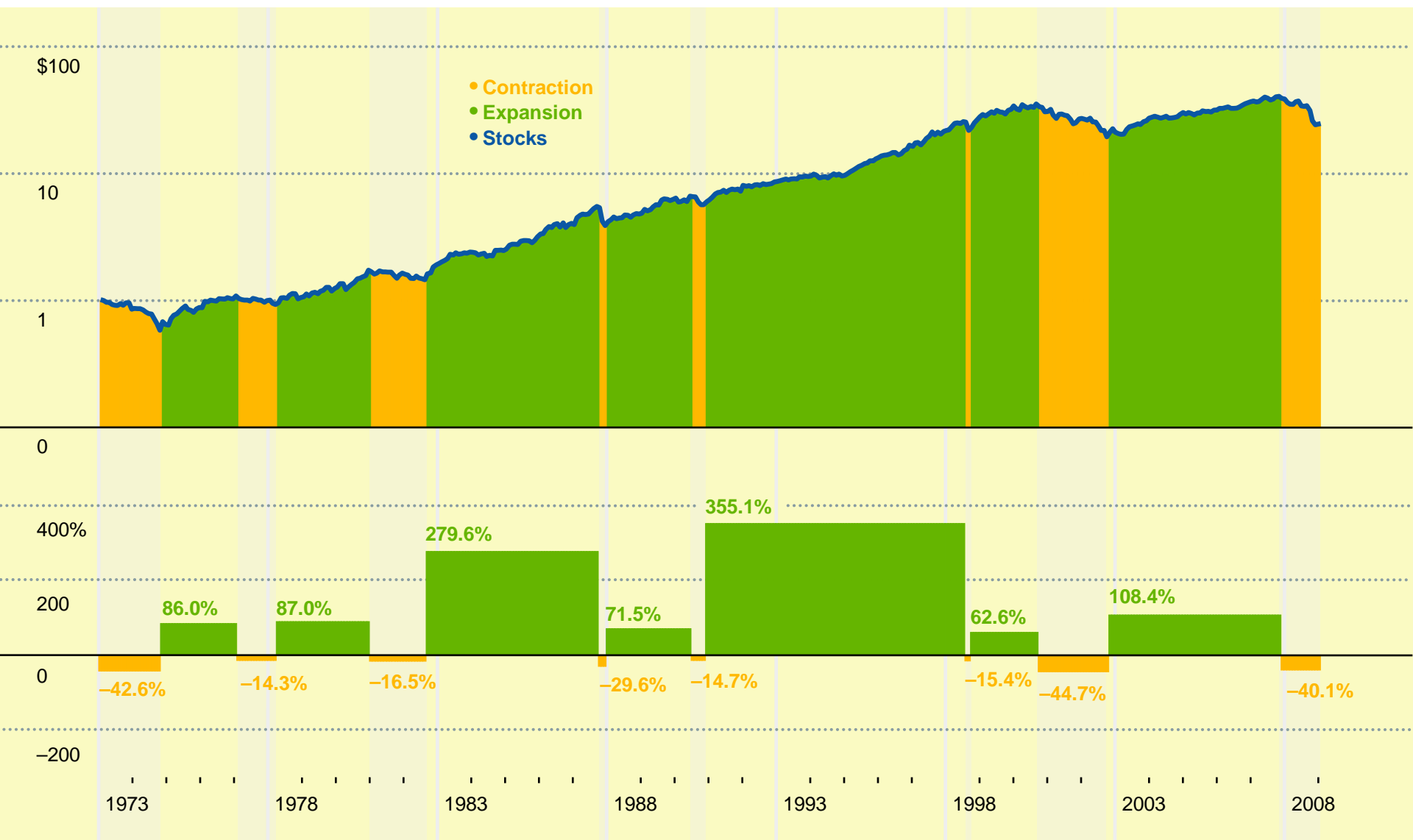


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# Downturns and Recoveries

# Stock Market Contractions and Expansions

1973–2008



Past performance is no guarantee of future results. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © 2009 Morningstar, Inc. All rights reserved. 3/1/2009



