

Courtesy of: James O. Davis The Financial Advisory Group

299 Arguello Blvd., Suite 306, San Francisco, CA 94118-1434 www.moneyjungle.com 415/752-6222

CAPITAL MARKET HISTORY: LONG-TERM AVERAGE RATES OF RETURN

Asset Classes	Ten-Year Periods (Decades)								Long-Term Annualized Returns 1930-2009							
	1930's	1940's	1950's	1960's	1970's	1980's	1990's	2000's	Twenty Years 1990- 2009	Thirty Years 1980- 2009	Forty Years 1970- 2009	Fifty Years 1960- 2009	Sixty Years 1950- 2009	Seventy Years 1940- 2009	Eighty Years 1930- 2009	
	Standard & Poor's 500 Index:															
Nominal Returns	-0.1%	9.2%	19.4%	7.8%	5.9%	17.5%	18.2%	-0.9%	8.2%	11.2%	9.9%	9.5%	11.0%	10.8%	9.4%	Owner
Real Returns	2.0%	3.6%	16.8%	5.2%	-1.4%	11.8%	14.8%	-3.4%	5.3%	7.5%	5.2%	5.2%	7.0%	6.5%	5.9%	
Long-Term Corporate Bonds:																
Nominal Returns	6.9%	2.7%	1.0%	1.7%	6.2%	13.0%	8.1%	7.6%	7.9%	9.6%	8.7%	7.3%	6.2%	5.7%	5.9%	Lender
Real Returns	9.1%	-2.7%	-1.2%	-0.8%	-1.1%	7.5%	5.0%	4.9%	5.1%	5.9%	4.0%	3.0%	2.2%	1.6%	2.4%	
Long-Term Government Bonds:																
Nominal Returns	4.9%	3.2%	-0.1%	1.4%	5.5%	12.6%	8.9%	7.7%	8.3%	9.7%	8.7%	7.2%	5.9%	5.5%	5.5%	Lender
Real Returns	7.1%	-2.1%	-2.2%	-1.1%	-1.7%	7.2%	5.8%	5.0%	5.4%	6.0%	4.0%	3.0%	2.1%	1.5%	2.2%	
30-Day Treasury Bills:																
Nominal Returns	0.6%	0.4%	1.9%	3.9%	6.3%	8.9%	4.9%	2.8%	3.8%	5.5%	5.7%	5.3%	4.7%	4.1%	3.7%	Lender
Real Returns	2.7%	-4.7%	-0.3%	1.3%	-1.0%	3.6%	1.9%	0.2%	1.1%	1.9%	1.2%	1.2%	0.9%	0.1%	0.4%	
Consumer Price Index:																
Cost of Living Index	-2.0%	5.4%	2.2%	2.5%	7.4%	5.1%	3.0%	2.5%	2.7%	3.5%	4.5%	4.1%	3.8%	4.0%	3.2%	Can't Avoid