

## SECULAR BULL & BEAR MARKETS PROFILE: 2021

Market Cycle		# Total Years	Market	P/E Ratio		Inflation		# Positive Years	# Negative Years	(% Positive Years)	(% Negative Years)	Max Pos. Yrs In Row	Max Neg. Yrs In Row	Avg Gain In Pos. Years	Avg Loss In Neg. Years	Change Begin To End
From	To			Beg.	End	Beg.	End									
1901	1920	20	BEAR	23	5	-2%	16%	9	11	45%	55%	2	3	30%	-17%	2%
1921	1928	8	BULL	5	22	-11%	-2%	7	1	88%	13%	5	1	24%	-3%	317%
1929	1932	4	BEAR	28	8	0%	-10%	0	4	0%	100%	0	4	n/a	-32%	-80%
1933	1936	4	BULL	11	19	-5%	1%	4	0	100%	0%	4	0	34%	n/a	200%
1937	1941	5	BEAR	18	12	4%	5%	1	4	20%	80%	1	3	28%	-16%	-38%
1942	1965	24	BULL	9	23	11%	2%	18	6	75%	25%	4	1	16%	-8%	774%
1966	1981	16	BEAR	21	8	3%	10%	9	7	56%	44%	3	2	13%	-15%	-10%
1982	1999	18	BULL	7	42	6%	2%	16	2	89%	11%	9	1	18%	-4%	1214%
2000	????		BEAR	42		3%		15	7	68%	32%	6	3	14%	-10%	216%
WEIGHTED AVERAGE BEAR (excluding 2000)										42%	58%	2.1	2.7	21%	-18%	-14%
WEIGHTED AVERAGE BULL										83%	17%	5.8	0.9	19%	-5%	810%

*Notes: The index and returns reflect the Dow Jones Industrial Average at year-end from Dow Jones & Company. The P/E ratio is based upon the S&P 500 as developed and presented by Robert Shiller (Yale; Irrational Exuberance). Bull & Bear Market classifications are based upon Crestmont's assessment of cycles using peak and trough P/E ratios, inflation trends, and other analysis. The presentation does not include dividends, taxes, inflation adjustments, or transaction costs.*