# Market Downturns and Recoveries

## 1926–2008

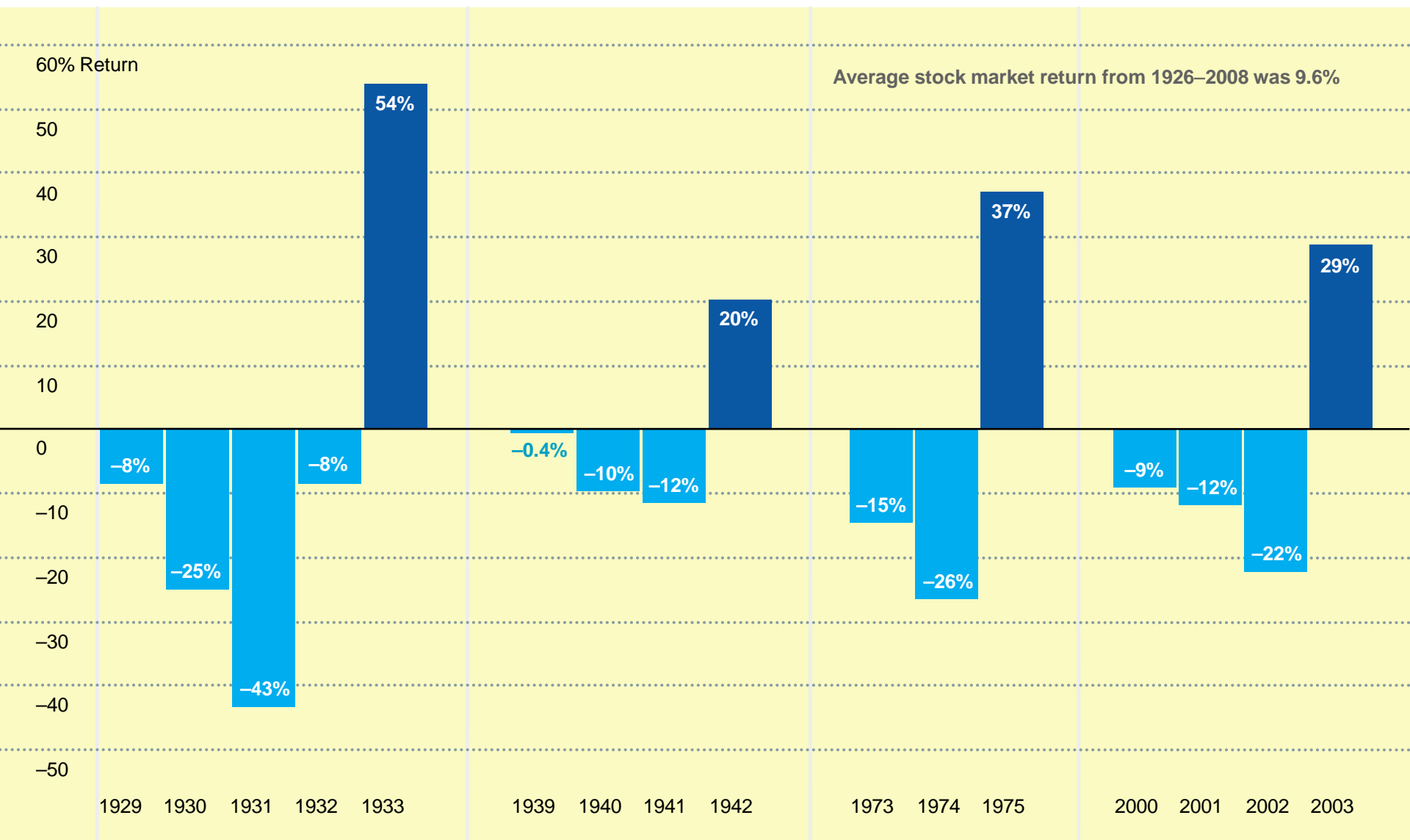
Downturn	% Loss		Recovery
34 months	-83.4%	Sep 1929–Jun 1932	Jul 1932–Jan 1945 151 months
6 months	-21.8%	Jun 1946–Nov 1946	Dec 1946–Oct 1949 35 months
7 months	-10.2%	Aug 1956–Feb 1957	Mar 1957–Jul 1957 5 months
5 months	-15.0%	Aug 1957–Dec 1957	Jan 1958–Jul 1958 7 months
6 months	-22.3%	Jan 1962–Jun 1962	Jul 1962–Apr 1963 10 months
8 months	-15.6%	Feb 1966–Sep 1966	Oct 1966–Mar 1967 6 months
19 months	-29.3%	Dec 1968–Jun 1970	Jul 1970–Mar 1971 9 months
21 months	-42.6%	Jan 1973–Sep 1974	Oct 1974–Jun 1976 21 months
14 months	-14.3%	Jan 1977–Feb 1978	Mar 1978–Jul 1978 5 months
20 months	-16.5%	Dec 1980–Jul 1982	Aug 1982–Oct 1982 3 months
3 months	-29.6%	Sep 1987–Nov 1987	Dec 1987–May 1989 18 months
5 months	-14.7%	Jun 1990–Oct 1990	Nov 1990–Feb 1991 4 months
2 months	-15.4%	Jul 1998–Aug 1998	Sep 1998–Nov 1998 3 months
25 months	-44.7%	Sep 2000–Sep 2002	Oct 2002–Oct 2006 49 months
14 months	-40.1%	*Nov 2007–Dec 2008	TBD

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# Periods of Consecutive Negative Stock Returns

