



The Roaring '20s and Depression Years

|                | Small<br>Company<br>Stocks | Large<br>Company<br>Stocks | Long-Term<br>Corporate<br>Bonds | Intermediate<br>Government<br>Bonds | U.S.<br>Treasury<br>Bills | Inflation | Significant<br>Historical Event |
|----------------|----------------------------|----------------------------|---------------------------------|-------------------------------------|---------------------------|-----------|---------------------------------|
| 1926           | 0.3%                       | 11.6%                      | 7.4%                            | 5.4%                                | 3.3%                      | -1.5%     |                                 |
| 1927           | 22.1%                      | 37.5%                      | 7.4%                            | 4.5%                                | 3.1%                      | -2.1%     |                                 |
| 1928           | 39.7%                      | 43.6%                      | 2.8%                            | 0.9%                                | 3.6%                      | -1.0%     |                                 |
| 1929           | -51.4%                     | -8.4%                      | 3.3%                            | 6.0%                                | 4.7%                      | 0.2%      | 1929 Stock Market "Crash"       |
| 1930           | -38.1%                     | -24.9%                     | 8.0%                            | 6.7%                                | 2.4%                      | -6.0%     | Great Depression Begins         |
| 1931           | -49.8%                     | -43.3%                     | -1.9%                           | -2.3%                               | 1.1%                      | -9.5%     |                                 |
| 1932           | -5.4%                      | -8.2%                      | 10.8%                           | 8.8%                                | 1.0%                      | -10.3%    |                                 |
| 1933           | 142.9%                     | 54.0%                      | 10.4%                           | 1.8%                                | 0.3%                      | 0.5%      |                                 |
| 1934           | 24.2%                      | -1.4%                      | 13.8%                           | 9.0%                                | 0.2%                      | 2.0%      |                                 |
| 1935           | 40.2%                      | 47.7%                      | 9.6%                            | 7.0%                                | 0.2%                      | 3.0%      |                                 |
| 10 Years →     | 0.3%                       | 5.9%                       | 7.1%                            | 4.7%                                | 2.0%                      | -2.6%     | Avg Annual Compound             |
| Inflation Adj. | 2.9%                       | 8.5%                       | 9.7%                            | 7.3%                                | 4.6%                      | ---       | Total Return (10 Years)         |

The World War II Years

|                |        |        |       |       |       |       |                             |
|----------------|--------|--------|-------|-------|-------|-------|-----------------------------|
| 1936           | 64.8%  | 33.9%  | 6.7%  | 3.1%  | 0.2%  | 1.2%  |                             |
| 1937           | -58.0% | -35.0% | 2.7%  | 1.6%  | 0.3%  | 3.1%  |                             |
| 1938           | 32.8%  | 31.1%  | 6.1%  | 6.2%  | 0.0%  | -2.8% |                             |
| 1939           | 0.3%   | -0.4%  | 4.0%  | 4.5%  | 0.0%  | -0.5% | World War II Begins         |
| 1940           | -5.2%  | -9.8%  | 3.4%  | 3.0%  | 0.0%  | 1.0%  |                             |
| 1941           | -9.0%  | -11.6% | 2.7%  | 0.5%  | 0.1%  | 9.7%  | Pearl Harbor Attack         |
| 1942           | 44.5%  | 20.3%  | 2.6%  | 1.9%  | 0.3%  | 9.3%  |                             |
| 1943           | 88.4%  | 25.9%  | 2.8%  | 2.8%  | 0.3%  | 3.2%  |                             |
| 1944           | 53.7%  | 19.8%  | 4.7%  | 1.8%  | 0.3%  | 2.1%  |                             |
| 1945           | 73.6%  | 36.4%  | 4.1%  | 2.2%  | 0.3%  | 2.3%  | Hiroshima/World War II Ends |
| 1946           | -11.6% | -8.1%  | 1.7%  | 1.0%  | 0.4%  | 18.2% |                             |
| 11 Years →     | 16.0%  | 6.8%   | 3.8%  | 2.6%  | 0.2%  | 4.1%  | Avg Annual Compound         |
| Inflation Adj. | 11.9%  | 2.7%   | -0.3% | -1.5% | -3.9% | ---   | Total Return (11 Years)     |

