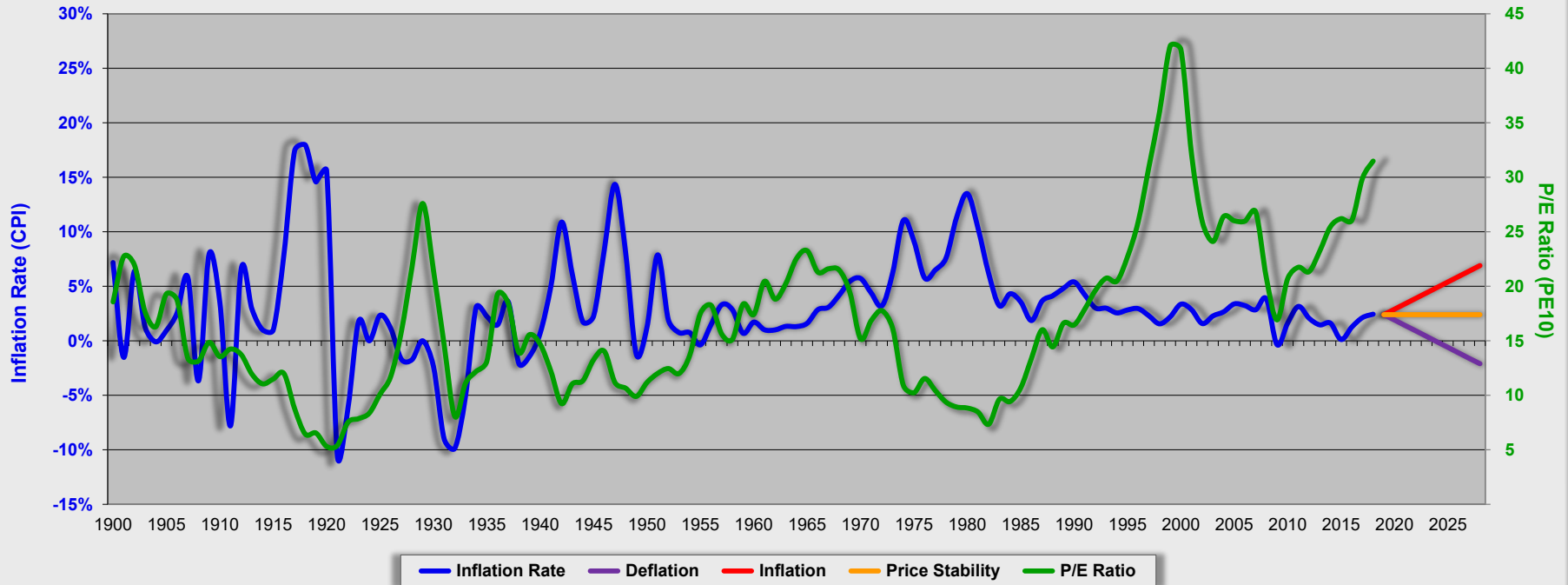


## RELATIONSHIP OF INFLATION & PRICE/EARNINGS RATIOS (1900 - 2018)

HISTORY OF INFLATION TRENDS (CPI; left scale) AND THE PRICE/EARNINGS RATIO (right scale)



AVERAGE P/E RATIO BY RANGE OF INFLATION

CPI RANGE		ALL PERIODS (1900-2018)		EXCL. LATE 1990s+ (1900-1994)	
		AVG CPI	AVG P/E	AVG CPI	AVG P/E
less than	0.00%	-3.8%	14	-4.0%	14
0.00%	0.99%	0.5%	18	0.6%	16
1.00%	1.99%	1.4%	19	1.4%	16
2.00%	2.99%	2.5%	23	2.6%	16
3.00%	3.99%	3.3%	19	3.3%	16
4.00%	4.99%	4.3%	16	4.3%	16
5.00%	5.99%	5.5%	15	5.5%	15
6.00%	9.99%	7.3%	13	7.3%	13
10.0%	and more	13.7%	8	13.7%	8

