



CONGRESS OF THE UNITED STATES
JOINT ECONOMIC COMMITTEE

CHAIRMAN JIM SAXTON

PRESS RELEASE

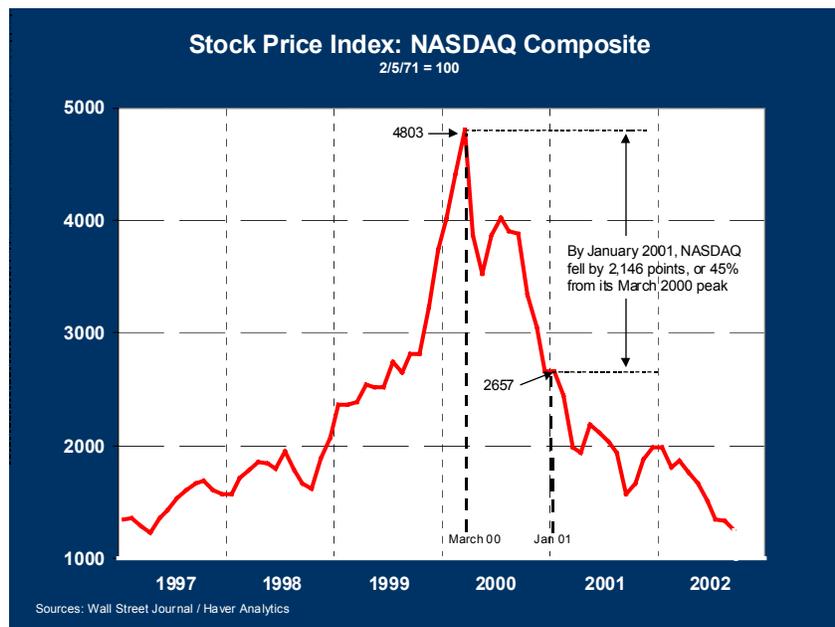
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**2000 NASDAQ DECLINE LED TO \$3 TRILLION
LOSS IN MARKET VALUE BY JANUARY 2001**

WASHINGTON, D.C. – The recent downward trend in the stock market must be seen in historical perspective to be properly understood and addressed by policy makers, Chairman Jim Saxton of the Joint Economic Committee (JEC) said today. Although some seem to believe the stock market downtrend began in January 2001, nearly \$3 trillion of market value had been erased between March 2000 and January 2001, as the technology-rich NASDAQ plunged by 45 percent.

“Unfortunately, the stock market downturn has been underway for much longer than some seem to realize,” Saxton said. “The facts show that this downturn does not coincide with changes in Administration or economic policy. Trillions of dollars of wealth in 401(k)s, IRAs, and other middle-class investment vehicles were wiped out during the NASDAQ crash from its peak in March 2000. As *The Economist*, recently pointed out, the seeds of this problem were sown even earlier in the late 1990s. Unfortunately, the downward trend in the stock market established in 2000 has continued in subsequent years. The 2000 NASDAQ collapse also corroborates a variety of other data indicating that a sharp economic slowdown was underway by the middle of 2000,” Saxton concluded.



For more information on the economic slowdown that began in 2000, please visit the JEC website at www.house.gov/jec.

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