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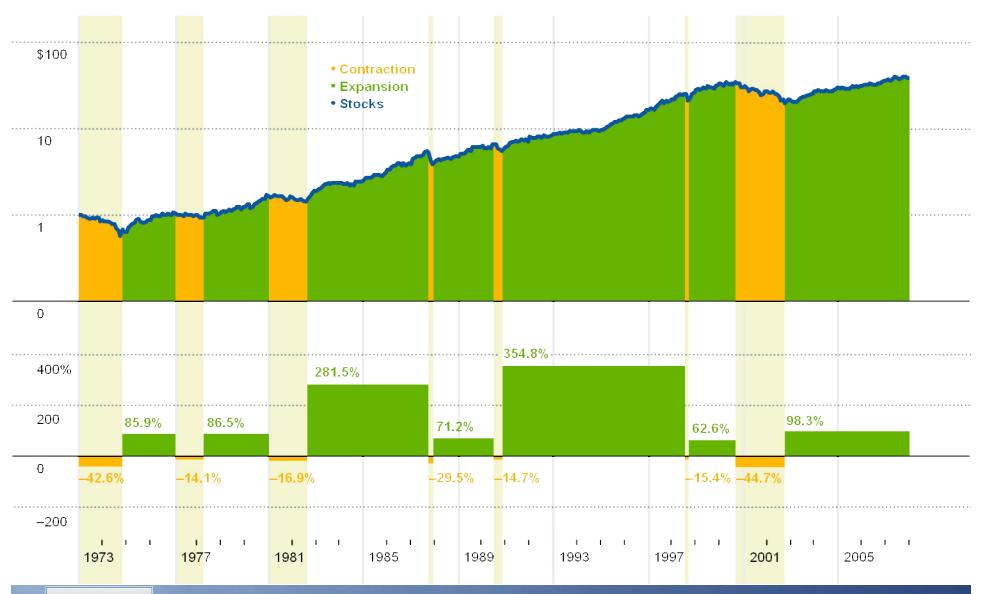
October 2008



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#### **Stock Market Contractions and Expansions**

