CRESTMONT STOCK MARKET MATRIX

RETIREMENT ACCOUNT (TAX DEFERRED)
NOMINAL RETURNS

Nominal Returns (not inflation adjusted), including dividends (reinvested), transaction costs, and taxes deferred

COMPONENTS	
Index	Included
Dividends	Included (Reinvested)
Transaction Costs	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, dividends, and transaction costs/fees (bid/ask spread, commissions, fees, etc.) & exclude 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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FROM		TO	P/E Ratio
P/E	1900=1.0	Yr: 19	1900 = 1.0
18.6	0.1	1900	← "TO" Year
22.7	0.1	1901	FROM Rodin Completes 'The Thinker'
22.0	0.1	1902	1901 First Electric Typewriter
17.6	0.1	1903	1902 Navy Installs Radio
16.3	0.1	1904	1903 Wright Bros Fly
19.3	0.2	1905	1904 Crayola & Jell-O
18.7	0.2	1906	1905 Pen Gets Pocket Clip
13.4	0.1	1907	1906 S.F. Earthquake
13.1	0.1	1908	1907 Photocopier Marketed
14.9	0.2	1909	1908 Model T Introduced
13.5	0.2	1910	1909 Chlorine In Drinking Water
14.2	0.2	1911	1910 Electric Range Invented
13.7	0.2	1912	1911 Sherman Anti-Trust Act; Airmail Begins
11.9	0.2	1913	1912 Titanic Sinks; U.S. Radio Act
11.1	0.2	1914	1913 Income Tax & Federal Reserve
11.5	0.2	1915	1914 WWI Starts; First Transcon. Phone Call
12.0	0.2	1916	1915 Americans Avg 40 Phone Calls A Year
8.8	0.2	1917	1916 Keds & Electric Clock Invented
6.4	0.2	1918	1917 US Enters WWI; Einstein Theorizes Lasers
6.5	0.2	1919	1918 WWI Ends
5.3	0.2	1920	1919 Prohibition; Shortwave Radio; Dial Phones
5.4	0.2	1921	1920 Women's Right To Vote
7.5	0.3	1922	1921 World Series On Radio; Quartz Crystals
7.9	0.3	1923	1922 100,000 Radios Made In U.S.; 3 Frequencies
8.4	0.3	1924	1923 500,000 Radios Made; Neon Signs
10.1	0.4	1925	1924 2.5 Million Radios Made; Frozen Food Invented
11.7	0.5	1926	1925 Commercial Picture Fax By Radio In U.S.
15.9	0.6	1927	1926 First Publicly Shown 'Talkie'
21.8	0.8	1928	1927 2-Way Radio Phone: U.S. To London ($15/min)
27.6	1.0	1929	1928 Teletype Machine; Test TV In 3 Homes
21.5	0.8	1930	1929 Crash of '29; Car Radio
14.7	0.6	1931	1930 Photo Flash Bulbs
8.1	0.3	1932	1931 Radios In 40% Of Homes; Scotch Tape
11.1	0.4	1933	1932 Radar; 8 mm Cameras; Electric Eye Scanner
12.2	0.5	1934	1933 End of Prohibition; FM Radio; Wallboard
13.1	0.5	1935	1934 Radios In 50% Of Homes; AP Wirephoto
19.3	0.8	1936	1935 Social Security Act Passed
18.5	0.8	1937	1936 BBC First TV Service, 3 Hours A Day
13.9	0.6	1938	1937 Hindenburg Airship Crash
15.6	0.6	1939	1938 National Minimum Wage Enacted
14.7	0.6	1940	1939 Regular TV Broadcasts In U.S.; Helicopter
12.2	0.6	1941	1940 World War II Begins; Radar Invented
9.2	0.5	1942	1941 Pearl Harbor Attack; 2-Way Police Radio
11.0	0.7	1943	1942 U.S. Office Of Censorship Due To War
11.3	0.8	1944	1943 Phone Line Repeaters Help Service
13.3	1.0	1945	1944 D-Day, Normandy
14.0	1.2	1946	1945 World War II Ends; FCC Sets VHF Channels
11.2	1.1	1947	1946 ENIAC, 1st Computer; First Copy Machine Sold
10.7	1.1	1948	1947 Transistor Invented; Microwave Oven
9.9	1.1	1949	1948 Israel Established; RCA High Speed Fax
11.2	1.4	1950	1949 NATO Established; Network TV In U.S.
12.0	1.8	1951	1950 Korean War Begins; Credit Card Created
12.5	2.1	1952	1951 Color TV; Modern Plastic Invented
12.0	2.2	1953	1952 Phone Area Codes; EDVAC Computer
13.7	2.7	1954	1953 Korean War Ends; Magnetic Core Memory
17.5	3.8	1955	1954 TVs In 54% Of Homes; Transistor Radios
18.3	4.5	1956	1955 Tests Begin On Digital Fiber Optics
15.6	4.3	1957	1956 Transatlantic Phone Cable; The Pager
