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)

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

LEGEND			
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

CRESTMONT RESEARCH

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P/E	S&P500	FROM \ TO Yr: 19
18.6	6.1	1900
22.7	7.8	1901
22.0	8.4	1902
17.6	7.2	1903
16.3	7.0	1904
19.3	9.0	1905
18.7	9.6	1906
13.4	7.8	1907
13.1	7.8	1908
14.9	9.7	1909
13.5	9.4	1910
14.2	9.2	1911
13.7	9.5	1912
11.9	8.5	1913
11.1	7.9	1914
11.5	8.3	1915
12.0	9.5	1916
8.8	8.5	1917
6.4	7.5	1918
6.5	8.8	1919
5.3	8.0	1920
5.4	6.9	1921
7.5	8.4	1922
7.9	8.6	1923
8.4	9.0	1924
10.1	11.2	1925
11.7	12.6	1926
15.9	15.3	1927
21.8	20.0	1928
27.6	26.0	1929
21.5	21.0	1930
14.7	13.7	1931
8.1	6.9	1932
11.1	9.0	1933
12.2	9.8	1934
13.1	10.6	1935
19.3	15.5	1936
18.5	15.4	1937
13.9	11.5	1938
15.6	12.1	1939
14.7	11.0	1940
12.2	9.8	1941
9.2	8.7	1942
11.0	11.5	1943
11.3	12.5	1944
13.3	15.2	1945
14.0	17.1	1946
11.2	15.2	1947
10.7	15.5	1948
9.9	15.2	1949
11.2	18.4	1950
12.0	22.3	1951
12.5	24.5	1952
12.0	24.7	1953
13.7	29.7	1954
17.5	40.5	1955
18.3	46.6	1956
15.6	44.4	1957
15.1	46.2	1958
18.4	57.4	1959
17.4	55.9	1960
20.5	66.3	1961
18.8	62.4	1962
20.3	69.9	1963
22.6	81.4	1964
23.3	88.2	1965
21.3	85.3	1966
21.6	91.9	1967
21.5	98.7	1968
19.4	97.8	1969
15.2	83.2	1970
16.9	98.3	1971
17.8	109.2	1972
16.1	107.4	1973
10.9	82.6	1974
10.2	86.2	1975
11.5	102.0	1976
10.4	98.2	1977
9.4	96.0	1978
8.9	103.0	1979
8.8	118.8	1980
8.5	128.0	1981
7.3	119.7	1982
9.6	160.4	1983
9.4	160.5	1984
10.7	186.9	1985
13.4	236.4	1986
16.0	286.8	1987
14.4	265.8	1988
16.6	322.8	1989
16.5	334.6	1990
17.9	376.2	1991
19.6	415.7	1992
20.7	451.4	1993
20.5	460.3	1994
22.7	541.6	1995
25.9	670.8	1996
31.0	872.7	1997
36.0	1084.3	1998
42.1	1326.1	1999
41.7	1427.0	2000
32.1	1192.1	2001
25.9	995.7	2002
24.1	963.7	2003
26.4	1130.7	2004
26.0	1209.8	2005
26.0	1310.5	2006
26.8	1476.7	2007
20.8	1220.0	2008

