**HISTORY OF THE FINANCIAL MARKETS**

**Federal Deficits/Surpluses**
- Represented by the S&P/Goldman Sachs Commodities Index.
- The Federal Reserve; U.S. Census.

**Unemployment**
- Top federal tax rate cut from 28% to 20%
- Pearl Harbor
- Civil Rights Act passed

**Social Security Act passed**
- Top federal tax rate cut from 63% to 91%

**Prime Rate**
- Federal Reserve Bank of St. Louis
- Data through 12/31/11

**Median Home Price**
- Unemployment
- Recession
- Median Home Price
- Inflation

**ANNUALIZED RETURNS THROUGH 12/31/11**

| Time Period | Large-Cap U.S. Stocks | Small-Cap U.S. Stocks | Bond Index | Foreign Developed Markets | Emerging Markets | S&P 500
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>1-Year</td>
<td>2.80%</td>
<td>2.50%</td>
<td>1.87%</td>
<td>2.90%</td>
<td>3.15%</td>
<td>2.89%</td>
</tr>
<tr>
<td>5-Year</td>
<td>3.25%</td>
<td>2.70%</td>
<td>2.17%</td>
<td>3.50%</td>
<td>4.25%</td>
<td>3.55%</td>
</tr>
<tr>
<td>10-Year</td>
<td>3.75%</td>
<td>2.75%</td>
<td>3.25%</td>
<td>4.25%</td>
<td>5.00%</td>
<td>4.25%</td>
</tr>
<tr>
<td>30-Year</td>
<td>4.75%</td>
<td>3.75%</td>
<td>3.25%</td>
<td>5.00%</td>
<td>5.50%</td>
<td>4.75%</td>
</tr>
<tr>
<td>Since 1926</td>
<td>7.87%</td>
<td>6.87%</td>
<td>5.84%</td>
<td>7.94%</td>
<td>8.92%</td>
<td>8.02%</td>
</tr>
<tr>
<td>Since 1960</td>
<td>10.50%</td>
<td>9.50%</td>
<td>8.92%</td>
<td>11.01%</td>
<td>11.01%</td>
<td>10.50%</td>
</tr>
</tbody>
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**ANNUALIZED RETURNS THROUGH 12/31/11**

- Bear Market: a 20% or more decline in the S&P 500 index from its previous high close.
- Bull Market: The market has fallen 20% or more to the next high.
- Bear Market Subsequent Bull Market: The market falls 20% or more to the next peak.

**S&P 500 Price/Earnings Ratio**

**Prime Rate**

**ANNUALIZED RETURNS THROUGH 12/31/11**

- Bread U.S. Stocks
- Foreign Developed
- Emerging Markets

**Price of Gold**
- 1974
- Arab oil embargo

**Price of Oil**
- 1974
- Arab oil embargo

**Unemployment**
- 1974
- Arab oil embargo

**Price of Oil**
- 1979
- First terrorist attack on the World Trade Center

**Price of Oil**
- 1980
- First terrorist attack on the World Trade Center

**Price of Oil**
- 2008
- Flash crash

**Price of Oil**
- 2009
- Flash crash

**Price of Oil**
- 2010
- Flash crash

**Price of Oil**
- 2011
- Flash crash

**Price of Oil**
- 2012
- Flash crash

**Price of Oil**
- 2013
- Flash crash