1973-2007



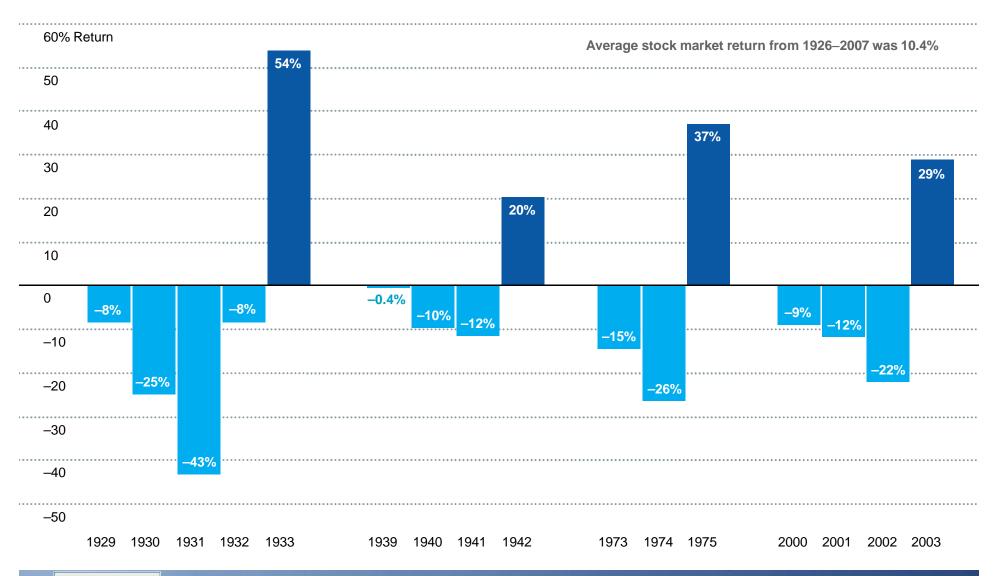


# Market Downturns and Recoveries 1926–2007

% Loss			Recovery
-83.4%			151 months
	Sep 1929–Jun 1932	Jul 1932–Jan 1945	
6 months –21.8%	lup 1046 Nov 1046	Doc 1946, Oct 1949	35 months
<b>7</b> months -10.2%	Juli 1940–110V 1940	Dec 1340—Oct 1343	E months
	Aug 1956–Feb 1957	Mar 1957–Jul 1957	5 months
5 months -15.0%			7 months
	Aug 1957–Dec 1957	Jan 1958–Jul 1958	
6 months –22.3%	L 4000 L 4000	L 14000 A 4000	10 months
8 months -15.6%	Jan 1962–Jun 1962	Jul 1962–Apr 1963	
	Feb 1966–Sep 1966	Oct 1966–Mar 1967	6 months
19 months —29.3%			9 months
	Dec 1968-Jun 1970	Jul 1970–Mar 1971	Unionidis
21 months -42.6%			21 months
	Jan 1973–Sep 1974	Oct 1974–Jun 1976	
14 months -14.1%  20 months -16.9%	In 4077 Feb 4070	Mars 4070 Jul 4070	5 months
	Jan 1977-Feb 1978	Mar 1978–Jul 1978	
	Dec 1980-Jul 1982	Aug 1982–Oct 1982	3 months
3 months −29.5%			18 months
	Sep 1987–Nov 1987	Dec 1987-May 1989	
5 months -14.7%  2 months -15.4%			4 months
	Jun 1990–Oct 1990	Nov 1990–Feb 1991	
-15.4%	Jul 1009 Aug 1009	Son 1008, Nov 1008	3 months
25 months -44.7%	Jul 1990-Aug 1998	2eh 13a0-1404 13a0	
-44.7%	Sep 2000–Sep 2002	Oct 2002–Oct 2006	49 months
	-83.4% -21.8% -10.2% -15.0% -22.3% -15.6% -29.3% -42.6% -14.1% -16.9% -29.5% -14.7%	-83.4% Sep 1929–Jun 1932 -21.8% Jun 1946–Nov 1946 -10.2% Aug 1956–Feb 1957 -15.0% Aug 1957–Dec 1957 -22.3% Jan 1962–Jun 1962 -15.6% Feb 1966–Sep 1966 -29.3% Dec 1968–Jun 1970 -42.6% Jan 1973–Sep 1974 -14.1% Jan 1977–Feb 1978 -16.9% Dec 1980–Jul 1982 -29.5% Sep 1987–Nov 1987 -14.7% Jun 1990–Oct 1990 -15.4% Jul 1998–Aug 1998	-83.4% Sep 1929–Jun 1932 Jul 1932–Jan 1945  -21.8% Jun 1946–Nov 1946 Dec 1946–Oct 1949  -10.2% Aug 1956–Feb 1957 Mar 1957–Jul 1957  -15.0% Aug 1957–Dec 1957 Jan 1958–Jul 1958  -22.3% Jan 1962–Jun 1962 Jul 1962–Apr 1963  -15.6% Feb 1966–Sep 1966 Oct 1966–Mar 1967  -29.3% Dec 1968–Jun 1970 Jul 1970–Mar 1971  -42.6% Jan 1973–Sep 1974 Oct 1974–Jun 1976  -14.1% Jan 1977–Feb 1978 Mar 1978–Jul 1978  -16.9% Dec 1980–Jul 1982 Aug 1982–Oct 1982  -29.5% Sep 1987–Nov 1987 Dec 1987–May 1989  -14.7% Jun 1990–Oct 1990 Nov 1990–Feb 1991  -15.4% Jul 1998–Aug 1998 Sep 1998–Nov 1998