1926–2008

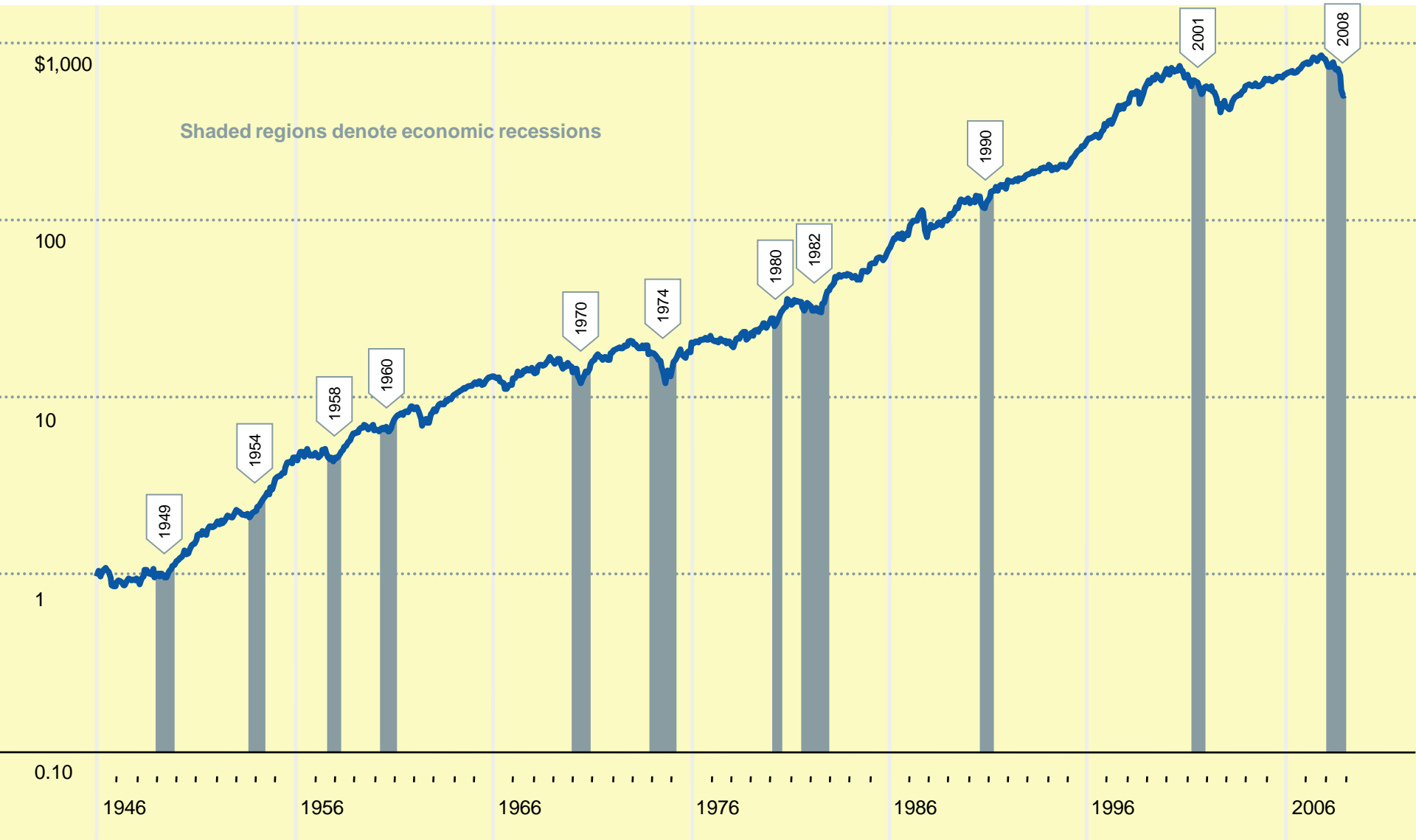


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# Stock Performance During Recessions