The Korean War Years (1950 to 1953)

|                |       |       |       |       |       |      |                        |
|----------------|-------|-------|-------|-------|-------|------|------------------------|
| 1950           | 38.7% | 31.7% | 2.1%  | 0.7%  | 1.2%  | 5.8% |                        |
| 1951           | 7.8%  | 24.0% | -2.7% | 0.4%  | 1.5%  | 5.9% |                        |
| 1952           | 3.0%  | 18.4% | 3.5%  | 1.6%  | 1.7%  | 0.9% |                        |
| 1953           | -6.5% | -1.0% | 3.4%  | 3.2%  | 1.8%  | 0.6% |                        |
| 4 Years →      | 9.6%  | 17.6% | 1.6%  | 1.5%  | 1.5%  | 3.3% | Avg Annual Compound    |
| Inflation Adj. | 6.3%  | 14.3% | -2.3% | -1.8% | -1.8% | ---  | Total Return (4 Years) |

The Vietnam War Years (1958 to 1975)

|                |        |        |       |       |       |      |                                       |
|----------------|--------|--------|-------|-------|-------|------|---------------------------------------|
| 1958           | 64.9%  | 43.4%  | -2.2% | -1.3% | 1.5%  | 1.8% |                                       |
| 1959           | 16.4%  | 12.0%  | -1.0% | -0.4% | 3.0%  | 1.5% |                                       |
| 1960           | -3.3%  | 0.5%   | 9.1%  | 11.8% | 2.7%  | 1.5% |                                       |
| 1961           | 32.1%  | 26.9%  | 4.8%  | 1.8%  | 2.1%  | 0.7% |                                       |
| 1962           | -11.9% | -8.7%  | 7.9%  | 5.6%  | 2.7%  | 1.2% |                                       |
| 1963           | 23.6%  | 22.8%  | 2.2%  | 1.6%  | 3.1%  | 1.6% |                                       |
| 1964           | 23.5%  | 16.5%  | 4.8%  | 4.0%  | 3.5%  | 1.2% |                                       |
| 1965           | 41.8%  | 12.5%  | -0.5% | 1.0%  | 3.9%  | 1.9% |                                       |
| 1966           | -7.0%  | -10.1% | 0.2%  | 4.7%  | 4.8%  | 3.4% |                                       |
| 1967           | 83.6%  | 24.0%  | -5.0% | 1.0%  | 4.2%  | 3.0% |                                       |
| 1968           | 36.0%  | 11.1%  | 2.6%  | 4.5%  | 5.2%  | 4.7% |                                       |
| 1969           | -25.1% | -8.5%  | -8.1% | -0.7% | 6.6%  | 6.1% |                                       |
| 1970           | -17.4% | 4.0%   | 18.4% | 16.9% | 6.5%  | 5.5% |                                       |
| 1971           | 16.5%  | 14.3%  | 11.0% | 8.7%  | 4.4%  | 3.4% |                                       |
| 1972           | 4.4%   | 19.0%  | 7.3%  | 5.2%  | 3.8%  | 3.4% | Arab-Israeli War/<br>U.S. Oil Embargo |
| 1973           | -30.9% | -14.7% | 1.1%  | 4.6%  | 6.9%  | 8.8% |                                       |
| 16 Years →     | 11.4%  | 9.2%   | 3.1%  | 4.2%  | 4.1%  | 3.1% | Avg Annual Compound                   |
| Inflation Adj. | 8.3%   | 6.1%   | 0.0%  | 1.1%  | -1.8% | ---  | Total Return (16 Years)               |

