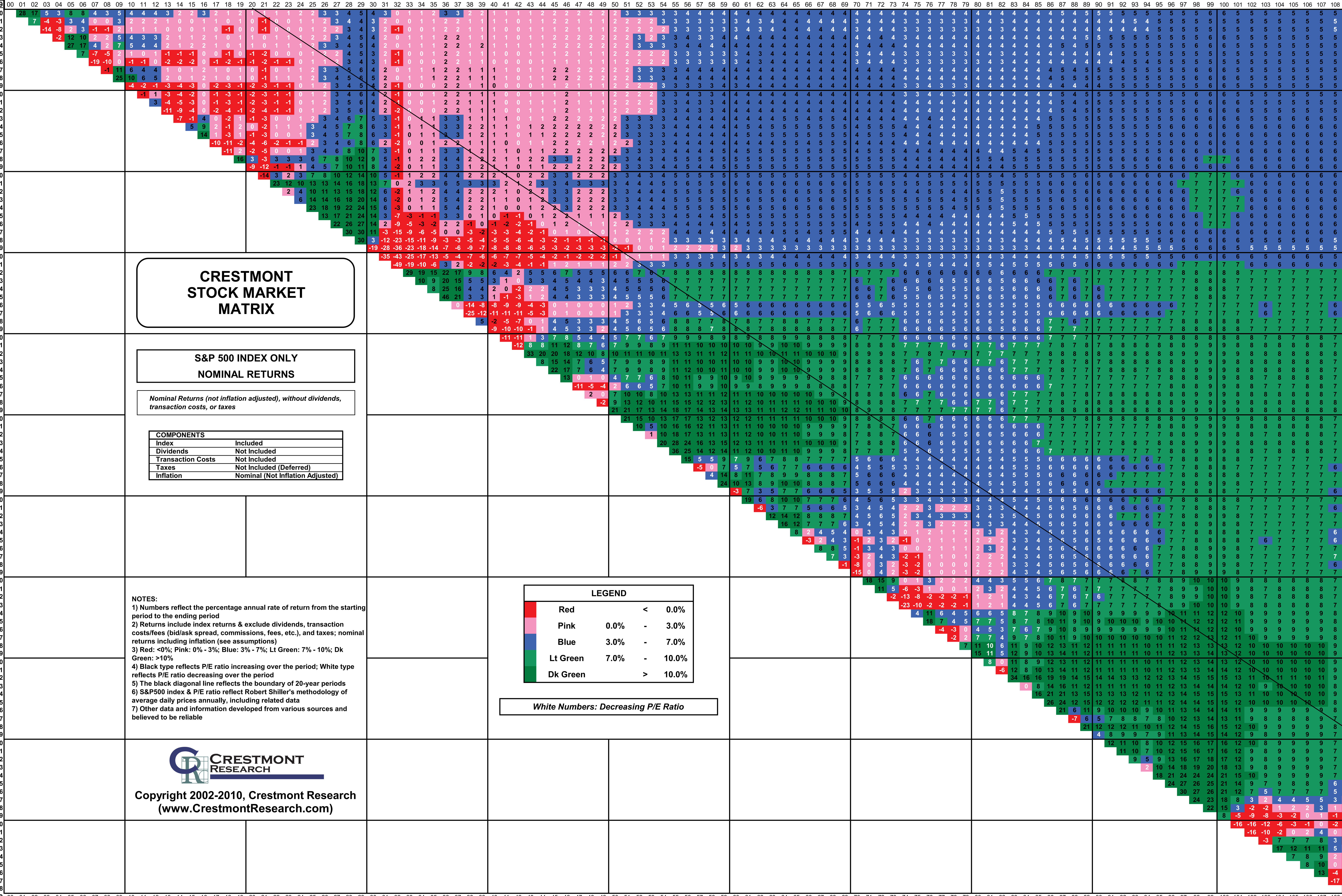
CRESTMONT STOCK MARKET MATRIX

S&P 500 INDEX ONLY

NOMINAL RETURNS

Nominal Returns (not inflation adjusted), without dividends, transaction costs, or taxes



COMPONENTS	
Index	Included
Dividends	Not Included
Transaction Costs	Not Included
Taxes	Not Included (Deferred)
Inflation	Nominal (Not Inflation Adjusted)

LEGEND

Color			
Red		<	0.0%
Pink	0.0%	-	3.0%
Blue	3.0%	-	7.0%
Lt Green	7.0%	-	10.0%
Dk Green		>	10.0%

