



By the Numbers

- FOR THE YEAR** – The S&P 500 **gained +18.4%** (total return) during 2020, the **13th year in the last 25 years** that the **\$33.4 trillion index** has returned **at least +15%** (total return) for the calendar year. The S&P 500 consists of 500 stocks chosen for market size, liquidity and industry group representation. It is a market value weighted index with each stock's weight in the index proportionate to its market value (source: BTN Research).
- LONG-TERM** - The S&P 500 has gained an average of **+10.9% per year** (total return) over the **last 50 years** (i.e., 1971-2020). The index has been positive in **16 of the last 18 years**. Over the long-term, the S&P 500 has been up during **40 of the last 50 years**, i.e., 80% of the time (source: BTN Research).
- HIGH-FLYERS** - The NASDAQ Composite **gained +44.9%** (total return) in 2020 and has **gained +98.1%** (total return) over the **last 2 years** (2019-2020), its **best 2-year run** since 1998-1999. The NASDAQ Composite is an unmanaged index of securities traded on the NASDAQ system (source: BTN Research).
- BOND INDEX** - The **taxable bond market** was **up +7.5% in 2020** (total return) and has **gained +7.6% per year** (total return) over the **last 40 years** (1981-2020). The Bloomberg Barclays US Aggregate Bond Index (created in 1986), calculated using publicly traded **investment grade government bonds, corporate bonds and mortgage-related bonds** with at least 1 year until final maturity, was used as the bond measurement. The index is a **major benchmark** for US bond investors (source: Bloomberg Barclays).
- MOST OF THE TIME** - The **+7.5% total return** for Bloomberg Barclays US Aggregate Bond Index in 2020 follows its **+8.7% gain in 2019**, the best "**back-to-back**" years for the index since 2001-2002. The widely followed bond index, created in 1986 with backdated history calculated to 1976, has produced a **negative total return** for the calendar year in just **3 years of the last 40 years**, i.e., in 1994, 1999 and 2013 (source: Bloomberg Barclays).
- TIME IN THE MARKET** - Since 1950 (i.e., 1950-2020), the **S&P 500 index** has been up **54%** of 17,866 trading days, **60%** of 852 months, **67%** of 284 quarters and **73%** of 71 years (source: BTN Research).
- MISSING THE BEST** - The total return for the S&P 500 over the last 30 years (1991-2020) was a **gain of +10.7% per year** (total return). If you **missed the 24 best percentage gain days** over the last 30 years (i.e., 24 days in total, **not 24 days per year**), the +10.7% annual gain **falls in half to a +5.3% annual gain** (source: BTN Research).
- AVOID THE WORST** - The total return for the S&P 500 over the last 30 years (1991-2020) was a **gain of +10.7% per year** (total return). If you **avoided the 24 worst percentage days** over the last 30 years (i.e., 24 days in total, **not 24 days per year**), the +10.7% annual gain **rises to a +17.1% annual gain** (source: BTN Research).
- JOBLESS** - The **lowest** (3.5%) and the **highest** (14.7%) unemployment rates in the United States in the **last 50 years** (since 1970) both occurred in 2020, and they took place **just 2 months apart** (source: Department of Labor).
- BIRTHS, DEATHS AND IMMIGRATION** - Between 7/01/19 and 7/01/20, the Census Bureau estimated that **the US population** grew by **just +0.35%**, i.e., **approximately one-third of 1% growth rate** between 2019-2020. That's the **lowest year-over-year growth rate** in the USA based upon records maintained **since 1900** or 120 years of data (source: Census Bureau).
- LIVING LONG** - The **life expectancy at birth** of an American baby in 1971, i.e., 50 years ago, was **71.1 years**. The **life expectancy at birth** of an American baby today is **78.7 years**. Thus, life expectancy in the United States has **increased 7.6 years** over the last half century, i.e., **American life expectancy at birth** is increasing at the rate of **1 ½ years every decade** (source: Center for Disease Control).
- TEN-YEAR TREASURY NOTE** - The yield on the **10-year Treasury note** ended 2020 at **0.91%**, its lowest calendar year close ever and **down 1 percentage point** from its 12/31/19 close of 1.91%. The 10-year Treasury note yield was **0.50%** on Monday 3/09/20, its **lowest closing yield ever**. 10-year notes have been traded in the USA **since 1790**, i.e., **230 years** of trading (source: Treasury Department).
- HOUSING** - The average interest rate nationwide on a **30-year fixed rate mortgage** was 2.76% at the end of 2020. The all-time **record low** national average is 2.66%, set **just 1 week earlier** on 12/24/20 (source: Freddie Mac).
- OIL PRICES** - The **price of oil** ended 2020 at **\$48.52 a barrel**, down 20.5% from its 2019 close of **\$61.06 a barrel**. Oil's all-time closing high price is **\$147.27 a barrel** as of 7/11/08 (source: CME Group).
- OVERSPENDING** - The **national debt** of the United States was **\$27.56 trillion** as of the close of business on Wednesday 12/30/20, an increase of **\$4.36 trillion** during calendar year 2020 (source: Treasury Department).

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