



## Is it Too Late to Make a Million From Shares?

### Description

In the last five years, stock markets across the globe have experienced a major Bull Run. This has sent their valuations to record highs in some cases, which at first glance may indicate that there is less value opportunity than in the past. For example, the S&P 500 has risen 82% during that time to trade at its highest-ever level.

However, just because share prices have generally risen does not mean that it is too late to [make a million](#). Some stocks continue to trade on low valuations, which may mean they offer a wide margin of safety. And those companies which are now valued more highly by investors may offer significant earnings growth prospects in the long run.

### Low valuations

Of course, significant stock market growth tends to have a positive impact on the vast majority of share prices. After all, a sustained rise in the index is usually at least partly caused by an increasingly optimistic economic outlook.

However, stock markets are generally inefficient in terms of their pricing. This means that there are still likely to be a number of shares in all major indices that could be cheap both on an absolute and relative basis. This could be because of challenges the company in question faces regarding its financial situation or operational performance, for example. This may create a turnaround opportunity and, if successful, could lead to a higher share price.

In addition, some sectors could still trade at a relatively low ebb despite the general rise of stock markets across the globe. For example, [oil and gas companies](#) may have risen somewhat in recent months as the price of oil has increased. However, since they started from such a low base after years of a falling oil price, they may provide investors with the opportunity to make a million.

### Growth potential

One reason for the Bull Run of recent years has been a generally improving outlook for the world

economy. In 2012, the prospects for the developed world in particular were relatively downbeat and highly uncertain. However, the loose monetary policies that have been adopted in the US and Europe have positively catalysed GDP growth so that the global growth prospects are now relatively bright.

This could mean that while stock prices have moved higher, the companies in question may offer high earnings growth potential. As such, they could be worthy of a premium valuation compared to 2012, when their earnings growth prospects were likely to have been less positive. Picking stocks which justify their higher valuations through more consistent or better growth outlooks could be one means of generating high investment returns and potentially making a million.

## Takeaway

While share prices are now much higher than they were five years ago, it is not too late to make a million from investing. Low valuations are still on offer, while growth prospects may also have improved in recent years. As such, there could be ample opportunity for investors to grow their portfolios in the long run.

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