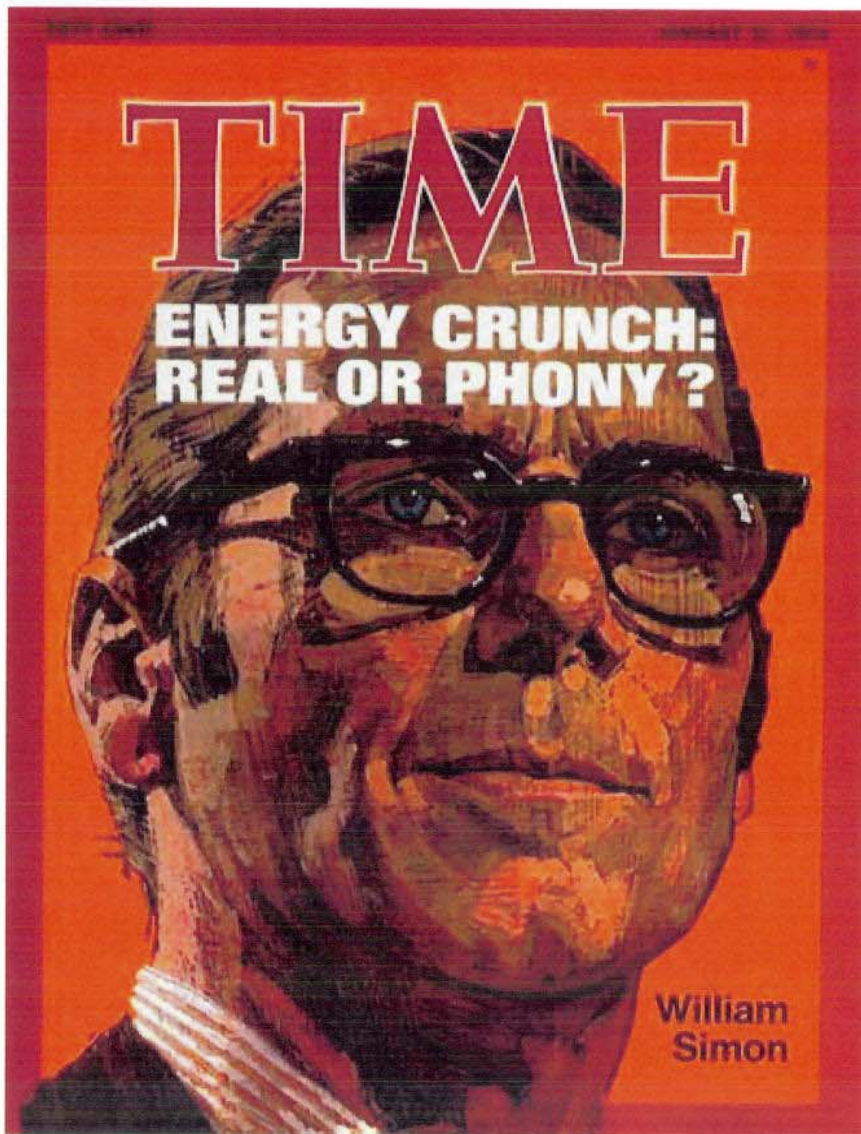


# 30 years of Time Magazine Covers & The Stock Market

From January 1978 to August 2008  
(30 slides)

At times like this, that is, times of declining stock markets prompted by an economic downturn and/or recession, the media play a significant role in creating fear in the minds of investors. Unfortunately, they are so successful at doing this that many investors are driven to make the wrong investment decisions (i.e. to invest more conservatively or to not invest at all until “things get better”). To highlight this fact, I went to the TIME magazine website and looked back 30 years for all the cover stories which illustrated worries (many of which warned of doom and gloom) about the economy or the stock market. I also looked at how much a \$1,000 investment in the stock market\* on the day the “doom and gloom” issue hit the stands, would be worth ten years later. I think you will find the results very interesting.

\* To represent the stock market, I have chosen the Dow Jones Industrial Average which is one of the major indexes which aims to approximate the performance of the U.S. Stock Market

