

# Economy of the 20s (Post WW 1)

INDUSTRIAL GROWTH

INSTALLMENT BUYING

CHAIN STORES

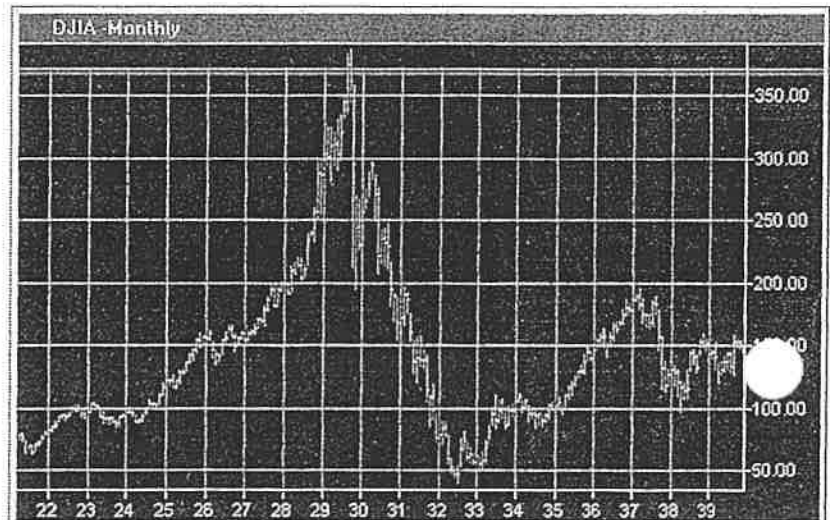
NEW PRODUCTS

BOOMING STOCK MARKET

## Signs of Trouble

- 1 *Farmers*
- 2 *Workers*
- 3 Election of 1928

## Stock Market Crash



# Black Tuesday: Definition, Cause, Kickoff to Depression

## The Worst Day in Wall Street's History



**Definition:** Black Tuesday was the fourth and last day of the stock market crash of 1929. It took place on October 29, 1929. Investors traded a record 16.4 million shares. They lost \$14 billion on the New York Stock Exchange, worth \$199 billion in 2017 dollars.

During the four days of the crash, the Dow dropped 25 percent and investors lost \$30 billion. That was ten times more than the 1929 federal budget.

It was more than the United States had spent on World War I.

After the crash, stock prices continued to fall. They hit their 1929 bottom on November 13. By then, more than \$100 billion had disappeared from the American economy. In today's terms, that was worth \$1.3 trillion.

Black Tuesday kicked-off the Great Depression. What followed was a complete loss of confidence in the U.S. financial system. The Dow didn't regain its pre-crash high until November 23, 1954.