The Oil Embargo Years and High-Inflation Early 1980s

|                |        |        |       |       |       |       |                         |
|----------------|--------|--------|-------|-------|-------|-------|-------------------------|
| 1974           | -19.9% | -26.5% | -3.1% | 5.7%  | 8.0%  | 12.2% |                         |
| 1975           | 52.8%  | 37.2%  | 14.6% | 7.8%  | 5.8%  | 7.0%  |                         |
| 1976           | 57.4%  | 23.8%  | 18.6% | 12.9% | 5.1%  | 4.8%  |                         |
| 1977           | 25.4%  | -7.2%  | 1.7%  | 1.4%  | 5.1%  | 6.8%  |                         |
| 1978           | 23.5%  | 6.6%   | -0.1% | 3.5%  | 7.2%  | 9.0%  |                         |
| 1979           | 43.5%  | 18.4%  | -4.2% | 4.1%  | 10.4% | 13.3% |                         |
| 1980           | 39.9%  | 32.4%  | -2.8% | 3.9%  | 11.2% | 12.4% |                         |
| 1981           | 13.9%  | -4.9%  | -1.2% | 9.5%  | 14.7% | 8.9%  |                         |
| 1982           | 28.0%  | 21.4%  | 42.6% | 29.1% | 10.5% | 3.9%  |                         |
| 1983           | 39.7%  | 22.5%  | 6.3%  | 7.4%  | 8.8%  | 3.8%  |                         |
| 10 Years →     | 28.4%  | 10.6%  | 6.4%  | 8.3%  | 8.6%  | 8.2%  | Avg Annual Compound     |
| Inflation Adj. | 20.2%  | 2.4%   | -1.8% | 0.1%  | 0.4%  | ---   | Total Return (10 Years) |

The Late '80s and Gulf War Era

|      |        |       |       |       |      |      |                                    |
|------|--------|-------|-------|-------|------|------|------------------------------------|
| 1986 | 6.9%   | 18.5% | 19.8% | 15.1% | 6.2% | 1.1% | Shuttle Challenger Explodes        |
| 1987 | -9.3%  | 5.2%  | -0.3% | 2.9%  | 5.5% | 4.4% | 1987 Market Crash - 20% in One Day |
| 1988 | 22.9%  | 16.8% | 10.7% | 6.1%  | 6.3% | 4.4% |                                    |
| 1989 | 10.2%  | 31.5% | 16.2% | 13.3% | 8.4% | 4.6% |                                    |
| 1990 | -21.6% | -3.2% | 6.8%  | 9.7%  | 7.8% | 6.1% | Iraq invades Kuwait                |

|                      |              |              |              |             |             |             |  |
|----------------------|--------------|--------------|--------------|-------------|-------------|-------------|--|
| 1991                 | 44.6%        | 30.5%        | 19.9%        | 15.5%       | 5.6%        | 3.1%        | <i>Persian Gulf War began<br/>and ended early 1991</i> |
| 1992                 | 23.3%        | 7.7%         | 9.4%         | 7.2%        | 3.5%        | 2.9%        |  |
| 1993                 | 21.0%        | 10.0%        | 13.2%        | 11.2%       | 2.9%        | 2.7%        |  |
| 1994                 | 3.1%         | 1.3%         | -5.8%        | -5.1%       | 3.9%        | 2.7%        |  |
| 1995                 | 34.5%        | 37.4%        | 27.2%        | 16.8%       | 5.6%        | 2.5%        |  |
| 1996                 | 17.6%        | 23.1%        | 1.4%         | 2.1%        | 5.2%        | 3.3%        |  |
| 1997                 | 22.8%        | 33.4%        | 12.9%        | 8.4%        | 5.3%        | 1.7%        |  |
| 1998                 | -7.3%        | 28.6%        | 10.8%        | 10.2%       | 4.9%        | 1.6%        |  |
| <b>13 Years</b>      | <b>11.5%</b> | <b>17.8%</b> | <b>10.6%</b> | <b>8.6%</b> | <b>5.4%</b> | <b>3.2%</b> | <i>Avg Annual Compound</i>                             |
| <i>Inflation Ac.</i> | <i>8.3%</i>  | <i>14.4%</i> | <i>7.4%</i>  | <i>5.4%</i> | <i>2.2%</i> | <i>---</i>  | <i>Total Return (13 Years)</i>                         |