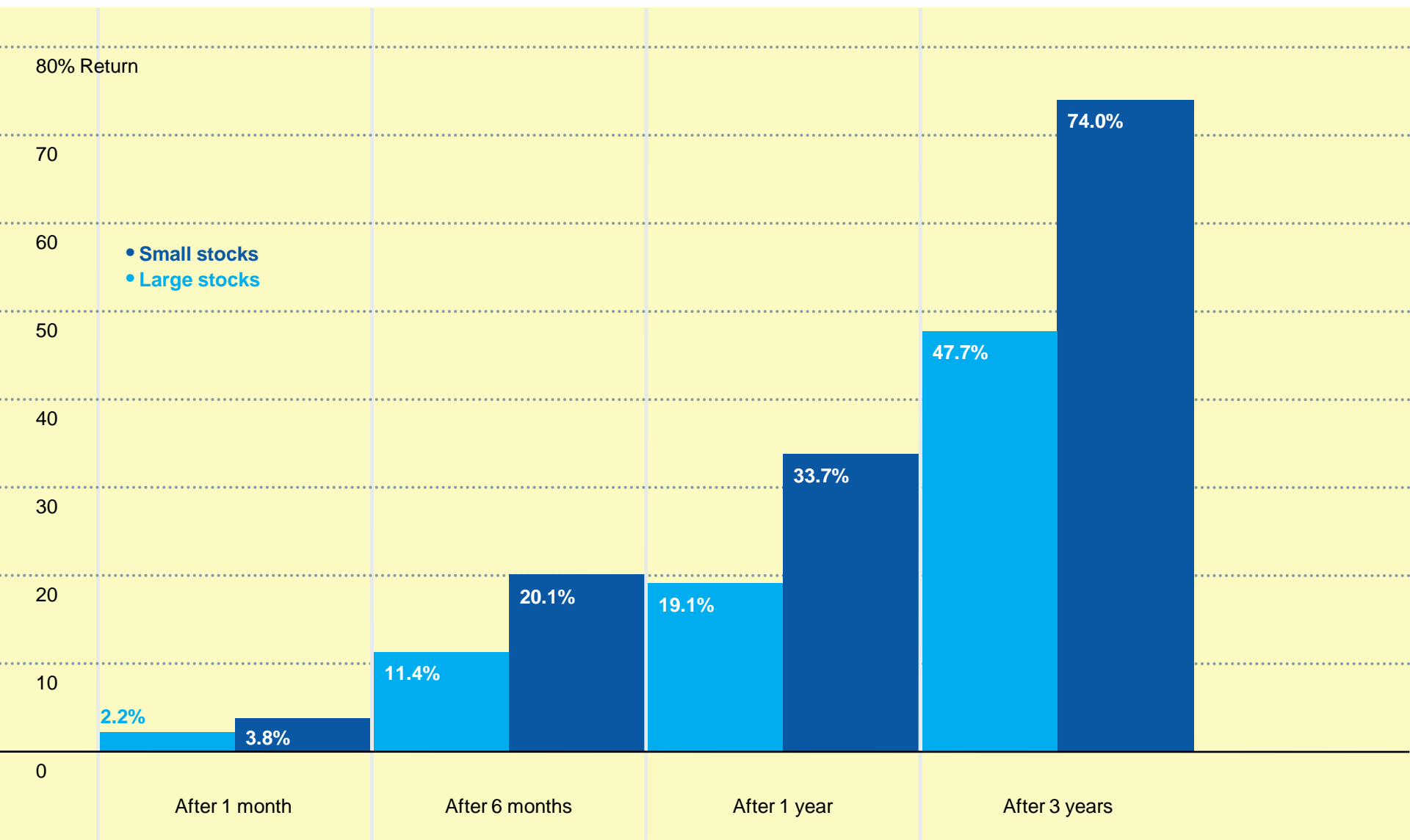
1946–2008



Past performance is no guarantee of future results. Hypothetical value of \$1 invested at the beginning of 1946. Assumes reinvestment of income and no transaction costs or taxes. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © 2009 Morningstar, Inc. All rights reserved. 3/1/2009



# Stock Performance After Recessions 1946–2008

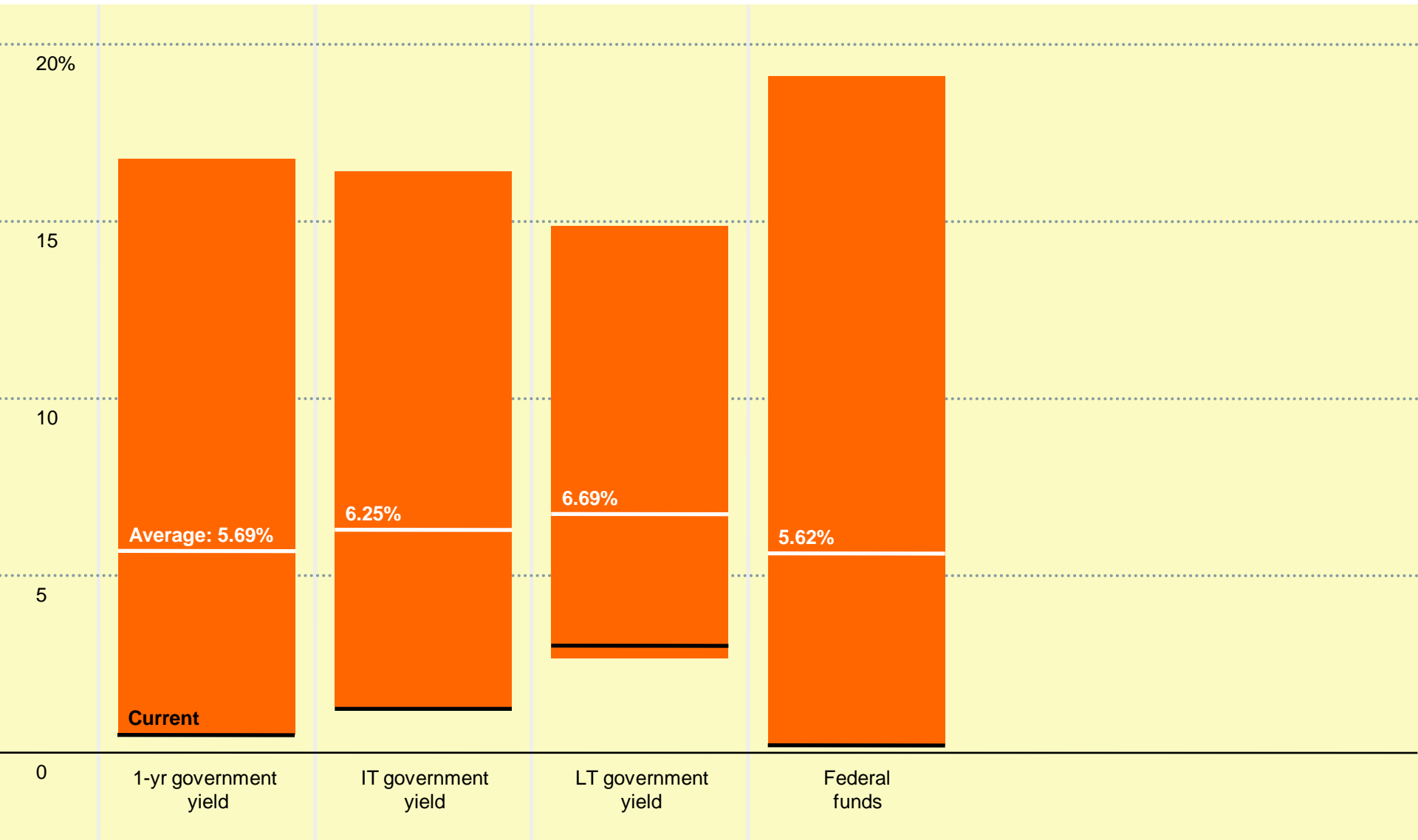


Past performance is no guarantee of future results. Cumulative returns of large and small stocks after recessions 1946–2008. Note: The recession that began in Dec 2007 is still occurring and is not included in the analysis. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © 2009 Morningstar, Inc. All rights reserved. 3/1/2009