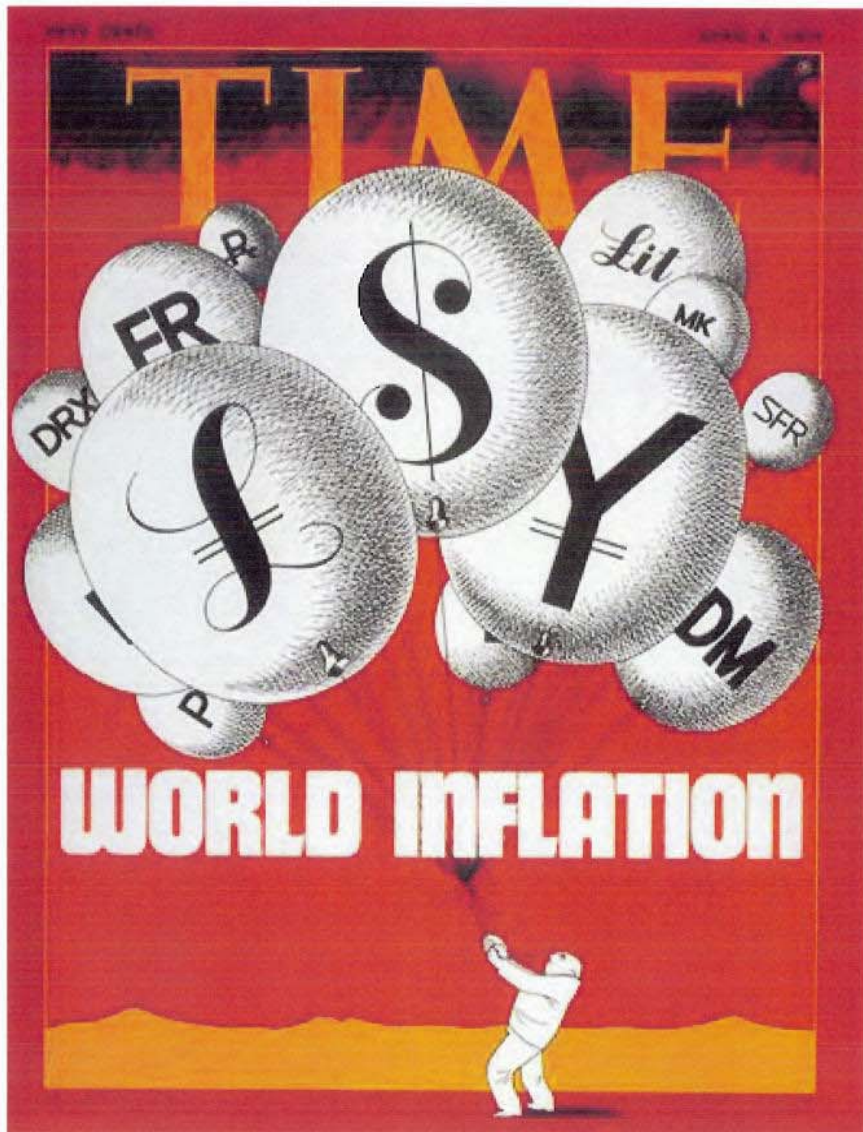


January 21<sup>st</sup> 1974

DOW JONES = 854.63

DOW JONES 10 years later = 1259.11

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$1,473** ten years later.

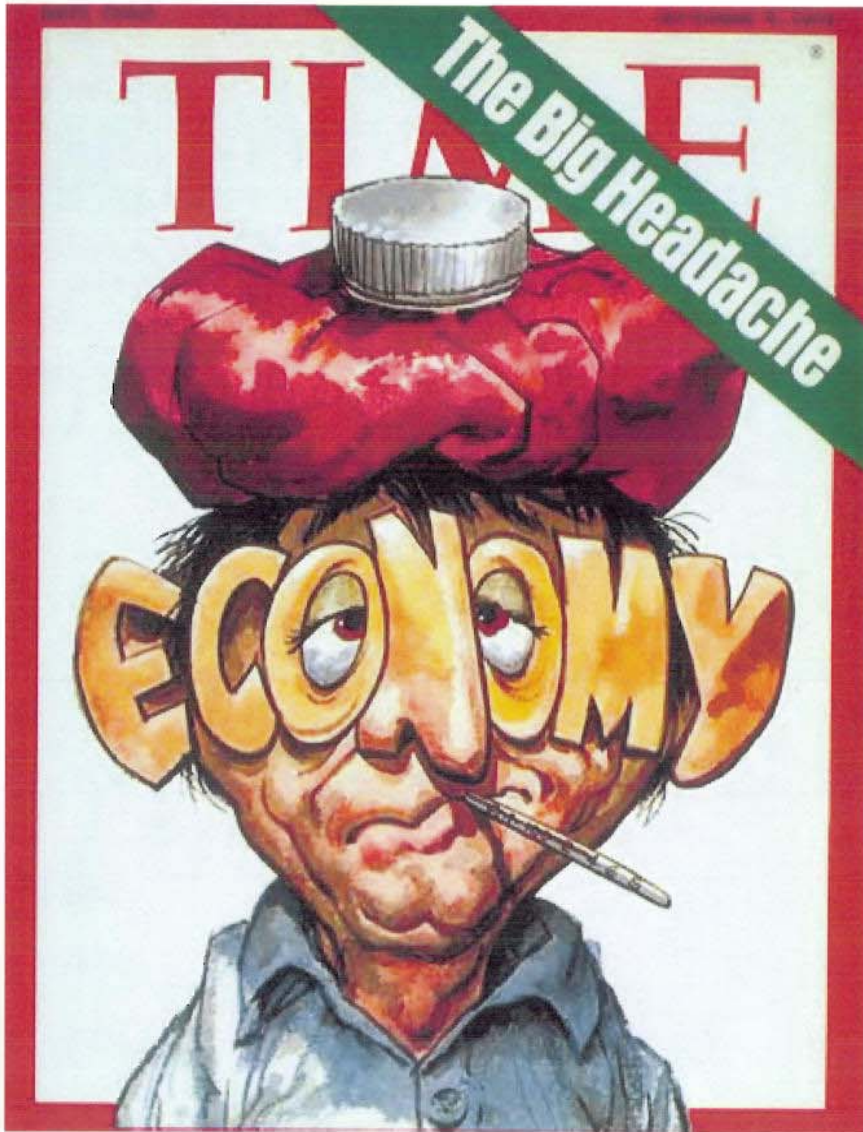


April 8<sup>th</sup> 1974

DOW JONES = 839.96

DOW JONES 10 years later = 1132.22

\$1,000 invested in the Dow Jones on the day this issue hit the stands would have been worth **\$1,348** ten years later.



