

74 Reasons Why People Did Not Invest in the Stock Market

And One Good Reason Why You Should Have:

\$10,000 invested in the Stock Market (Standard & Poor's 500 Index) in January of 1934 would have been worth over \$21,000,000 before fees at the end of 2007.

1934 — Depression	1959 — Castro Seizes Power in Cuba	1984 — Record Federal Deficits
1935 — Spanish Civil War	1960 — Russia Downs U-2 Plane	1985 — Economic Growth Slows
1936 — Economy Still Struggling	1961 — Berlin Wall Erected	1986 — Dow Nears 2,000
1937 — Recession	1962 — Cuban Missile Crisis	1987 — Record-Setting Market Decline
1938 — War Cloud Gathers	1963 — Kennedy Assassinated	1988 — Election Year
1939 — War in Europe	1964 — Gulf of Tonkin	1989 — October “Mini Crisis”
1940 — France Falls	1965 — Civil Rights Marches	1990 — Persian Gulf Crisis
1941 — Pearl Harbor	1966 — Vietnam War Escalates	1991 — Communism Tumbles with the Berlin Wall
1942 — Wartime Price Controls	1967 — Newark Race Riots	1992 — Global Recession
1943 — Industry Mobilizes	1968 — USS Pueblo Seized	1993 — Health Care Reform
1944 — Consumer Goods Shortage	1969 — Money Tightens - Markets Fall	1994 — Fed Raises Interest Rates Six Times
1945 — Post-War Recession Predicted	1970 — Cambodia Invaded - Vietnam War Spreads	1995 — Dow Tops 5,000
1946 — Dow Tops 20 - Market Too High	1971 — Wage Price Freeze	1996 — Dow Tops 6,400
1947 — Cold War Begins	1972 — Largest U.S. Trade Deficit Ever	1997 — Hong Kong Reverts to China
1948 — Berlin Blockade	1973 — Energy Crisis	1998 — Asian Flu
1949 — Russia Explodes A-Bomb	1974 — Steepest Market Drop in Four Decades	1999 — Y2K Scare
1950 — Korean War	1975 — Clouded Economic Prospects	2000 — Tech Bubble Burst
1951 — Excess Profits Tax	1976 — Economy Recovers Slowly	2001 — 9/11 Terrorist Attacks
1952 — U.S. Seizes Steel Mills	1977 — Market Slumps	2002 — Recession
1953 — Russia Explodes A-Bomb	1978 — Interest Rates Rise	2003 — War in Iraq
1954 — Dow Tops 300 - Market Too High	1979 — Oil Prices Skyrocket	2004 — Rising Interest Rates
1955 — Eisenhower Illness	1980 — Interest Rates at All-Time High	2005 — Hurricane Katrina
1956 — Suez Crisis	1981 — Steep Recession Begins	2006 — Real Estate Peaks
1957 — Russia Launches Sputnik	1982 — Worst Recession in 40 Years	2007 — Liquidity Crisis & Subprime Lending
1958 — Recession	1983 — Market Hits New Highs	

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Dow Jones Industrial Average: The most widely used indicator of the overall condition of the stock market, a price-weighted average of 30 actively traded blue chip stocks, primarily industrials. The 30 stocks are chosen by the editors of the Wall Street Journal (which is published by Dow Jones & Company), a practice that dates back to the beginning of the century. The Dow was officially started by Charles Dow in 1896, at which time it consisted of only 11 stocks. The Dow is computed using a price-weighted indexing system, rather than the more common market cap-weighted indexing system. Simply put, the editors at WSJ add up the prices of all the stocks and then divide by the number of stocks in the index. (In actuality, the divisor is much higher today in order to account for stock splits that have occurred in the past.)

S&P 500: Widely regarded as the best single gauge of the U.S. equities market, this world-renowned index includes a representative sample of 500 leading companies in leading industries of the U.S. economy. Although the S&P 500 focuses on the large-cap segment of the market, with over 80% coverage of U.S. equities, it is also an ideal proxy for the total market. Performance Results are derived from the return of the S&P 500 Index including the reinvestment of dividends and interest and does not include a reduction of fees.

An investment cannot be made directly in a market index.

Past Performance does not guarantee future results.

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