# History of Interest Rates

## July 1954–December 2008

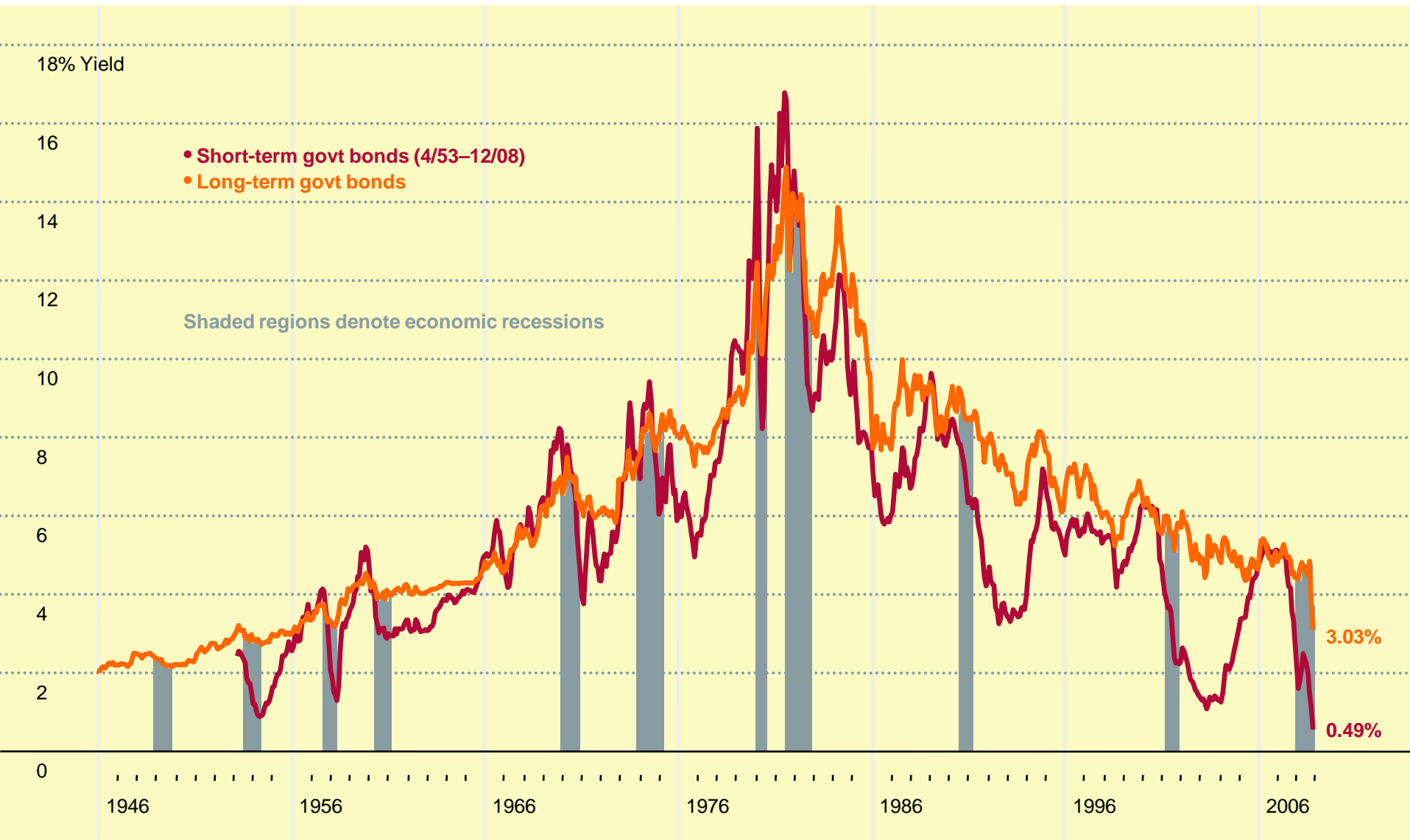


Past performance is no guarantee of future results. Each bar shows the range of yield for each bond over the time period July 1954 to December 2008. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © 2009 Morningstar, Inc. All rights reserved. 3/1/2009



