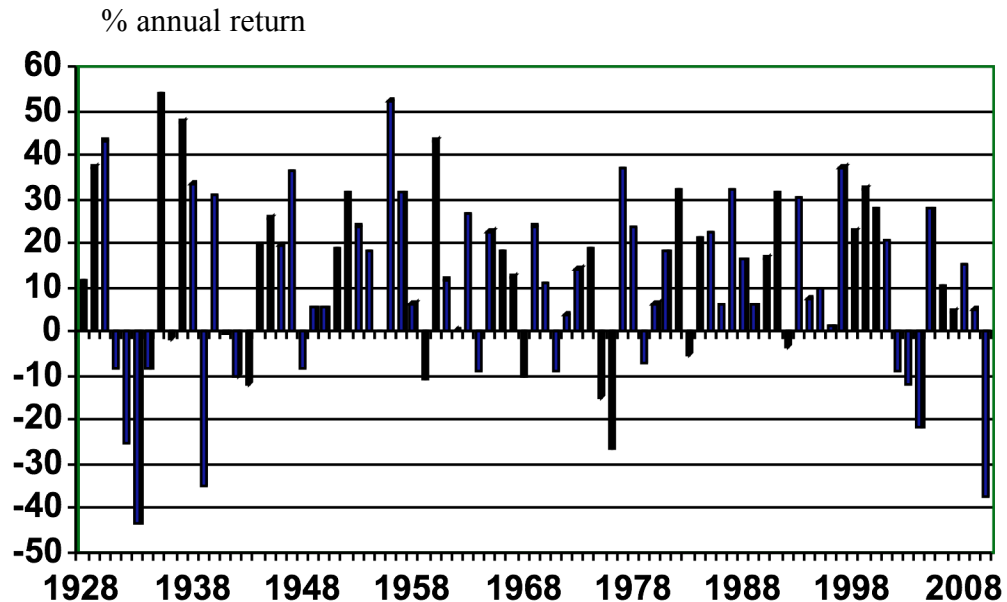


The Stock Market “Double Whammy”—Insights From History

Each year I update a chart that shows the annual stock market returns in the S&P 500 since 1926; here’s the 2008 version. Note that 2008 was the second worst year on record.

Annual Stock Returns Since 1926



This chart illustrates what I call the “stock market double whammy.” If you look at the chart again, you’ll see that there are approximately twice as many “up” years as “down” years, and the “up” bars go up about twice as high as the “down” bars go down. If you believe that the stock market will come back from its big drop in 2008, you have history on your side and you just have to wait for the “up” years to return.