

Although investing in the stock market has always involved both opportunities and pitfalls, volatility serves as a reminder that it is important to keep a long-term perspective. Consider that in the 82 years from 1926 through 2007, the S&P 500 Index and its predecessor have provided a positive return in 59 years compared to 23 down years. Additionally, major up and down years haven't been as often. As you can see in the tables below, the S&P 500 Index returned greater than 20% 31 times compared to a worse than -20% return 5 times.

Years with 20% or greater return				Years with -20% or worse return	
1927	37.49%	1967	23.98%	1930	-24.90%
1928	43.61%	1975	37.20%	1931	-43.34%
1933	53.99%	1976	23.84%	1937	-35.03%
1935	47.67%	1980	32.42%	1974	-26.47%
1936	33.92%	1982	21.41%	2002	-22.10%
1938	31.12%	1983	22.51%		
1942	20.34%	1985	32.16%		
1943	25.90%	1989	31.49%		
1945	36.44%	1991	30.55%		
1950	31.71%	1995	37.43%		
1951	24.02%	1996	23.07%		
1954	52.62%	1997	33.36%		
1955	31.56%	1998	28.58%		
1958	43.36%	1999	21.04%		
1961	26.89%	2003	28.70%		
1963	22.80%				

Source: Ibbotson Associates. The performance shown is based on the S&P Composite Index. Currently, the composite consists of 500 stocks (the S&P 500 Index). Prior to March 1957 the S&P Composite consisted of 90 of the largest U.S. stocks. The historical performance figures for the S&P 500 Index are for illustrative purposes only and are not intended to imply or guarantee future performance. The S&P 500 Index is an unmanaged index of 500 stocks used to measure large-cap U.S. stock market performance. The index cannot be purchased directly by investors.

Please keep in mind that high, double-digit returns are highly unusual and cannot be sustained. These returns were the result of certain market factors and events which may not be replicated in the future.