September 9<sup>th</sup> 1974

DOW JONES = 662.94

DOW JONES 10 years later = 1207.38

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$1,821** ten years later.

**(almost doubling in 10 years)**



December 9<sup>th</sup> 1974

DOW JONES = 579.94

DOW JONES 10 years later = 1163.21

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$2,006** ten years later.

**(more than doubling in 10 years)**



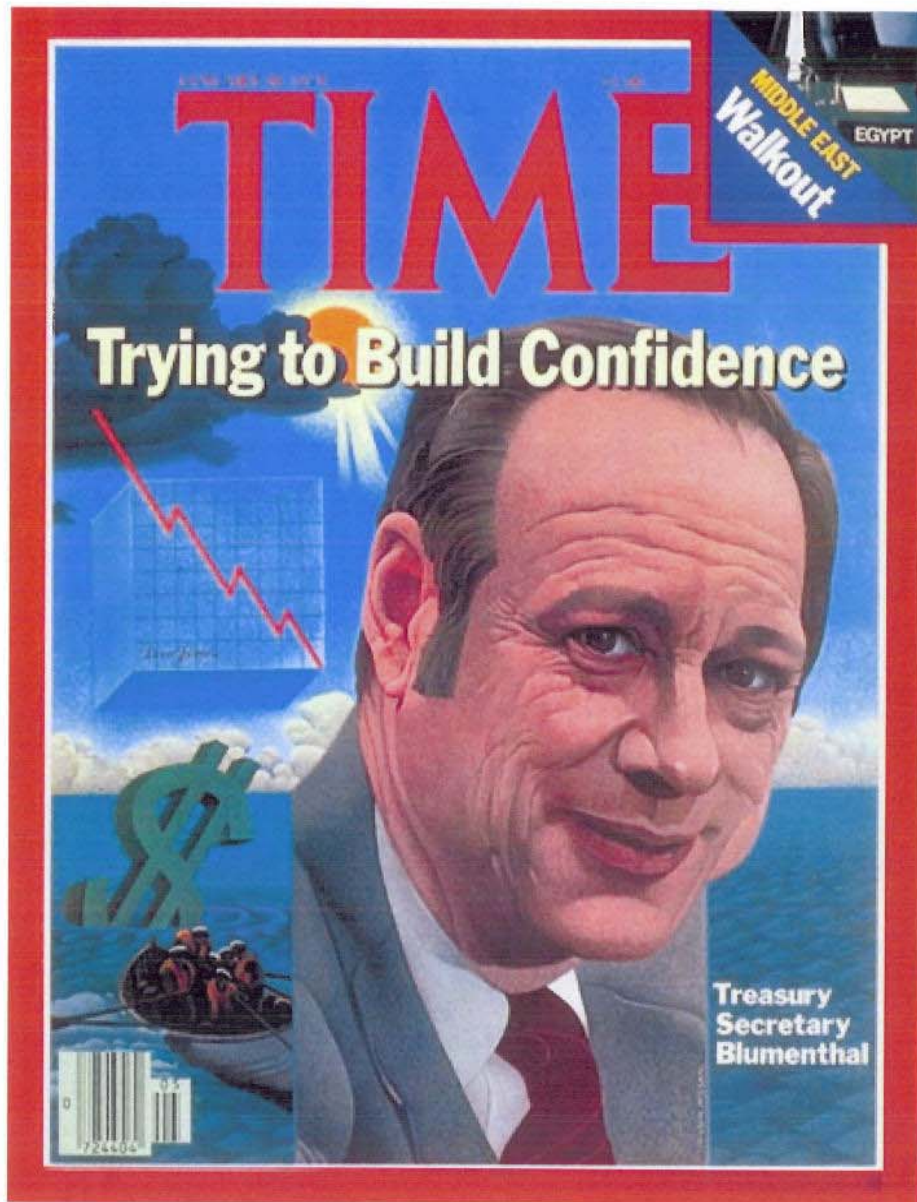
January 27<sup>th</sup> 1975

DOW JONES = 692.66

DOW JONES 10 years later = 1276.06

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$1,842** ten years later.