White Numbers: Decreasing P/E Ratio

NOTES:
1) Numbers reflect the percentage annual rate of return from the starting period to the ending period
2) Returns include index returns & exclude dividends, transaction costs/fees (bid/ask spread, commissions, fees, etc.), and taxes; nominal returns including inflation (see assumptions)
3) Red: <0%; Pink: 0% - 3%; Blue: 3% - 7%; Lt Green: 7% - 10%; Dk Green: >10%
4) Black type reflects P/E ratio increasing over the period; White type reflects P/E ratio decreasing over the period
5) The black diagonal line reflects the boundary of 20-year periods
6) S&P500 index & P/E ratio reflect Robert Shiller's methodology of average daily prices annually, including related data
7) Other data and information developed from various sources and believed to be reliable

CRESTMONT RESEARCH

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FROM Yr	P/E	S&P500	Event	"TO" P/E Ratio	S&P 500 Index	S&P500 Div Yield (%)	CPI (Inflation %)	GDP (Nominal %)	GDP (Real %)
1900	18.6	6.1	Rodin Completes 'The Thinker'	19	6	4	7	4	2
1901	22.7	7.8	First Electric Typewriter	23	8	4	-2	13	12
1902	22.0	8.4	Navy Installs Radio	22	8	4	6	3	2
1903	17.6	7.2	Wright Bros Fly	18	7	5	1	6	3
1904	16.3	7.0	Crayola & Jell-O	16	7	5	0	5	4
1905	19.3	9.0	Pen Gets Pocket Clip	19	9	4	1	9	9
1906	18.7	9.6	S.F. Earthquake	19	10	4	3	8	4
1907	13.4	7.8	Photocopier Marketed	13	8	5	6	3	-2
1908	13.1	7.8	Model T Introduced	13	8	5	-4	-7	-5
1909	14.9	9.7	Chlorine In Drinking Water	15	10	4	8	12	12
1910	13.5	9.4	Electric Range Invented	14	9	5	4	5	0
1911	14.2	9.2	Sherman Anti-Trust Act; Airmail Begins	14	9	5	-8	3	3
1912	13.7	9.5	Titanic Sinks; U.S. Radio Act	14	10	5	7	8	6
1913	11.9	8.5	Income Tax & Federal Reserve	12	9	6	3	5	4
1914	11.1	7.9	WWI Starts; First Transcon. Phone Call	11	8	6	1	-6	-8
1915	11.5	8.3	Americans Avg 40 Phone Calls A Year	11	8	5	1	6	4
1916	12.0	9.5	Keds & Electric Clock Invented	12	9	5	8	27	16
1917	8.8	8.5	US Enters WWI; Einstein Theorizes Lasers	9	8	7	17	20	0
1918	6.4	7.5	WWI Ends	6	8	8	18	26	8
1919	6.5	8.8	Prohibition; Shortwave Radio; Dial Phones	7	9	6	15	11	-3
1920	5.3	8.0	Women's Right To Vote	5	8	7	16	13	-2
1921	5.4	6.9	World Series On Radio; Quartz Crystals	5	7	7	-11	-16	-4
1922	7.5	8.4	100,000 Radios Made In U.S.; 3 Frequencies	8	8	6	-6	0	7
1923	7.9	8.6	500,000 Radios Made; Neon Signs	8	9	6	2	17	14
1924	8.4	9.0	2.5 Million Radios Made; Frozen Food Invented	8	9	6	0	3	3
1925	10.1	11.2	Commercial Picture Fax By Radio In U.S.	10	11	5	2	4	2
1926	11.7	12.6	First Publicly Shown 'Talkie'	12	13	5	1	7	6
1927	15.9	15.3	2-Way Radio Phone: U.S. To London ($15/min)	16	15	5	-2	-1	1
1928	21.8	20.0	Teletype Machine; Test TV In 3 Homes	22	20	4	-2	1	2
1929	27.6	26.0	Crash of '29; Car Radio	28	26	4	0	7	7
1930	21.5	21.0	Photo Flash Bulbs	21	21	5	-2	-12	-9
1931	14.7	13.7	Radios In 40% Of Homes; Scotch Tape	15	14	7	-9	-16	-6