Yr: 19	00	01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65
S&P 500 Index Value	6	8	8	7	7	9	10	8	8	10	9	9	10	9	8	8	9	8	8	9	8	7	8	9	9	11	13	15	20	26	21	14	7	9	10	11	15	15	11	12	11	10	9	12	12	15	17	15	16	15	18	22	24	25	30	40	47	44	46	57	56	66	62	70	81	88
S&P500 Div Yield (%)	4	4	4	5	5	4	4	5	5	4	5	5	5	6	6	5	5	7	8	6	7	7	6	6	6	5	5	5	4	4	5	7	9	5	5	4	4	5	6	5	6	7	7	5	5	4	4	5	6	7	7	7	6	6	5	4	4	4	4	3	3	3	3	3	3	3
CPI (Inflation %)	7	-2	6	1	0	1	3	6	-4	8	4	-8	7	3	1	1	8	17	18	15	16	-11	-6	2	0	2	1	-2	-2	0	-2	-9	-10	-5	3	2	1	4	-2	-1	1	5	11	6	2	2	8	14	8	-1	1	8	2	1	1	0	1	3	3	1	2	1	1	1	1	2
GDP (Nominal %)	4	13	3	6	5	9	8	3	-7	12	5	3	8	5	-6	6	27	20	26	11	13	-16	0	17	3	4	7	-1	1	7	-12	-16	-23	-4	17	11	14	10	-6	7	10	25	28	23	11	2	0	10	10	-1	10	15	6	6	0	9	5	5	1	8	4	3	7	5	7	8
GDP (Annualized %)	[----------				+5.3%					----------]	[----------				+10.0%					----------]	[----------				+3.0%					----------]	[----------				-1.2%					----------]	[----------				+11.3%					----------]	[----------				+6.6%					----------]	[----------				+6.9%					
GDP (Real %)	2	12	2	3	4	9	4	-2	-5	12	0	3	6	4	-8	4	16	0	8	-3	-2	-4	7	14	3	2	6	1	2	7	-9	-6	-13	-1	11	9	13	5	-3	8	9	17	18	16	8	-1	-11	-1	4	-1	9	8	4	5	-1	7	2	2	-1	7	2	2	6	4	6	6
GDP (Annualized %)	[----------				+3.9%					----------]	[----------				+2.9%					----------]	[----------				+3.4%					----------]	[----------				+0.9%					----------]	[----------				+5.6%					----------]	[----------				+4.1%					----------]	[----------				+4.4%					

