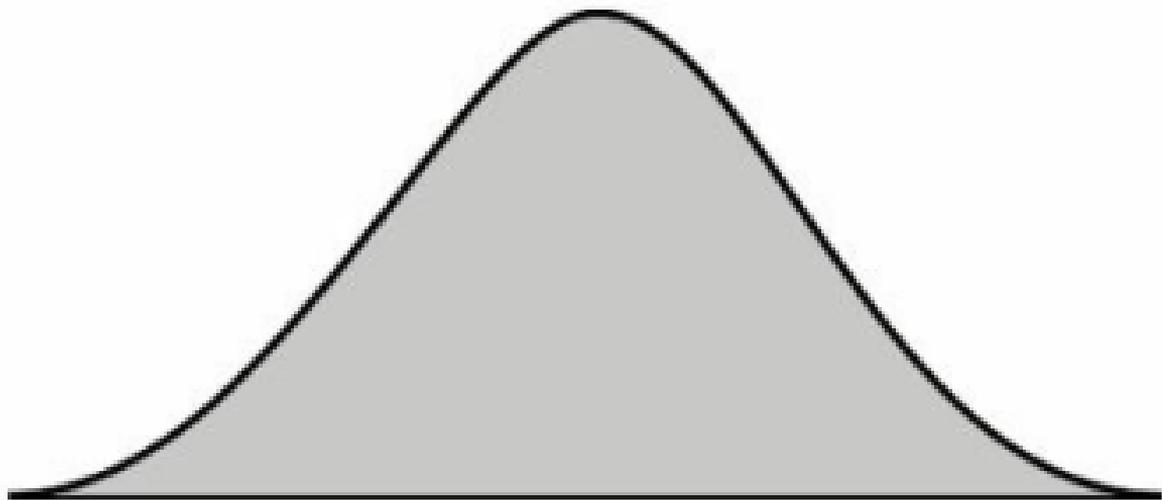


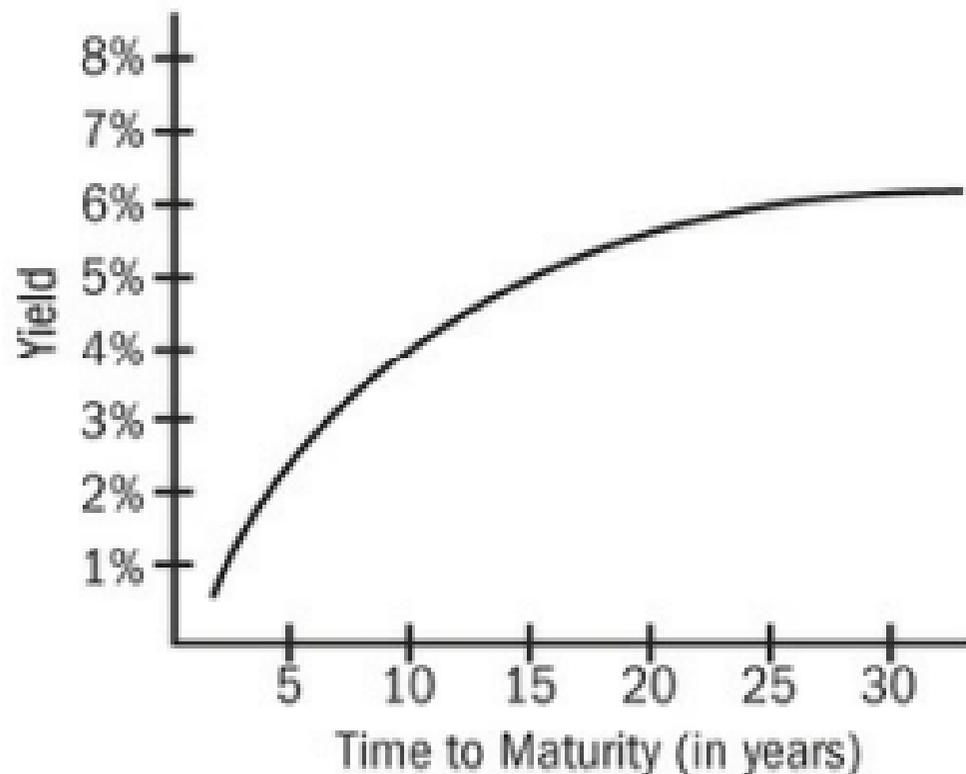
# The Dow Jones Industrial Average 1900 – 2012

Credit: [www.stockcharts.com](http://www.stockcharts.com)