1932	8.1	6.9	Radar; 8 mm Cameras; Electric Eye Scanner	8	7	9	-10	-23	-13
1933	11.1	9.0	End of Prohibition; FM Radio; Wallboard	11	9	5	-5	-4	-1
1934	12.2	9.8	Radios In 50% Of Homes; AP Wirephoto	12	10	5	3	17	11
1935	13.1	10.6	Social Security Act Passed	13	11	4	2	11	9
1936	19.3	15.5	BBC First TV Service, 3 Hours A Day	19	15	4	1	14	13
1937	18.5	15.4	Hindenburg Airship Crash	18	15	5	4	10	5
1938	13.9	11.5	National Minimum Wage Enacted	14	11	6	-2	-6	-3
1939	15.6	12.1	Regular TV Broadcasts In U.S.; Helicopter	16	12	5	-1	7	8
1940	14.7	11.0	World War II Begins; Radar Invented	15	11	6	1	10	9
1941	12.2	9.8	Pearl Harbor Attack; 2-Way Police Radio	12	10	7	5	25	17
1942	9.2	8.7	U.S. Office Of Censorship Due To War	9	9	7	11	28	18
1943	11.0	11.5	Phone Line Repeaters Help Service	11	12	5	6	23	16
1944	11.3	12.5	D-Day, Normandy	11	12	5	2	11	8
1945	13.3	15.2	World War II Ends; FCC Sets VHF Channels	13	15	4	2	2	-1
1946	14.0	17.1	ENIAC, 1st Computer; First Copy Machine Sold	14	17	4	8	0	-11
1947	11.2	15.2	Transistor Invented; Microwave Oven	11	15	5	14	10	-1
1948	10.7	15.5	Israel Established; RCA High Speed Fax	11	16	6	8	10	4
1949	9.9	15.2	NATO Established; Network TV In U.S.	10	15	7	-1	-1	-1
1950	11.2	18.4	Korean War Begins; Credit Card Created	11	18	7	1	10	9
1951	12.0	22.3	Color TV; Modern Plastic Invented	12	22	7	8	15	8
1952	12.5	24.5	Phone Area Codes; EDVAC Computer	12	24	6	2	6	4
1953	12.0	24.7	Korean War Ends; Magnetic Core Memory	12	25	6	1	6	5
1954	13.7	29.7	TVs In 54% Of Homes; Transistor Radios	14	30	5	1	0	-1
1955	17.5	40.5	Tests Begin On Digital Fiber Optics	18	40	4	0	9	7
1956	18.3	46.6	Transatlantic Phone Cable; The Pager	18	47	4	1	5	2
1957	15.6	44.4	Sputnik, First Satellite; EEC Formed	16	44	4	3	5	2
1958	15.1	46.2	Stereo LP Records; Data On Phone Lines	15	46	4	3	1	-1
1959	18.4	57.4	COBOL; Microchip; Plain Paper Xerox	18	57	3	1	8	7
1960	17.4	55.9	90% Homes w/TVs; Laser; Weather Satellite	17	56	3	2	4	2
1961	20.5	66.3	Berlin Wall Built; IBM Selectric Typewriter	20	66	3	1	3	2
1962	18.8	62.4	Cuban Missile Crisis; Mariner II At Venus	19	62	3	1	7	6
1963	20.3	69.9	Kennedy Killed, Income Tax 91% To 70%	20	70	3	1	5	4
1964	22.6	81.4	Vietnam Begins; Home VCR	23	81	3	1	7	6
1965	23.3	88.2	First Minicomputer; Car Phones; Hypertext	23	88	3	2	8	6
1966	21.3	85.3	Dow @ 1,000; 8-Tracks In Cars; Fax Machine	21	85	3	3	10	7
1967	21.6	91.9	Floppy Disk; Cordless Phones; Dolby	22	92	3	3	6	3
1968	21.5	98.7	Intelsat Global Satellite Link; Intel 1KB RAM	21	99	3	4	9	5
1969	19.4	97.8	Neil Armstrong Walks On Moon; ATMs	19	98	3	5	8	3
1970	15.2	83.2	Barcodes; First Internet Connections	15	83	4	6	6	0
1971	16.9	98.3	Microchip, Price Controls; Answering Machine	17	98	3	4	9	3
1972	17.8	109.2	Dow Closes Above 1,000; Pong; HBO	18	109	3	3	10	5
1973	16.1	107.4	U.S. Leaves Vietnam; International Internet	16	107	3	6	12	6