# Bond Yields During Recessions

## 1946–2008

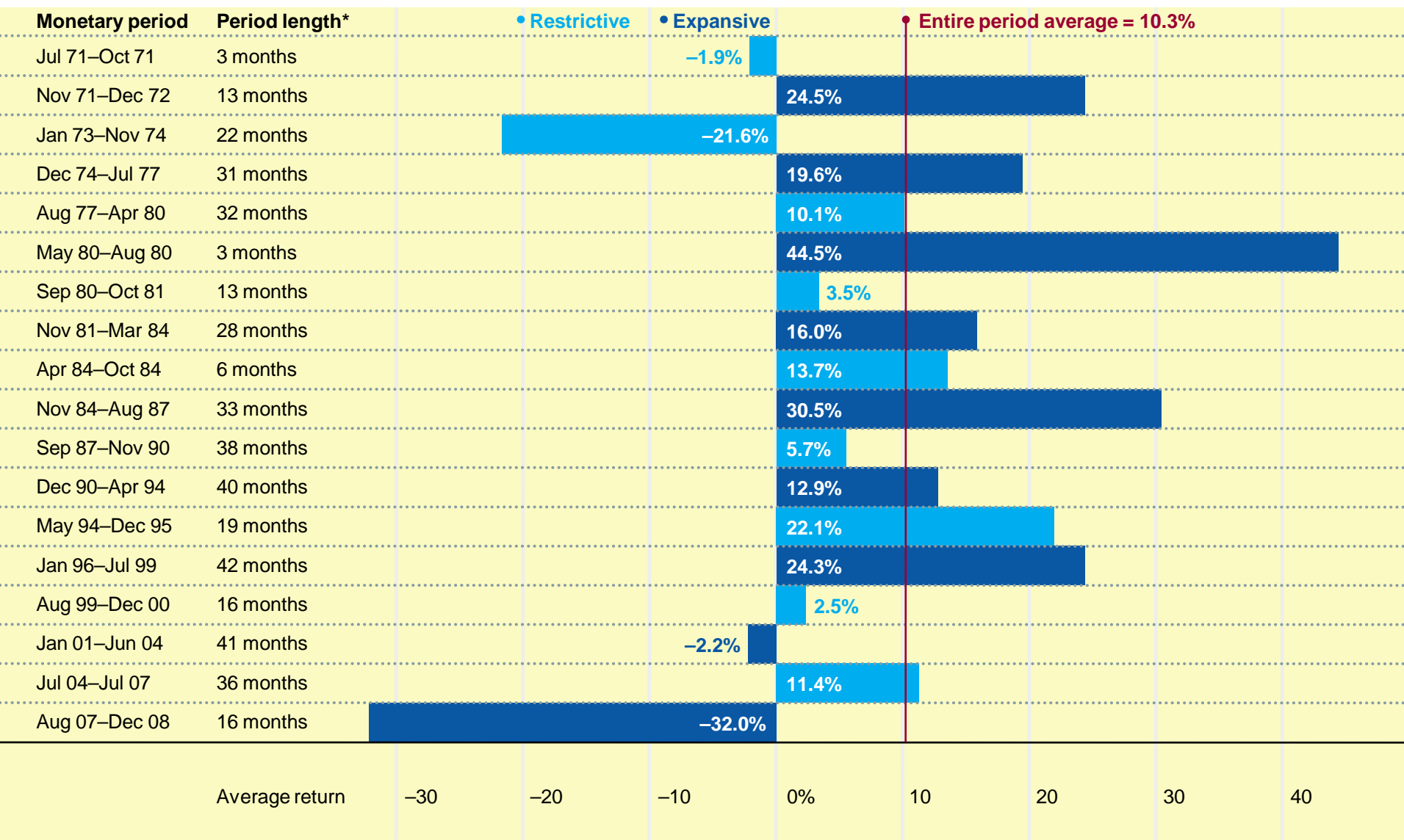


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# Stock Returns and Monetary Policy