P/E Ratio	S&P 500 Index	←"TO" Year	FROM	
21	85	66	1901	First Electric Typewriter
22	92	67	1902	Navy Installs Radio
21	99	68	1903	Wright Bros Fly
19	98	69	1904	Crayola & Jell-O
15	83	70	1905	Pen Gets Pocket Clip
17	98	71	1906	S.F. Earthquake
18	109	72	1907	Photocopier Marketed
16	107	73	1908	Model T Introduced
11	83	74	1909	Chlorine In Drinking Water
10	86	75	1910	Electric Range Invented
12	102	76	1911	Sherman Anti-Trust Act; Airmail Begins
10	98	77	1912	Titanic Sinks; U.S. Radio Act
9	96	78	1913	Income Tax & Federal Reserve
9	103	79	1914	WWI Starts; First Transcon. Phone Call
9	119	80	1915	Americans Avg 40 Phone Calls A Year
8	128	81	1916	Keds & Electric Clock Invented
7	120	82	1917	US Enters WWI; Einstein Theorizes Lasers
10	160	83	1918	WWI Ends
9	160	84	1919	Prohibition; Shortwave Radio; Dial Phones
11	187	85	1920	Women's Right To Vote
13	236	86	1921	World Series On Radio; Quartz Crystals
16	287	87	1922	100,000 Radios Made In U.S.; 3 Frequencies
14	266	88	1923	500,000 Radios Made; Neon Signs
17	323	89	1924	2.5 Million Radios Made; Frozen Food Invented
16	335	90	1925	Commercial Picture Fax By Radio In U.S.
18	376	91	1926	First Publicly Shown 'Talkie'
20	416	92	1927	2-Way Radio Phone: U.S. To London ($15/min)
21	451	93	1928	Teletype Machine; Test TV In 3 Homes
20	460	94	1929	Crash of '29; Car Radio
23	542	95	1930	Photo Flash Bulbs
26	671	96	1931	Radios In 40% Of Homes; Scotch Tape
31	873	97	1932	Radar; 8 mm Cameras; Electric Eye Scanner
36	1084	98	1933	End of Prohibition; FM Radio; Wallboard
42	1326	99	1934	Radios In 50% Of Homes; AP Wirephoto
42	1427	100	1935	Social Security Act Passed
32	1192	101	1936	BBC First TV Service, 3 Hours A Day
26	996	102	1937	Hindenburg Airship Crash
24	964	103	1938	National Minimum Wage Enacted
26	1131	104	1939	Regular TV Broadcasts In U.S.; Helicopter
26	1210	105	1940	World War II Begins; Radar Invented
26	1310	106	1941	Pearl Harbor Attack; 2-Way Police Radio
27	1477	107	1942	U.S. Office Of Censorship Due To War
21	1220	108	1943	Phone Line Repeaters Help Service
17	948	109	1944	D-Day, Normandy
			1945	World War II Ends; FCC Sets VHF Channels
			1946	ENIAC, 1st Computer; First Copy Machine Sold
			1947	Transistor Invented; Microwave Oven
			1948	Israel Established; RCA High Speed Fax
			1949	NATO Established; Network TV In U.S.
			1950	Korean War Begins; Credit Card Created
			1951	Color TV; Modern Plastic Invented
			1952	Phone Area Codes; EDVAC Computer
			1953	Korean War Ends; Magnetic Core Memory
			1954	TVs In 54% Of Homes; Transistor Radios
			1955	Tests Begin On Digital Fiber Optics
			1956	Transatlantic Phone Cable; The Pager
			1957	Sputnik, First Satellite; EEC Formed
			1958	Stereo LP Records; Data On Phone Lines
			1959	COBOL; Microchip; Plain Paper Xerox
			1960	90% Homes w/TVs; Laser; Weather Satellite
			1961	Berlin Wall Built; IBM Selectric Typewriter
			1962	Cuban Missile Crisis; Mariner II At Venus
			1963	Kennedy Killed, Income Tax 91% To 70%
			1964	Vietnam Begins; Home VCR
			1965	First Minicomputer; Car Phones; Hypertext
			1966	Dow @ 1,000; 8-Tracks In Cars; Fax Machine
			1967	Floppy Disk; Cordless Phones; Dolby
			1968	Intelsat Global Satellite Link; Intel 1KB RAM
			1969	Neil Armstrong Walks On Moon; ATMs
			1970	Barcodes; First Internet Connections
			1971	Microchip, Price Controls; Answering Machine
			1972	Dow Closes Above 1,000; Pong; HBO
			1973	U.S. Leaves Vietnam; International Internet
			1974	Nixon Resigns; Wage & Price Controls End
			1975	Microsoft; Optical Videodisk Demo
			1976	Apple I; Cray-1; Home Satellite Dish
			1977	Elvis Dies; TRS-80 PC; Fiber Optic Call
			1978	Modems; Cell Phone Tests; Intel 16-bit Chip
			1979	CompuServe Online; VisiCalc Spreadsheet
			1980	CPI 13.5%; CNN; Sony Camcorder
			1981	IBM PC Introduced; 300 bps Modems
			1982	Dow Over 1,000; Compact Disk; 5.5 Mil. PCs
			1983	AT&T Breakup; 288k Chips; Domain Names
			1984	3 1/2" Floppy; Intel 32-bit; 1 MB Chips
			1985	Cellphones; 2400k Modems; Windows OS
			1986	Laser Printers; TV On 7 Hrs/Day In U.S.
			1987	Stock Market Crash; 50% Have Cable TV
			1988	Transatlantic Fiberoptic Cable; Internet T1
			1989	Poland Solidarity; Nintendo Profits @ $1 Bil.
			1990	World Wide Web (www)
			1991	Gulf War; USSR Breakup; 75% Have VCRs
			1992	65 Mil. PCs; 200k On AOL; CDs > Cassettes
			1993	Pentium Chip; HTML; V-Chip
			1994	First WTC Attack; Satellite TV; 33% w/PC
			1995	NAFTA Enacted; Dot.com; Internet Audio
			1996	100k Web Sites; 30 Mil In U.S. On Internet
			1997	Internet Video; 43% In U.S. Have PCs
			1998	Russia Debt Default; 75 Mil U.S. On Internet
			1999	Satellite Can See 3' Objects On Earth
			2000	Dow Hits 11,723; NASDAQ Hits 5,048
			2001	WTC Attack (9/11); >50% U.S. On Internet; iPod
			2002	HDTV Grows; Wi-Fi Laptops; DVD Sales>VCR
			2003	Iraq Conflict; Home Networks; T-Bills @ <1%
			2004	Hybrid Cars; Flat Panel TVs; Blogs; VoIP
			2005	Hurricanes; $70 Oil; Podcasts; Housing Boom
			2006	YouTube; Dow High; Pluto Demoted; Fed Pause
			2007	iPhone; Sub-Prime; Going Green; Facebook
			2008	Recession; Wall Street Crisis; $144 Oil; Obama
			2009	H1N1; Jackson Dies; GM Bankruptcy; Digital TV
			4.3%	Avg
			3.2%	Avg
			6.5%	Avg
			3.4%	Avg