**(almost doubling in 10 years)**



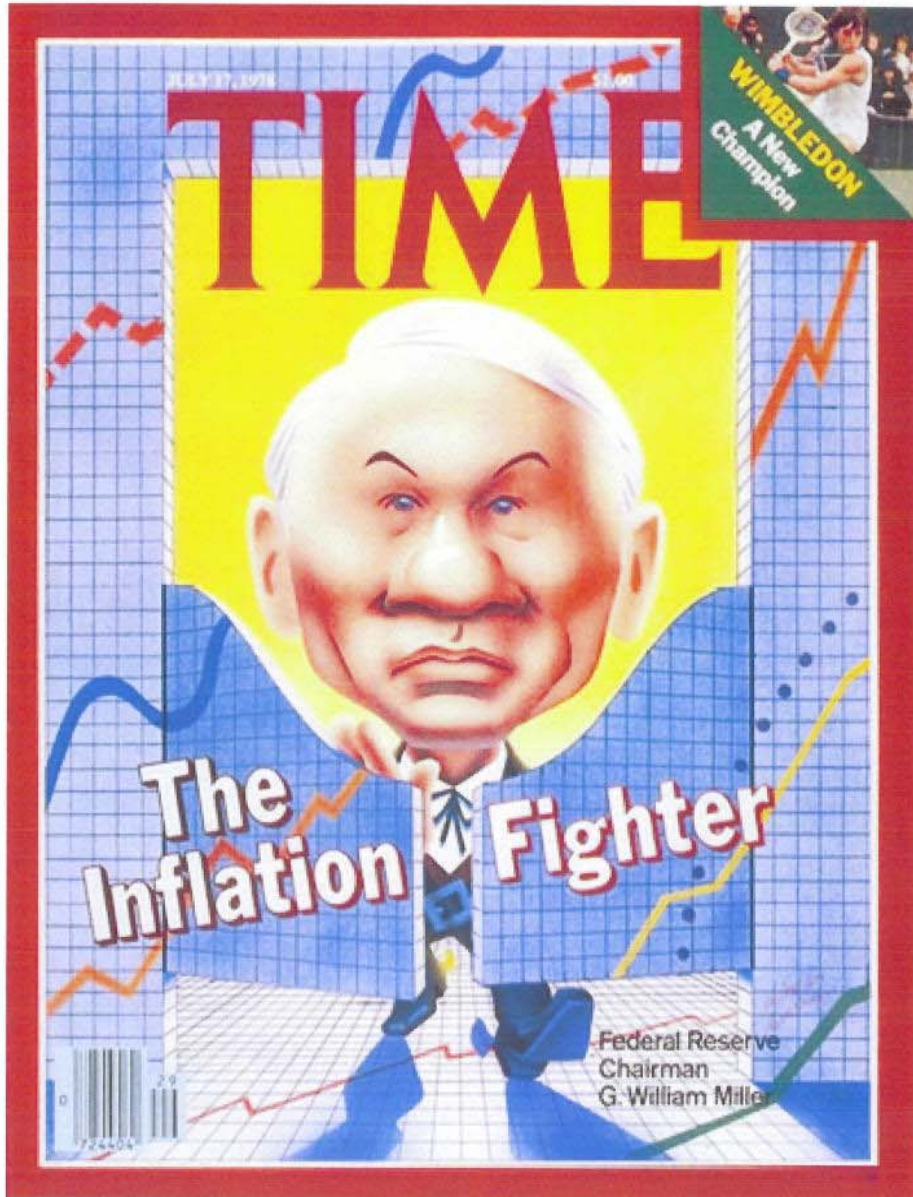
January 30<sup>th</sup> 1978

DOW JONES = 772.44

DOW JONES 10 years later = 1958.22

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$2,535** ten years later.