RETURN PATTERN (Red = down year; Green = up year; # = annual change in the index; starting and ending DJIA index is presented on the ends of the rows)																													
<b>1901-1920: BEAR</b>	<b>71</b>	<b>-9%</b>	<b>0%</b>	<b>-24%</b>	<b>42%</b>	<b>38%</b>	<b>-2%</b>	<b>-38%</b>	<b>47%</b>	<b>15%</b>	<b>-18%</b>	<b>0%</b>	<b>8%</b>	<b>-10%</b>	<b>-31%</b>	<b>82%</b>	<b>-4%</b>	<b>-22%</b>	<b>11%</b>	<b>30%</b>	<b>-33%</b>					<b>72</b>			
P/E Ratio		23	22	18	16	19	19	13	13	15	14	14	14	12	11	11	12	9	6	7	5								
CPI: Inflation		-2%	6%	1%	0%	1%	3%	6%	-4%	8%	4%	-8%	7%	3%	1%	1%	8%	17%	18%	15%	16%								
<b>1921-1928: BULL</b>	<b>72</b>	<b>13%</b>	<b>22%</b>	<b>-3%</b>	<b>26%</b>	<b>30%</b>	<b>0%</b>	<b>29%</b>	<b>48%</b>												<b>300</b>								
P/E Ratio		5	8	8	8	10	12	16	22																				
CPI: Inflation		-11%	-6%	2%	0%	2%	1%	-2%	-2%																				
<b>1929-1932: BEAR</b>	<b>300</b>	<b>-17%</b>	<b>-34%</b>	<b>-53%</b>	<b>-23%</b>												<b>60</b>												
P/E Ratio		28	21	15	8																								
CPI: Inflation		0%	-2%	-9%	-10%																								
<b>1933-1936: BULL</b>	<b>60</b>	<b>67%</b>	<b>4%</b>	<b>39%</b>	<b>25%</b>												<b>180</b>												
P/E Ratio		11	12	13	19																								
CPI: Inflation		-5%	3%	2%	1%																								
<b>1937-1941: BEAR</b>	<b>180</b>	<b>-33%</b>	<b>28%</b>	<b>-3%</b>	<b>-13%</b>	<b>-15%</b>												<b>111</b>											
P/E Ratio		18	14	16	15	12																							
CPI: Inflation		4%	-2%	-1%	1%	5%																							
<b>1942-1965: BULL</b>	<b>111</b>	<b>8%</b>	<b>14%</b>	<b>12%</b>	<b>27%</b>	<b>-8%</b>	<b>2%</b>	<b>-2%</b>	<b>13%</b>	<b>18%</b>	<b>14%</b>	<b>8%</b>	<b>-4%</b>	<b>44%</b>	<b>21%</b>	<b>2%</b>	<b>-13%</b>	<b>34%</b>	<b>16%</b>	<b>-9%</b>	<b>19%</b>	<b>-11%</b>	<b>17%</b>	<b>15%</b>	<b>11%</b>	<b>969</b>			
P/E Ratio		9	11	11	13	14	11	10	11	12	12	12	14	18	18	16	15	18	17	20	19	20	23	23					
CPI: Inflation		11%	6%	2%	2%	8%	14%	8%	-1%	1%	8%	2%	1%	0%	1%	3%	3%	3%	1%	2%	1%	1%	1%	2%	2%				
<b>1966-1981: BEAR</b>	<b>969</b>	<b>-19%</b>	<b>15%</b>	<b>4%</b>	<b>-15%</b>	<b>5%</b>	<b>6%</b>	<b>15%</b>	<b>-17%</b>	<b>-28%</b>	<b>38%</b>	<b>18%</b>	<b>-17%</b>	<b>-3%</b>	<b>4%</b>	<b>15%</b>	<b>-9%</b>												<b>875</b>
P/E Ratio		21	22	21	19	15	17	18	16	11	10	12	10	9	9	8													
CPI: Inflation		3%	3%	4%	5%	6%	4%	3%	6%	11%	9%	6%	7%	8%	11%	13%	10%												
<b>1982-1999: BULL</b>	<b>875</b>	<b>20%</b>	<b>20%</b>	<b>-4%</b>	<b>28%</b>	<b>23%</b>	<b>2%</b>	<b>12%</b>	<b>27%</b>	<b>-4%</b>	<b>20%</b>	<b>4%</b>	<b>14%</b>	<b>2%</b>	<b>33%</b>	<b>26%</b>	<b>23%</b>	<b>16%</b>	<b>25%</b>							<b>11497</b>			
P/E Ratio		7	10	9	11	13	16	14	17	16	18	20	21	20	23	26	31	36	42										
CPI: Inflation		6%	3%	4%	4%	2%	4%	4%	5%	5%	4%	3%	3%	3%	3%	3%	2%	2%	2%										
<b>2000-????: BEAR</b>	<b>11497</b>	<b>-6%</b>	<b>-7%</b>	<b>-17%</b>	<b>25%</b>	<b>3%</b>	<b>-1%</b>	<b>16%</b>	<b>6%</b>	<b>-34%</b>	<b>19%</b>	<b>11%</b>	<b>6%</b>	<b>7%</b>	<b>26%</b>	<b>8%</b>	<b>-2%</b>	<b>13%</b>	<b>25%</b>	<b>-6%</b>	<b>22%</b>	<b>7%</b>	<b>19%</b>						
P/E Ratio		42	32	26	24	26	26	26	27	21	17	21	22	21	23	25	26	26	30	31	29	30	37						
CPI: Inflation		3%	3%	2%	2%	3%	3%	3%	3%	4%	0%	2%	3%	2%	1%	2%	0%	1%	2%	2%	2%	1%	5%						