. There is a saying that if the market is up in January, it will be up for the year. We don’t know if this is true, it looks that way at least so far this year. As investors are happier with the higher balances in their account, they should never forget the word “RISK”, which is directly linked to the valuations of the asset they own. A higher current valuation always implies a lower future returns.