Annualized monthly returns, July 1971–December 2008

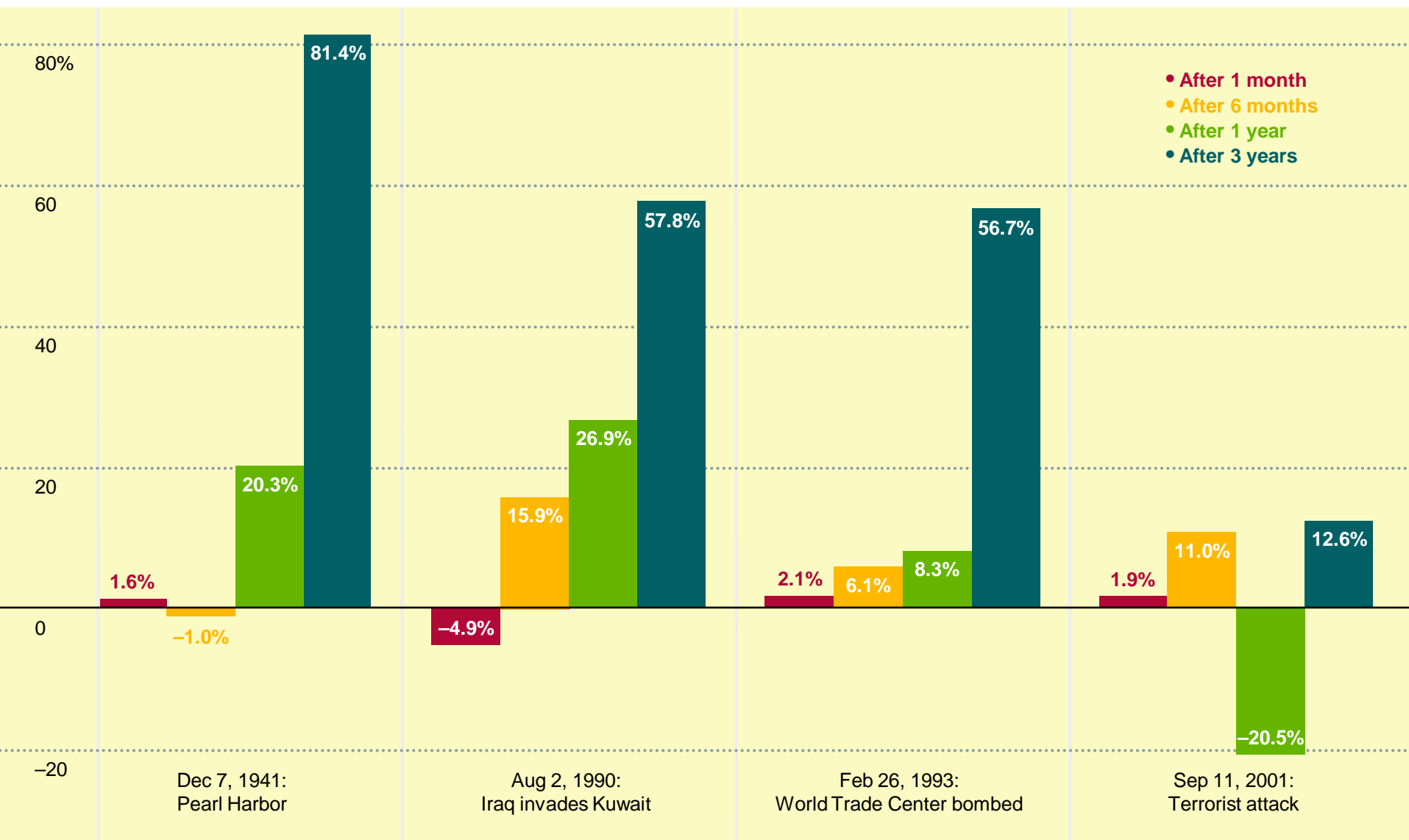


Past performance is no guarantee of future results. \*Period length and calculation exclude the month of initial change in policy to measure “pure” monetary policy environment. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © 2009 Morningstar, Inc. All rights reserved. 3/1/2009