15.1	4.6	1958	1957 Sputnik, First Satellite; EEC Formed
18.4	5.8	1959	1958 Stereo LP Records; Data On Phone Lines
17.4	5.7	1960	1959 COBOL; Microchip; Plain Paper Xerox
20.5	6.9	1961	1960 90% Homes w/TVs; Laser; Weather Satellite
18.8	6.5	1962	1961 Berlin Wall Built; IBM Selectric Typewriter
20.3	7.4	1963	1962 Cuban Missile Crisis; Mariner II At Venus
22.6	8.7	1964	1963 Kennedy Killed, Income Tax 91% To 70%
23.3	9.5	1965	1964 Vietnam Begins; Home VCR
21.3	9.3	1966	1965 First Minicomputer; Car Phones; Hypertext
21.6	10.1	1967	1966 Dow @ 1,000; 8-Tracks In Cars; Fax Machine
21.5	11.0	1968	1967 Floppy Disk; Cordless Phones; Dolby
19.4	11.0	1969	1968 Intelsat Global Satellite Link; Intel 1KB RAM
15.2	9.5	1970	1969 Neil Armstrong Walks On Moon; ATMs
16.9	11.4	1971	1970 Barcodes; First Internet Connections
17.8	12.8	1972	1971 Microchip, Price Controls; Answering Machine
16.1	12.7	1973	1972 Dow Closes Above 1,000; Pong; HBO
10.9	9.8	1974	1973 U.S. Leaves Vietnam; International Internet
10.2	10.5	1975	1974 Nixon Resigns; Wage & Price Controls End
11.5	12.7	1976	1975 Microsoft; Optical Videodisk Demo
10.4	12.4	1977	1976 Apple I; Cray-1; Home Satellite Dish
9.4	12.4	1978	1977 Elvis Dies; TRS-80 PC; Fiber Optic Call
8.9	13.7	1979	1978 Modems; Cell Phone Tests; Intel 16-bit Chip
8.8	16.3	1980	1979 CompuServe Online; VisiCalc Spreadsheet
8.5	18.1	1981	1980 CPI 13.5%; CNN; Sony Camcorder
7.3	17.4	1982	1981 IBM PC Introduced; 300 bps Modems
9.6	24.2	1983	1982 Dow Over 1,000; Compact Disk; 5.5 Mil. PCs
9.4	24.7	1984	1983 AT&T Breakup; 288k Chips; Domain Names
10.7	29.5	1985	1984 3 1/2" Floppy; Intel 32-bit; 1 MB Chips
13.4	38.1	1986	1985 Cellphones; 2400k Modems; Windows OS
16.0	46.9	1987	1986 Laser Printers; TV On 7 Hrs/Day In U.S.
14.4	43.8	1988	1987 Stock Market Crash; 50% Have Cable TV
16.6	54.0	1989	1988 Transatlantic Fiberoptic Cable; Internet T1
16.5	56.6	1990	1989 Poland Solidarity; Nintendo Profits @ $1 Bil.
17.9	64.5	1991	1990 World Wide Web (www)
19.6	72.1	1992	1991 Gulf War; USSR Breakup; 75% Have VCRs
20.7	79.0	1993	1992 65 Mil. PCs; 200k On AOL; CDs > Cassettes
20.5	81.2	1994	1993 Pentium Chip; HTML; V-Chip
22.7	96.2	1995	1994 First WTC Attack; Satellite TV; 33% w/PC
25.9	119.7	1996	1995 NAFTA Enacted; Dot.com; Internet Audio
31.0	155.9	1997	1996 100k Web Sites; 30 Mil In U.S. On Internet
36.0	193.1	1998	1997 Internet Video; 43% In U.S. Have PCs
42.1	234.8	1999	1998 Russia Debt Default; 75 Mil U.S. On Internet
41.7	250.7	2000	1999 Satellite Can See 3' Objects On Earth
32.1	207.6	2001	2000 Dow Hits 11,723; NASDAQ Hits 5,048
25.9	172.1	2002	2001 WTC Attack (9/11); >50% U.S. On Internet; iPod
24.1	165.9	2003	2002 HDTV Grows; Wi-Fi Laptops; DVD Sales>VCR
26.4	194.2	2004	2003 Iraq Conflict; Home Networks; T-Bills @ <1%
26.0	207.2	2005	2004 Hybrid Cars; Flat Panel TVs; Blogs; VoIP
26.0	224.0	2006	2005 Hurricanes; $70 Oil; Podcasts; Housing Boom
26.8	252.0	2007	2006 YouTube; Dow High; Pluto Demoted; Fed Pause
20.8	207.9	2008	2007 iPhone; Sub-Prime; Going Green; Facebook
		Yr: 19	2008 Recession; Wall Street Crisis; $144 Oil; Obama
S&P 500 Index Value			2009 H1N1; Jackson Dies; GM Bankruptcy; Digital TV
S&P500 Div Yield (%)			4.3% Avg
CPI (Inflation %)			3.2% Avg
GDP (Nominal %)			6.5% Avg
GDP (Annualized %)		+5.3% / +10.0% / +3.0% / -1.2% / +11.3% / +6.6% / +6.9% / +10.0% / +7.9% / +5.4% / +4.3%	
GDP (Real %)			3.4% Avg
GDP (Annualized %)		+3.9% / +2.9% / +3.4% / +0.9% / +5.6% / +4.1% / +4.4% / +3.2% / +3.0% / +3.1% / +1.9%	