#### Recent History

|                      |              |              |             |             |             |             |   |
|----------------------|--------------|--------------|-------------|-------------|-------------|-------------|---|
| 1999                 | 29.8%        | 21.0%        | -7.4%       | -1.8%       | 4.7%        | 2.7%        | <i>Start of Dot.com correction<br/>World Trade Center<br/>Attack Sept. 11, 2001</i> |
| 2000                 | -3.6%        | -9.1%        | 12.9%       | 12.6%       | 5.9%        | 3.4%        |   |
| 2001                 | 22.8%        | -11.9%       | 10.6%       | 7.6%        | 3.8%        | 1.6%        |   |
| 2002                 | -13.3%       | -22.1%       | 16.3%       | 12.9%       | 1.6%        | 2.4%        |   |
| 2003                 | 60.7%        | 28.7%        | 5.3%        | 2.4%        | 1.0%        | 1.9%        |   |
| 2004                 | 18.4%        | 10.9%        | 8.7%        | 2.3%        | 1.2%        | 3.3%        |   |
| 2005                 | 5.7%         | 4.9%         | 5.9%        | 1.4%        | 3.0%        | 3.4%        |   |
| 2006                 | 16.2%        | 15.8%        | 3.2%        | 3.1%        | 4.8%        | 2.5%        |   |
| 2007                 | -5.2%        | 5.5%         | 2.6%        | 10.1%       | 4.7%        | 4.1%        | <i>Financial Meltdown of 2008</i>   |
| 2008                 | -36.7%       | -37.0%       | 8.8%        | 13.1%       | 1.6%        | 0.1%        |   |
| <b>5 Years</b>       | <b>-2.7%</b> | <b>-2.2%</b> | <b>5.8%</b> | <b>5.9%</b> | <b>3.0%</b> | <b>2.7%</b> | <i>Avg Annual Compound</i>  |
| <i>Inflation Ac.</i> | <i>-5.4%</i> | <i>-4.9%</i> | <i>3.1%</i> | <i>3.2%</i> | <i>0.3%</i> | <i>---</i>  | <i>Total Return (5 Years)</i>   |
| <b>10 Years</b>      | <b>6.4%</b>  | <b>-1.4%</b> | <b>6.5%</b> | <b>6.2%</b> | <b>3.2%</b> | <b>2.5%</b> | <i>Avg Annual Compound</i>  |
| <i>Inflation Ac.</i> | <i>3.9%</i>  | <i>-3.9%</i> | <i>4.0%</i> | <i>3.7%</i> | <i>0.7%</i> | <i>---</i>  | <i>Total Return (10 Years)</i>  |
| <b>20 Years</b>      | <b>9.8%</b>  | <b>8.4%</b>  | <b>8.7%</b> | <b>7.5%</b> | <b>4.2%</b> | <b>2.8%</b> | <i>Avg Annual Compound</i>  |
| <i>Inflation Ac.</i> | <i>7.0%</i>  | <i>5.6%</i>  | <i>5.9%</i> | <i>4.7%</i> | <i>1.4%</i> | <i>---</i>  | <i>Total Return (10 Years)</i>  |

\* *Small Company:* Fifth Capitalization quintile of stocks on the NYSE for 1926 - 1981. Performance of Dimensional Fund Advisors Small Company Cap Fund April 2001 to Present. *Large Company:* S&P 500 1957 to Present and S&P 90 1926 to 1957. *Longterm Corporate:* 20 Year Maturity Maturity. *U.S. Treasury Bill:* 30 Day Maturity. Source: Ibbotson Associates, Chicago. "Stocks, Bonds, Bills, and Inflation", 200

**Updated November, 2009**