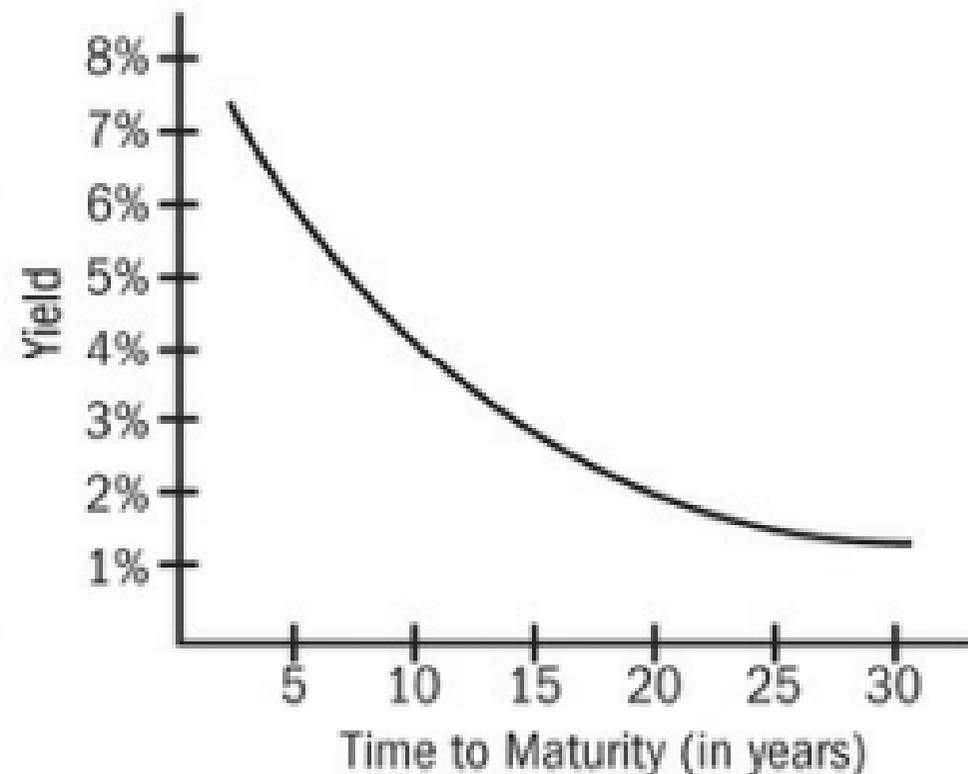


Generic Bell Curve Graph

“Normal” Yield Curve



“Inverted” Yield Curve



**Table 1: Retirement Portfolio Success Rates by Withdrawal Rate, Portfolio Composition, and Payout Period**

Annualized Withdrawal Rate as a Percentage of Initial Portfolio Value

Payout Period	3%	4%	5%	6%	7%	8%	9%	10%	11%	12%
<b>100% Stocks</b>										
Percent success rate										
15 Years	100	100	97	97	94	93	86	80	71	63
20 Years	100	98	97	95	92	86	77	66	55	51
25 Years	100	98	97	93	90	80	67	55	48	40
30 Years	100	98	96	93	87	76	62	51	40	35
<b>75% Stocks/25% Bonds</b>										
15 Years	100	100	100	100	97	94	90	77	66	56
20 Years	100	100	100	97	95	89	74	58	49	43
25 Years	100	100	98	97	92	78	60	52	42	32
30 Years	100	100	98	96	91	69	55	38	29	20
<b>50% Stocks/50% Bonds</b>										
15 Years	100	100	100	100	100	99	93	73	57	46
20 Years	100	100	100	100	98	88	63	46	32	20
25 Years	100	100	100	100	95	67	48	28	18	13
30 Years	100	100	100	98	85	53	27	15	9	5
<b>25% Stocks/75% Bonds</b>										
15 Years	100	100	100	100	100	100	86	53	34	30
20 Years	100	100	100	100	100	68	35	26	22	14
25 Years	100	100	100	100	68	33	25	17	13	10
30 Years	100	100	100	96	38	24	15	9	5	2
<b>100% Bonds</b>										
15 Years	100	100	100	100	100	73	56	44	29	19
20 Years	100	100	100	92	54	49	28	20	14	9
25 Years	100	100	97	58	43	27	18	10	10	8
30 Years	100	100	64	42	24	16	7	2	0	0

**Table 2: Retirement Portfolio Success Rates by Withdrawal Rate, Portfolio Composition, and Payout Period in Which Withdrawals Are Adjusted for Inflation**

Annualized Withdrawal Rate as a Percentage of Initial Portfolio Value

Payout Period	3%	4%	5%	6%	7%	8%	9%	10%	11%	12%
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**100% Stocks** Percent success rate

15 Years	100	100	100	94	86	76	71	64	51	46
20 Years	100	100	92	80	72	65	52	45	38	25
25 Years	100	100	88	75	63	50	42	33	27	17
30 Years	100	98	80	62	55	44	33	27	15	5