**(more than doubling in 10 years)**



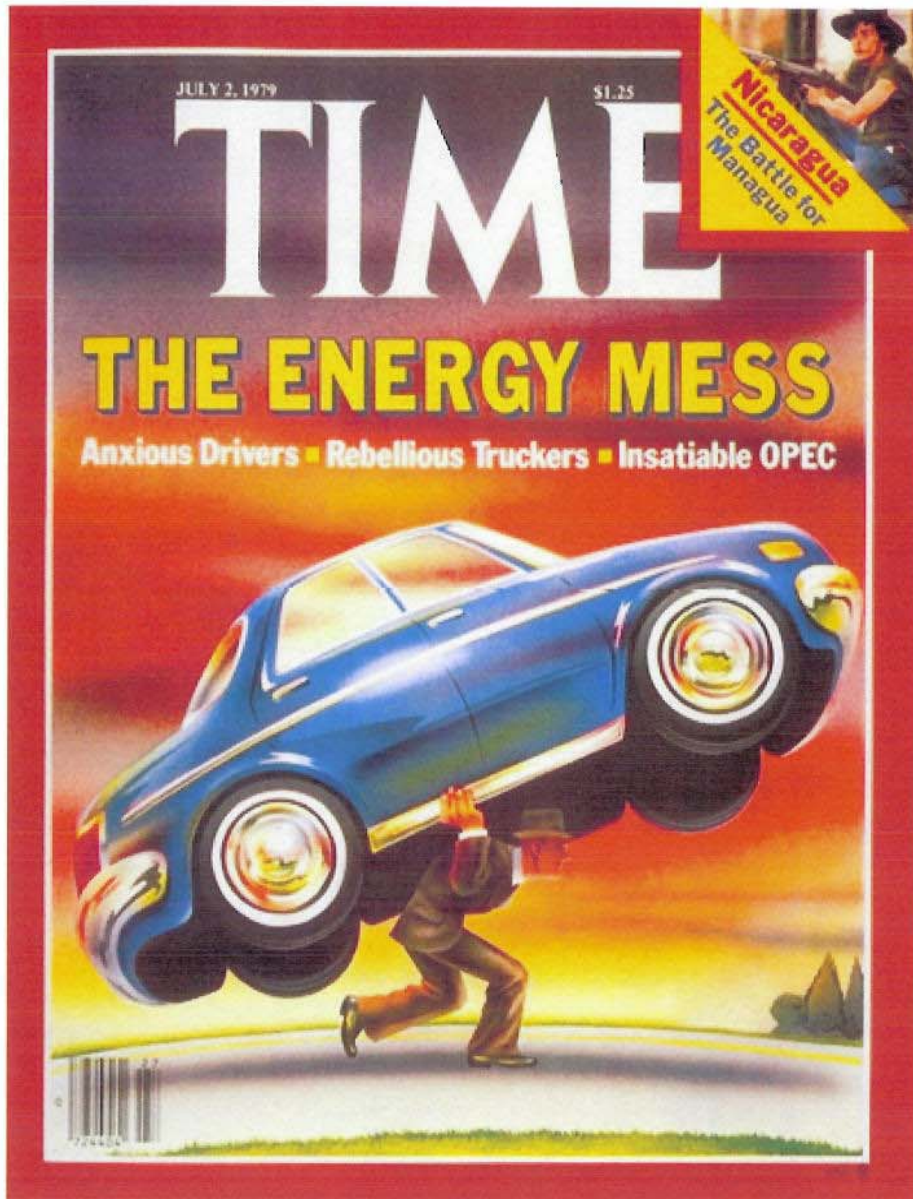
July 17<sup>th</sup> 1978

DOW JONES = 839.05

DOW JONES 10 years later = 2129.45

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$2,538** ten years later.

**(more than doubling in 10 years)**



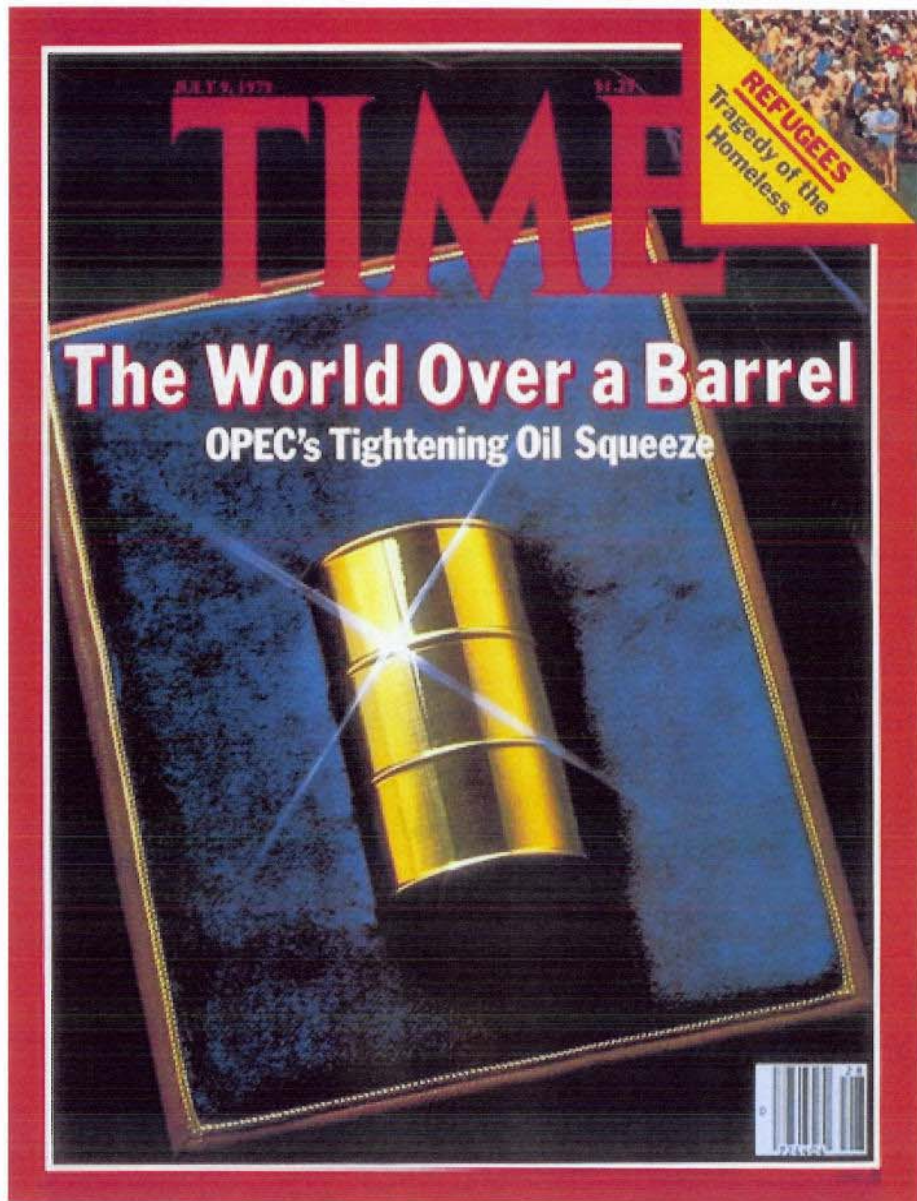
July 2<sup>nd</sup> 1979

DOW JONES = 834.04

DOW JONES 10 years later = 2440.06

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$2,926** ten years later.

