

Understanding the S&P 500® Index

Using the index to help inform financial decisions

The S&P 500® Index is a stock market index that is widely regarded as the best single gauge of the performance of large-capitalization U.S. equities (stocks of publicly traded companies with a market capitalization of \$10 billion or more).

It's made up of a broad cross-section of the stocks of 500 leading companies that are publicly traded on every major U.S. stock exchange.

People look to this index as a benchmark of how the markets in general are doing at a given point in time. But looking at its historical performance can also yield helpful data for making investment decisions. Keep in mind that past performance does not guarantee future results.

S&P 500® INDEX ANNUAL RETURNS (1/1950 – 12/2012)

As one example, let's take a look at all the yearly average returns of the last 63 years:

- 73% of the time (46 years), the index has had a positive return.
- 52% of the time (33 years), the index has had a return greater than 10%.
- 17% of the time (11 years), the index has had a return less than -10%.

		13 years		16 years		17 years	
		1956	2.62%	1951	16.35%	1950	21.68%
		1959	8.48%	1952	11.78%	1954	45.02%
		1965	9.06%	1963	18.89%	1955	26.40%
		1968	7.66%	1964	12.97%	1958	38.06%
		1978	1.06%	1971	10.82%	1961	23.13%
		1984	1.40%	1972	15.79%	1967	20.09%
		1987	2.03%	1976	19.15%	1975	31.55%
		1992	4.46%	1979	12.31%	1980	25.77%
		1993	7.06%	1982	14.76%	1985	26.33%
		2004	8.99%	1983	17.27%	1989	27.25%
		2005	3.00%	1986	14.62%	1991	26.31%
		2007	3.53%	1988	12.40%	1995	34.11%
		2011	0.00%	1999	19.53%	1996	20.26%
				2006	13.62%	1997	31.01%
				2010	12.78%	1998	26.67%
				2012	13.41%	2003	26.38%
						2009	23.45%

-20%+		-10% – -20%		0% – -10%		0%–10%		10%–20%		20%+	
1974	-29.72%	1957	-14.31%	1953	-6.62%						
2002	-23.37%	1962	-11.81%	1960	-2.97%						
2008	-38.49%	1966	-13.09%	1970	-0.07%						
		1969	-11.36%	1981	-9.73%						
		1973	-17.37%	1990	-6.56%						
		1977	-11.50%	1994	-1.54%						
		2000	-10.14%								
		2001	-13.04%								

To learn more about market indexes and what they can tell you, contact your financial professional.

For all that's ahead.™



Market returns are subject to substantial volatility and returns from year to year can be significantly positive or negative. Historical index performance information is provided for illustrative purposes only, and is not a representation or projection of potential future performance. Investors cannot invest directly in an index. Please also note that when using an index allocation option within an annuity, results will be subject to certain limitations, such as caps, spreads, or participation rates.

This unmanaged index is not intended to represent a specific product. Individual results will vary. Figures do not take into account product fees and expenses; if they had been included, results would have been lower.

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