1974	10.9	82.6	Nixon Resigns; Wage & Price Controls End	11	83	4	11	8	-1
1975	10.2	86.2	Microsoft; Optical Videodisk Demo	10	86	4	9	9	0
1976	11.5	102.0	Apple I; Cray-1; Home Satellite Dish	12	102	4	6	12	6
1977	10.4	98.2	Elvis Dies; TRS-80 PC; Fiber Optic Call	10	98	4	7	11	5
1978	9.4	96.0	Modems; Cell Phone Tests; Intel 16-bit Chip	9	96	5	8	13	6
1979	8.9	103.0	CompuServe Online; VisiCalc Spreadsheet	9	103	5	11	12	3
1980	8.8	118.8	CPI 13.5%; CNN; Sony Camcorder	9	119	5	13	9	0
1981	8.5	128.0	IBM PC Introduced; 300 bps Modems	8	128	5	10	12	2
1982	7.3	119.7	Dow Over 1,000; Compact Disk; 5.5 Mil. PCs	7	120	6	6	4	-2
1983	9.6	160.4	AT&T Breakup; 288k Chips; Domain Names	10	160	4	3	8	4
1984	9.4	160.5	3 1/2" Floppy; Intel 32-bit; 1 MB Chips	9	160	5	4	11	7
1985	10.7	186.9	Cellphones; 2400k Modems; Windows OS	11	187	4	4	7	4
1986	13.4	236.4	Laser Printers; TV On 7 Hrs/Day In U.S.	13	236	3	2	6	3
1987	16.0	286.8	Stock Market Crash; 50% Have Cable TV	16	287	3	4	7	3
1988	14.4	265.8	Transatlantic Fiberoptic Cable; Internet T1	14	266	3	4	8	4
1989	16.6	322.8	Poland Solidarity; Nintendo Profits @ $1 Bil.	17	323	3	5	7	4
1990	16.5	334.6	World Wide Web (www)	16	335	3	5	6	2
1991	17.9	376.2	Gulf War; USSR Breakup; 75% Have VCRs	18	376	3	4	3	0
1992	19.6	415.7	65 Mil. PCs; 200k On AOL; CDs > Cassettes	20	416	3	3	6	3
1993	20.7	451.4	Pentium Chip; HTML; V-Chip	21	451	3	3	5	3
1994	20.5	460.3	First WTC Attack; Satellite TV; 33% w/PC	20	460	3	3	6	4
1995	22.7	541.6	NAFTA Enacted; Dot.com; Internet Audio	23	542	2	3	5	3
1996	25.9	670.8	100k Web Sites; 30 Mil In U.S. On Internet	26	671	2	3	6	4
1997	31.0	872.7	Internet Video; 43% In U.S. Have PCs	31	873	2	2	6	4
1998	36.0	1084.3	Russia Debt Default; 75 Mil U.S. On Internet	36	1084	1	2	6	4
1999	42.1	1326.1	Satellite Can See 3' Objects On Earth	42	1326	1	2	6	4
2000	41.7	1427.0	Dow Hits 11,723; NASDAQ Hits 5,048	42	1427	1	3	6	4
2001	32.1	1192.1	WTC Attack (9/11); >50% U.S. On Internet; iPod	32	1192	1	3	3	1
2002	25.9	995.7	HDTV Grows; Wi-Fi Laptops; DVD Sales>VCR	26	996	2	2	3	2
2003	24.1	963.7	Iraq Conflict; Home Networks; T-Bills @ <1%	24	964	2	2	5	2
2004	26.4	1130.7	Hybrid Cars; Flat Panel TVs; Blogs; VoIP	26	1131	2	3	7	4
2005	26.0	1209.8	Hurricanes; $70 Oil; Podcasts; Housing Boom	26	1210	2	3	6	3
2006	26.0	1310.5	YouTube; Dow High; Pluto Demoted; Fed Pause	26	1310	2	3	6	3
2007	26.8	1476.7	iPhone; Sub-Prime; Going Green; Facebook	27	1477	2	3	5	2
2008	20.8	1220.0	Recession; Wall Street Crisis; $144 Oil; Obama	21	1220	2	4	3	0
2009			H1N1; Jackson Dies; GM Bankruptcy; Digital TV	17	948	2	0	-1	-2
Avg						4.3%	3.2%	6.5%	3.4%

Decade	GDP (Annualized %) Nominal	GDP (Annualized %) Real
1900–1909	+5.3%	+3.9%
1910–1919	+10.0%	+2.9%
1920–1929	+3.0%	+3.4%
1930–1939	-1.2%	+0.9%
1940–1949	+11.3%	+5.6%
1950–1959	+6.6%	+4.1%
1960–1969	+6.9%	+4.4%
1970–1979	+10.0%	+3.2%
1980–1989	+7.9%	+3.0%
1990–1999	+5.4%	+3.1%
2000–2009	+4.3%	+1.9%