# U.S. Market Recovery After Tragedy

## Cumulative return of stocks after tragic events

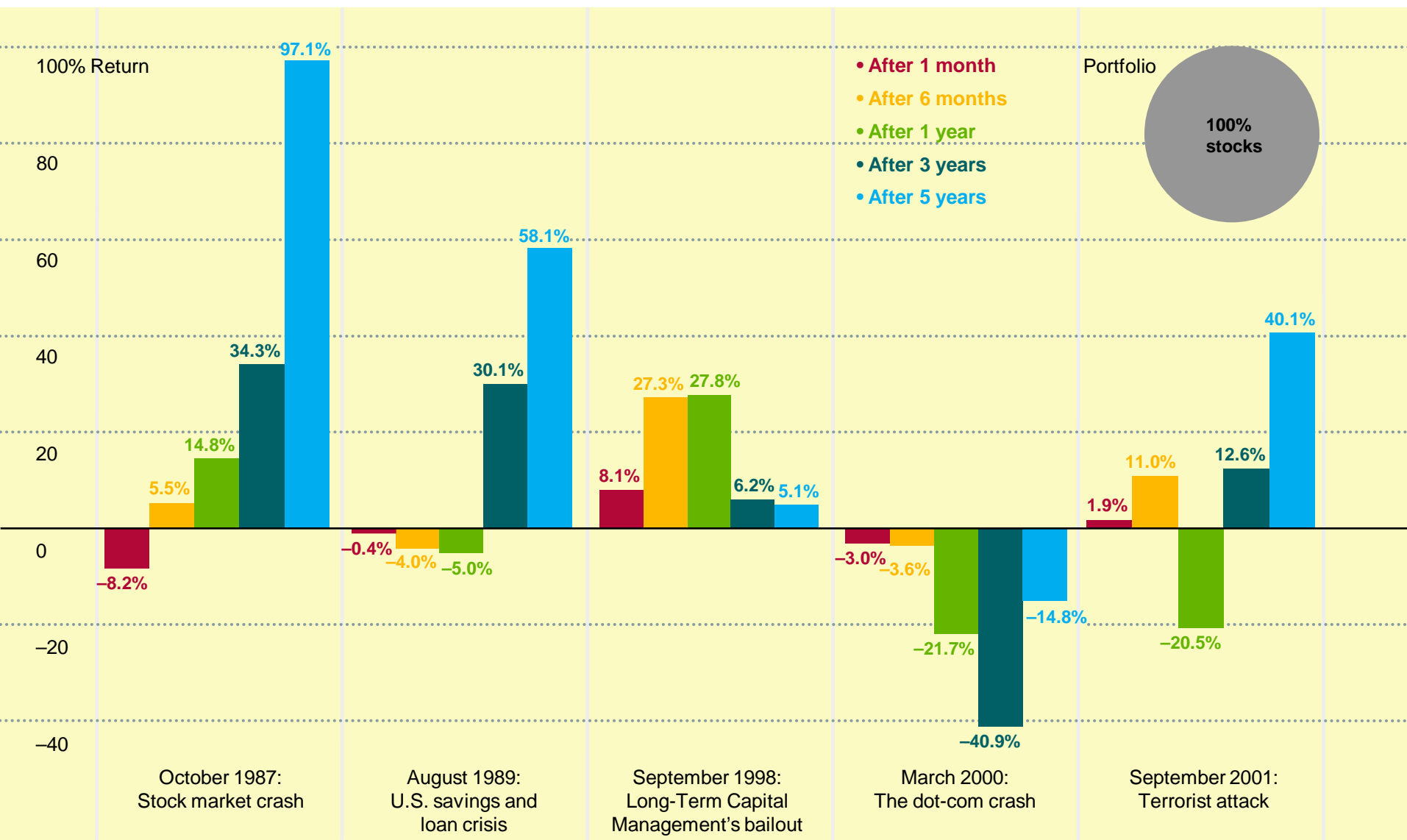


Past performance is no guarantee of future results. Returns reflect the percentage change in the index level from the end of the month that the event occurred to one month, six months, one year, and three years after. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © 2009 Morningstar, Inc. All rights reserved. 3/1/2009



# U.S. Market Recovery After Financial Crises

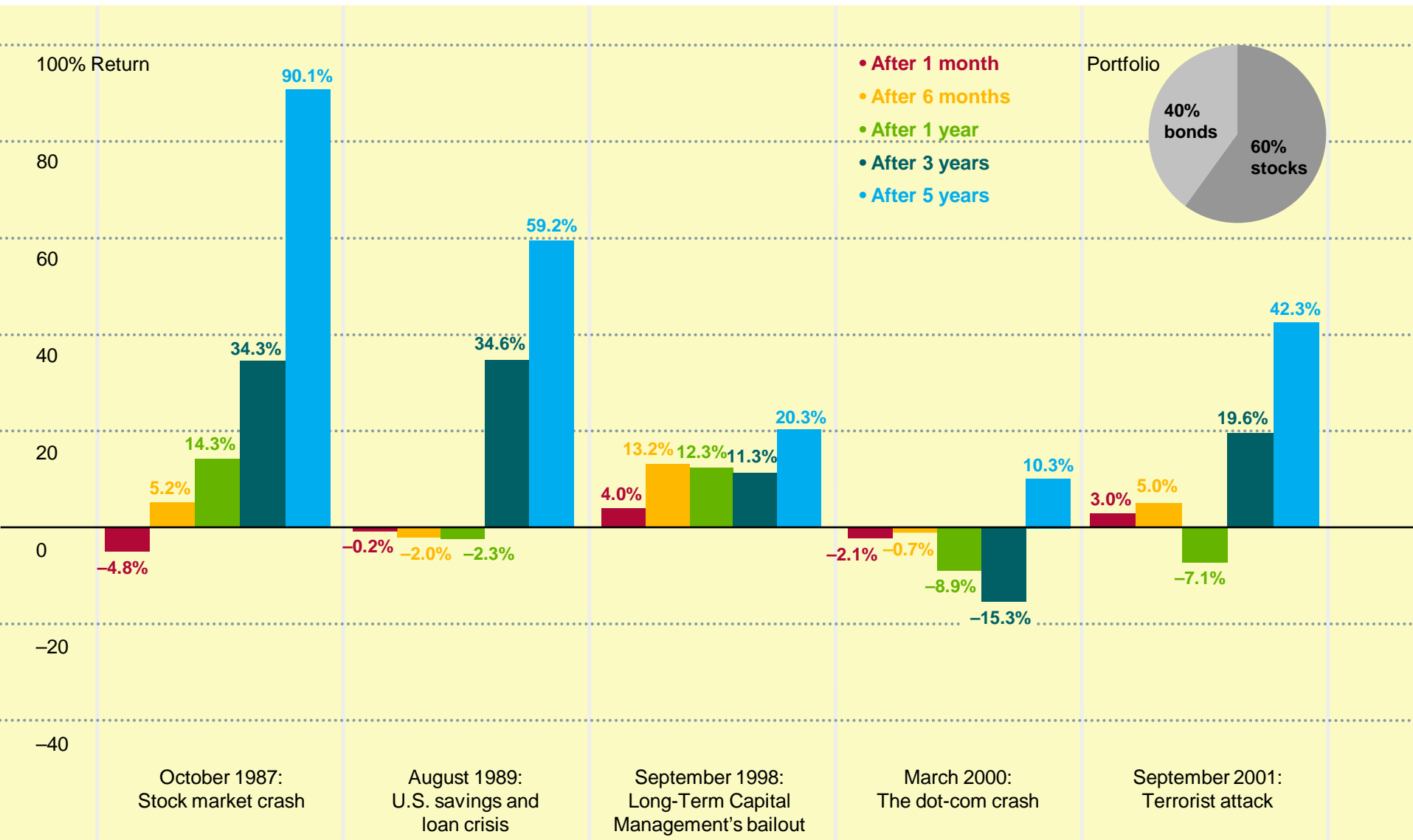
Cumulative return of all-stock portfolio after various events



Past performance is no guarantee of future results. Returns reflect the percentage change in the index level from the end of the month in which the event occurred to one month, six months, one year, three years and five years after. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © 2009 Morningstar, Inc. All rights reserved. 3/1/2009

# U.S. Market Recovery After Financial Crises

Cumulative return of balanced portfolio after various events



Past performance is no guarantee of future results. Returns reflect the percentage change in the index level from the end of the month in which the event occurred to one month, six months, one year, three years and five years after. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © 2009 Morningstar, Inc. All rights reserved. 3/1/2009