**75% Stocks/25% Bonds**

15 Years	100	100	100	97	87	77	70	56	47	30
20 Years	100	100	95	80	72	60	49	31	25	11
25 Years	100	100	87	70	58	42	32	20	10	3
30 Years	100	100	82	60	45	35	13	5	0	0

**50% Stocks/50% Bonds**

15 Years	100	100	100	99	84	71	61	44	34	21
20 Years	100	100	94	80	63	43	31	23	8	6
25 Years	100	100	83	60	42	23	13	8	7	2
30 Years	100	96	67	51	22	9	0	0	0	0

**25% Stocks/75% Bonds**

15 Years	100	100	100	99	77	59	43	34	26	13
20 Years	100	100	82	52	26	14	9	3	0	0
25 Years	100	95	58	32	25	15	8	7	2	2
30 Years	100	80	31	22	7	0	0	0	0	0

**100% Bonds**

15 Years	100	100	100	81	54	37	34	27	19	10
20 Years	100	97	65	37	29	28	17	8	2	2
25 Years	100	62	33	23	18	8	8	2	2	0
30 Years	84	35	22	11	2	0	0	0	0	0

**Table 3: Median End-of-Period Retirement Portfolio Values Net of Fixed Withdrawals (Assuming Initial Portfolio Value of \$1,000)**

Annualized Withdrawal Rate as a Percentage of Initial Portfolio Value

Payout Period	3%	4%	5%	6%	7%	8%	9%	10%	11%	12%
<b>100% Stocks</b>										
	Ending Dollar Amount									
15 Years	4,037	3,634	3,290	2,978	2,564	2,061	1,689	1,378	1,067	563
20 Years	6,893	6,083	5,498	4,640	3,821	2,907	2,059	1,209	610	51
25 Years	10,128	8,466	7,708	6,094	4,321	2,936	1,765	459	0	0
30 Years	17,950	15,610	12,137	9,818	7,752	5,413	2,461	41	0	0
<b>75% Stocks/25% Bonds</b>										
15 Years	3,414	3,086	2,682	2,293	1,937	1,528	1,169	888	623	299
20 Years	5,368	4,594	3,933	3,177	2,665	2,062	1,339	574	0	0
25 Years	8,190	5,724	4,732	3,889	2,913	1,865	500	0	0	0
30 Years	12,765	10,743	8,729	5,210	3,584	2,262	1,424	800	367	105
<b>50% Stocks/50% Bonds</b>										
15 Years	2,668	2,315	2,015	1,705	1,398	1,097	785	470	187	0
20 Years	3,555	3,018	2,329	1,926	1,462	940	420	0	0	0
25 Years	4,689	3,583	2,695	1,953	1,293	624	0	0	0	0
30 Years	8,663	7,100	5,538	2,409	1,190	466	136	16	0	0
<b>25% Stocks/75% Bonds</b>										
15 Years	1,685	1,446	1,208	961	731	499	254	14	0	0
20 Years	2,033	1,665	1,258	882	521	136	0	0	0	0
25 Years	2,638	1,863	1,303	704	130	0	0	0	0	0
30 Years	3,350	2,587	1,816	647	0	0	0	0	0	0
<b>100% Bonds</b>										
15 Years	1,575	1,344	1,102	886	651	420	211	0	0	0
20 Years	1,502	1,188	926	537	132	0	0	0	0	0
25 Years	1,639	1,183	763	41	0	0	0	0	0	0
30 Years	1,664	1,157	670	0	0	0	0	0	0	0



Note: Data for stock returns are monthly total returns to the Standard & Poor's 500 Index, and bond returns are total monthly returns to high-grade corporate bonds. Both sets of returns data are from January 1926 through December 2009 as published in the 2010 *Ibbotson SBI Classic Yearbook* by Morningstar.

**Table 1:** (Financial Planning Association, 2010, Table 1: Retirement Portfolio Success Rates by Withdrawal Rate, Portfolio Composition, and Payout Period) **Table 2:** Inflation adjustments were calculated using annual values of the CPI-U as published in the U.S. Bureau of Labor Statistics at [www.bis.gov](http://www.bis.gov). (Financial Planning Association, 2010, Table 2: Retirement Portfolio Success Rates by Withdrawal Rate, Portfolio Composition, and Payout Period in Which Withdrawals Are Adjusted for Inflation) **Table 3:** (Financial Planning Association, 2010, Table 3: Median End-of-Period Retirement Portfolio Values Net of Fixed Withdrawals—Assuming Initial Portfolio Value of \$1,000) **Table 4:** Inflation adjustments were calculated using annual values of the CPI-U as published in the U.S. Bureau of Labor Statistics at [www.bis.gov](http://www.bis.gov). (Financial Planning Association, 2010, Table 4: Median End-of-Period Portfolio Values for Retirement Portfolios with Inflation-Adjusted Withdrawals—Assuming Initial Portfolio Value of \$1,000)