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The Stock Market Is a Bubble. How It Might Deflate in a Good Way.

By [Ben Levisohn](#) Updated Aug. 7, 2021 9:50 am ET / Original Aug. 6, 2021 8:46 pm ET



The S&P 500 now trades at 28.1 times trailing earnings, a level unseen since the dot-com era.

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14,835.76. It was strength all around.

Nothing, it seems, can keep the major indexes down for long. The [S&P 500](#) gained 0.9%, to 4436.52, while the [Dow Jones Industrial Average](#) rose 273 points, or 0.8%, to 35,208.51, as both indexes [closed the week at all-time highs](#). The [Nasdaq Composite](#) didn't end at a record, but still gained 1.1%, to