**(almost tripling in 10 years)**



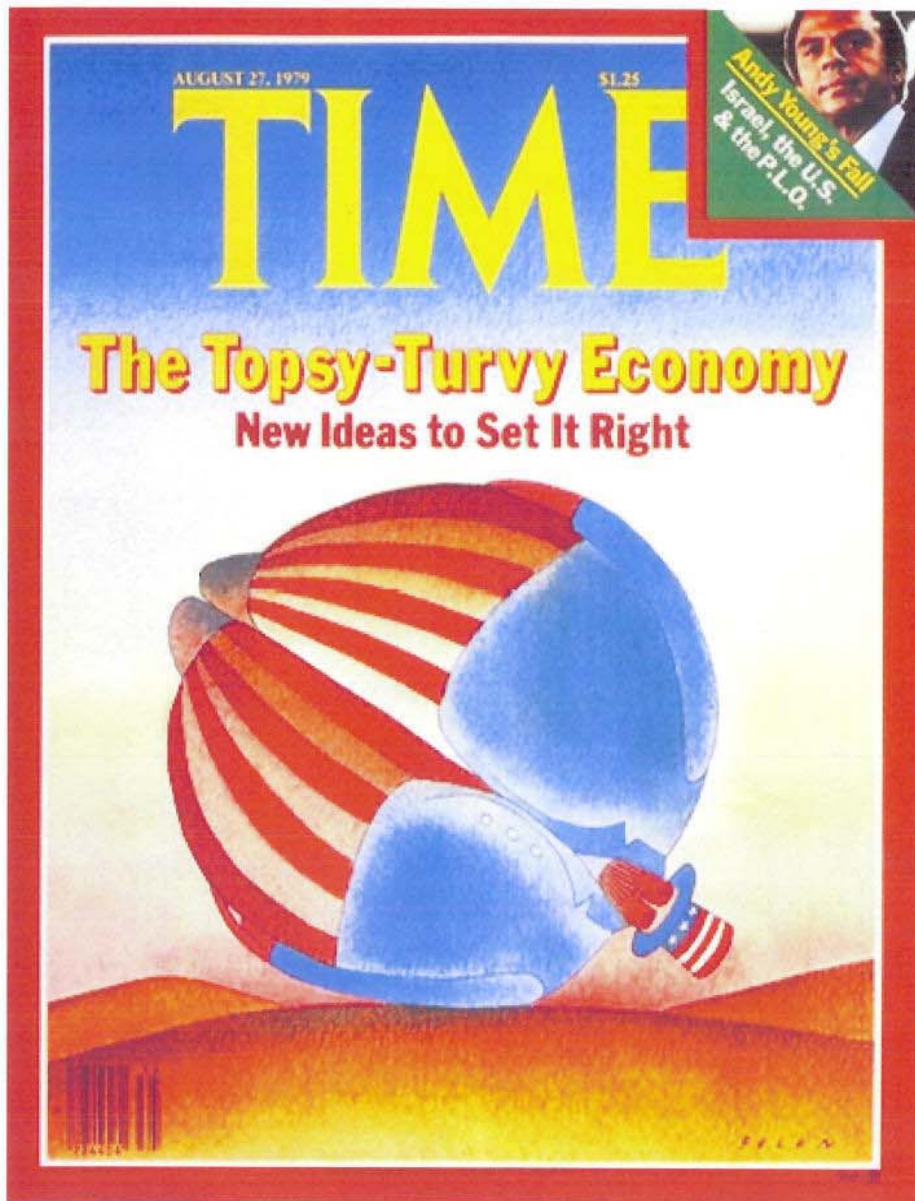
July 9<sup>th</sup> 1979

DOW JONES = 852.99

DOW JONES 10 years later = 2487.86

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$2,917** ten years later.