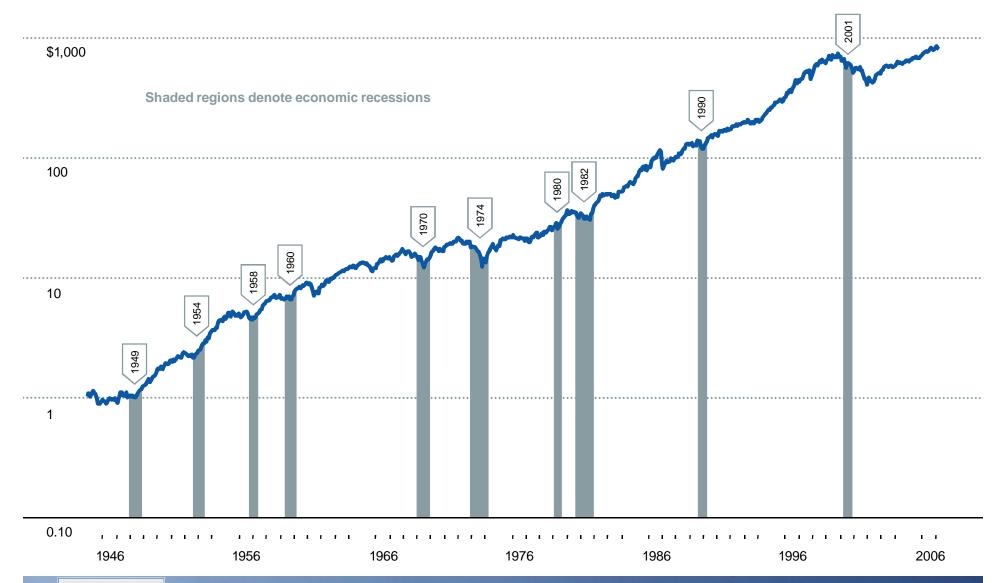


## Periods of Consecutive Negative Stock Returns 1926–2007



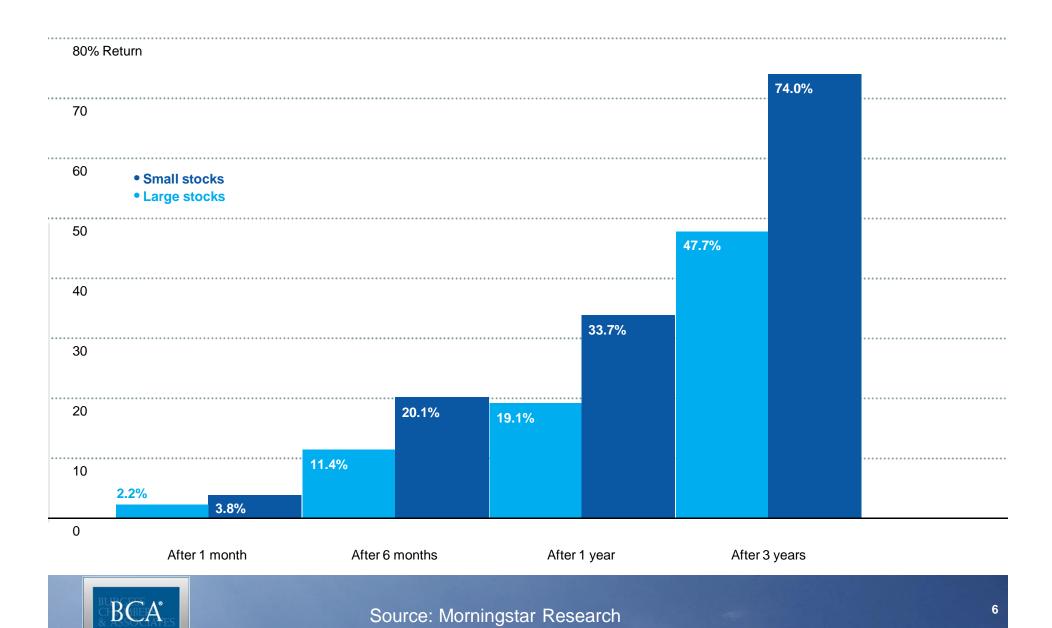


## Stock Performance During Recessions 1946–2007

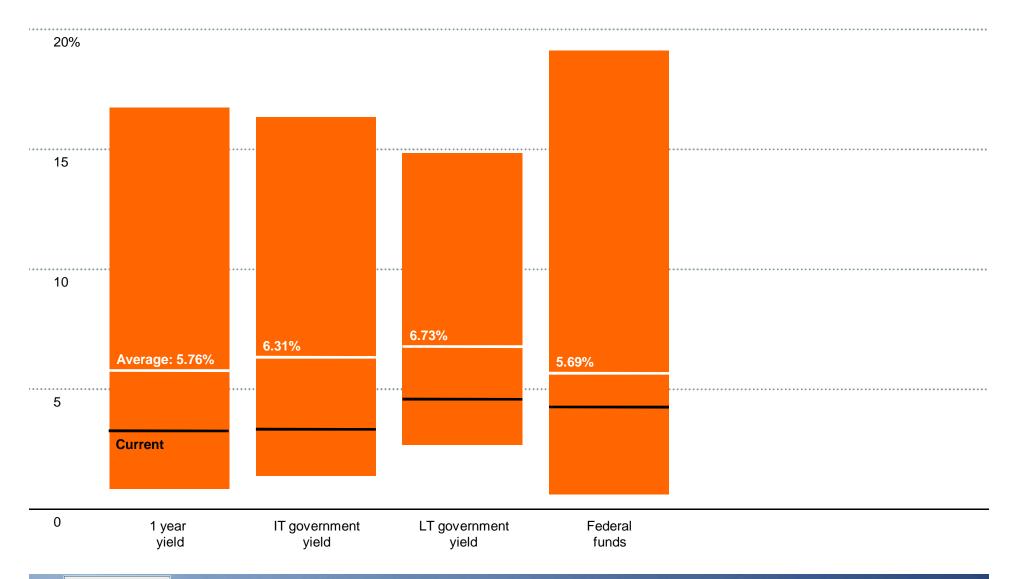




### Stock Performance After Recessions 1945–2007



### History of Interest