**(almost tripling in 10 years)**



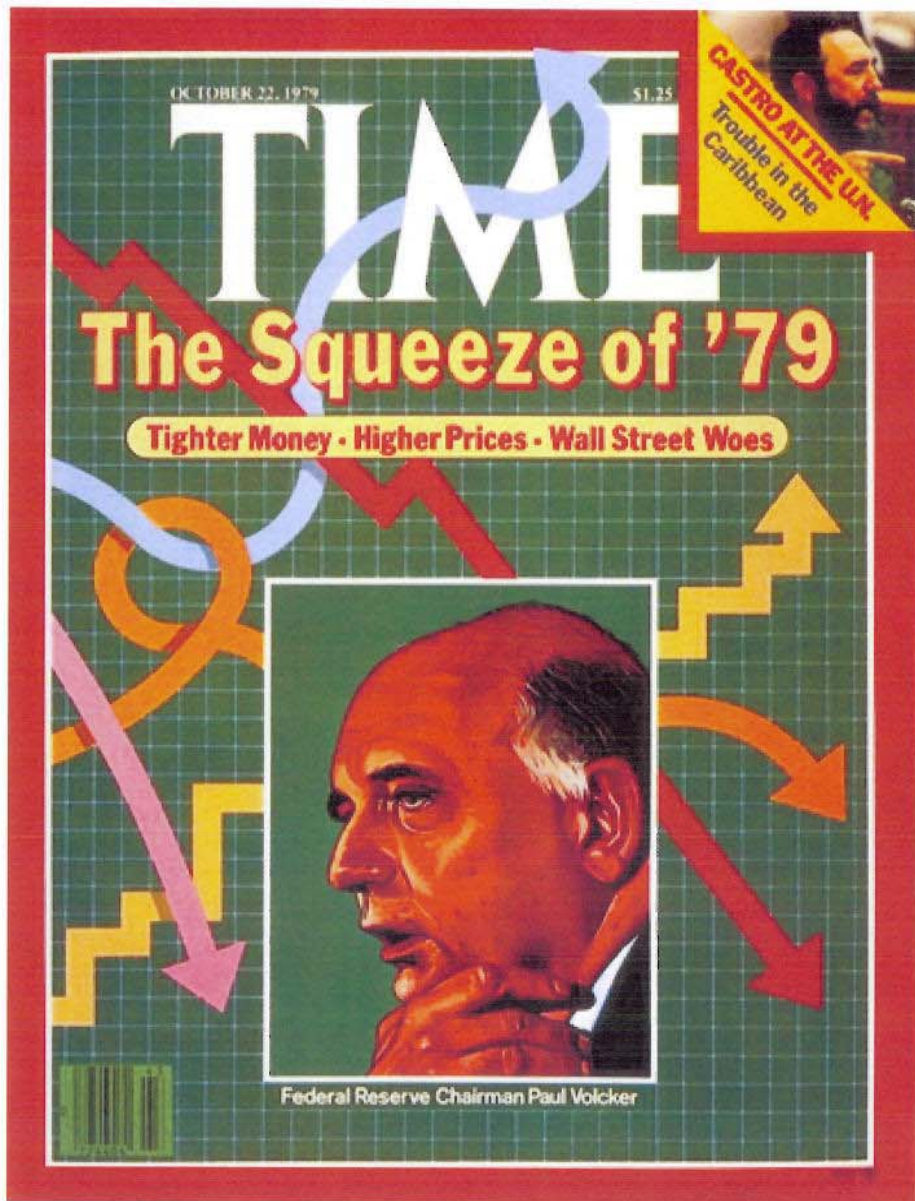
August 27<sup>th</sup> 1979

DOW JONES = 885.41

DOW JONES 10 years later = 2732.36

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$3,086** ten years later.