Rates July 1954–December 2007



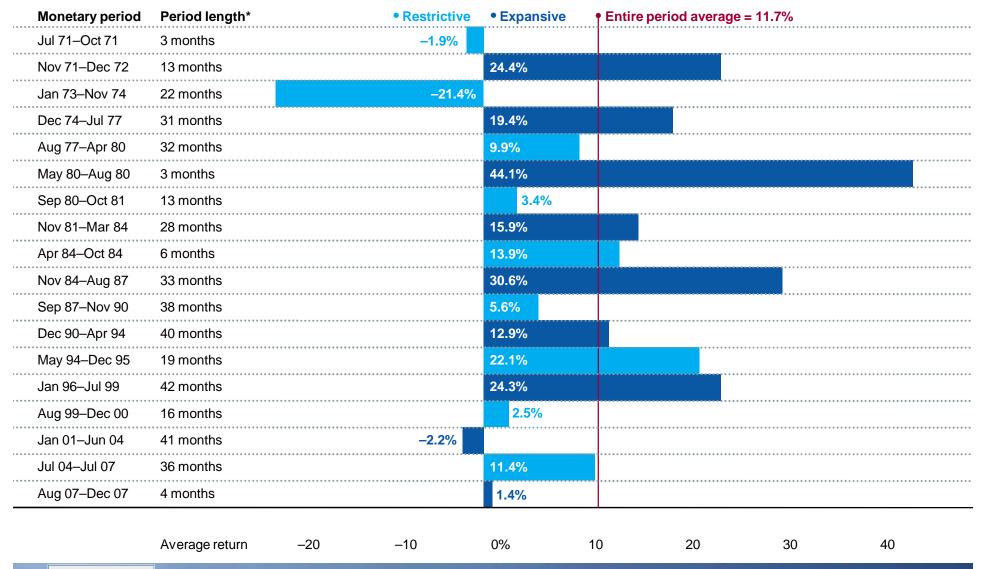


## Bond Yields During Recessions 1946–2007





### Stock Returns and Monetary Policy Annualized monthly returns, July 1971–December 2007





### U.S. Market Recovery After Tragedy Cumulative return of the S&P 500® after tragic events