**(more than tripling in 10 years)**



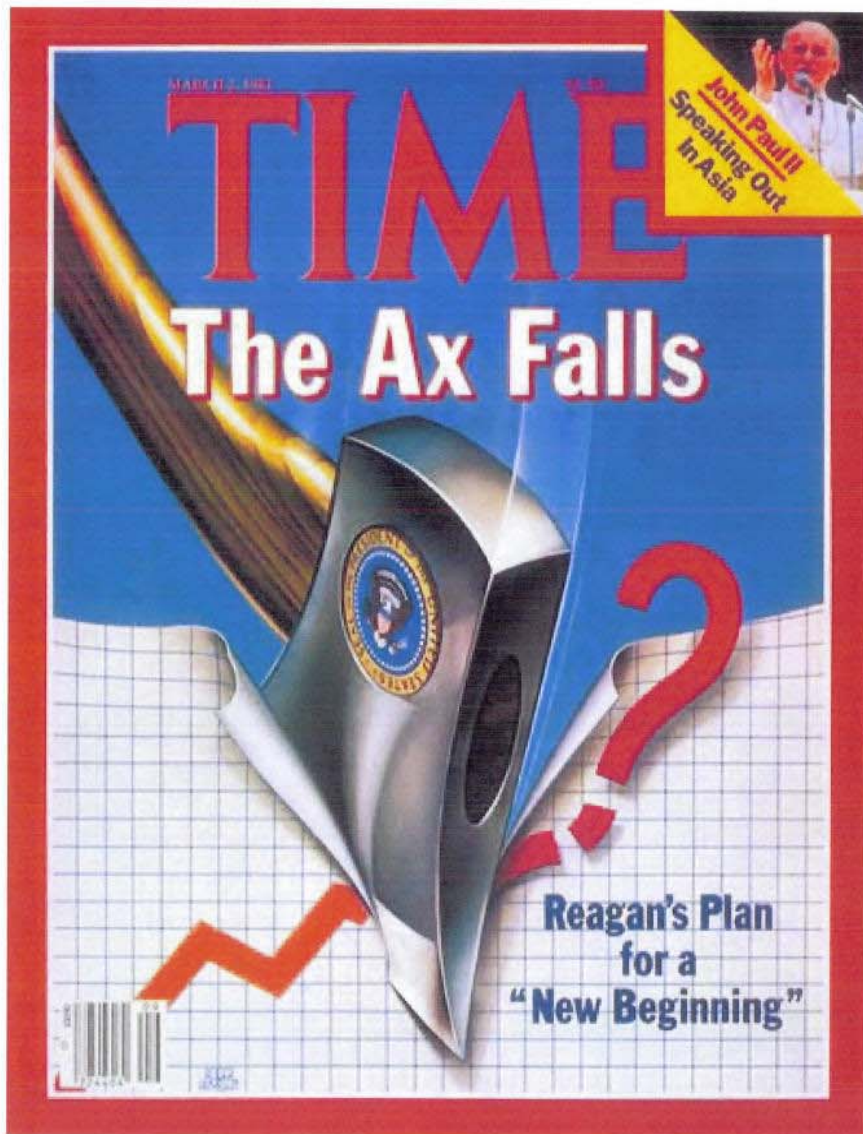
DOW JONES = 809.13

DOW JONES 10 years later = 2689.14

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$3,326** ten years later.

**(more than tripling in 10 years)**

October 22<sup>nd</sup> 1979



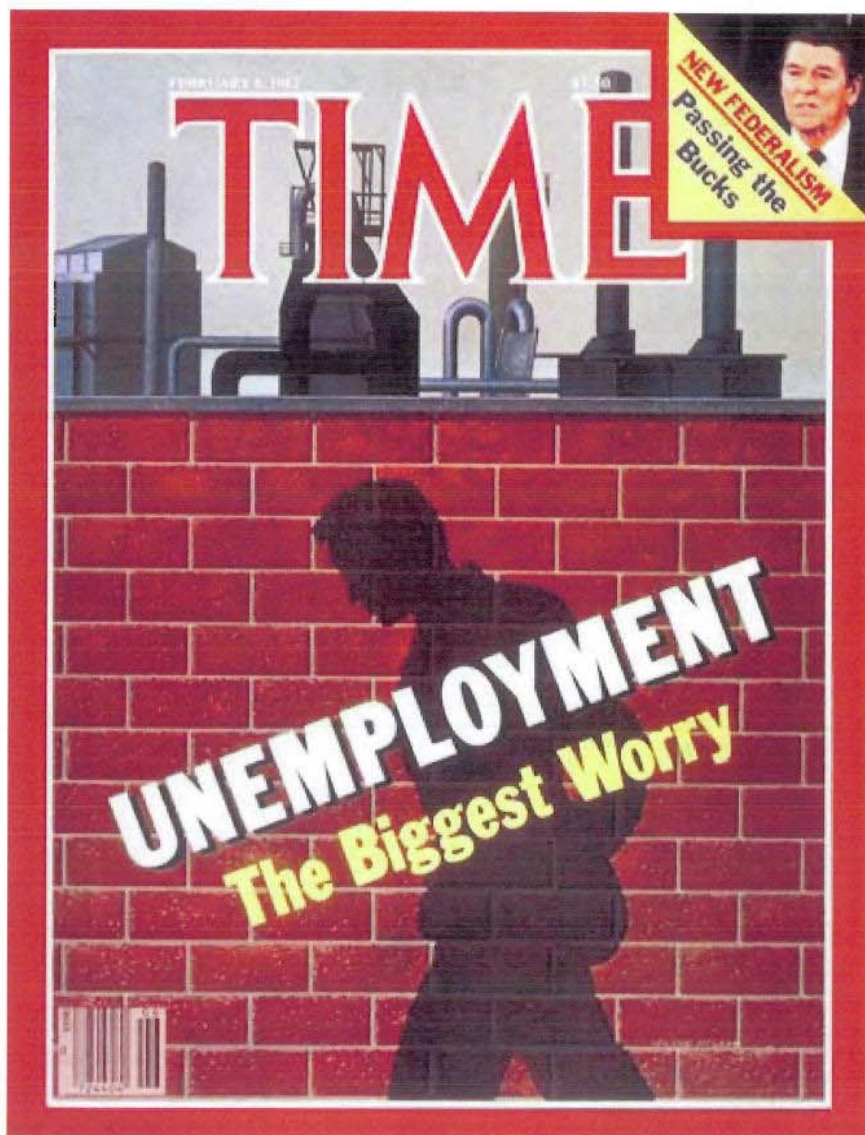
March 2<sup>nd</sup> 1981

DOW JONES = 977.99

DOW JONES 10 years later = 2909.90

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$2,975** ten years later.

**(almost tripling in 10 years)**



February 8<sup>th</sup> 1982

DOW JONES = 833.43

DOW JONES 10 years later = 3225.40

\$1,000 invested in the Dow Jones on the day this issue hit the stands would have been worth \$3,870 ten years later.

(almost quadrupling in 10 years)



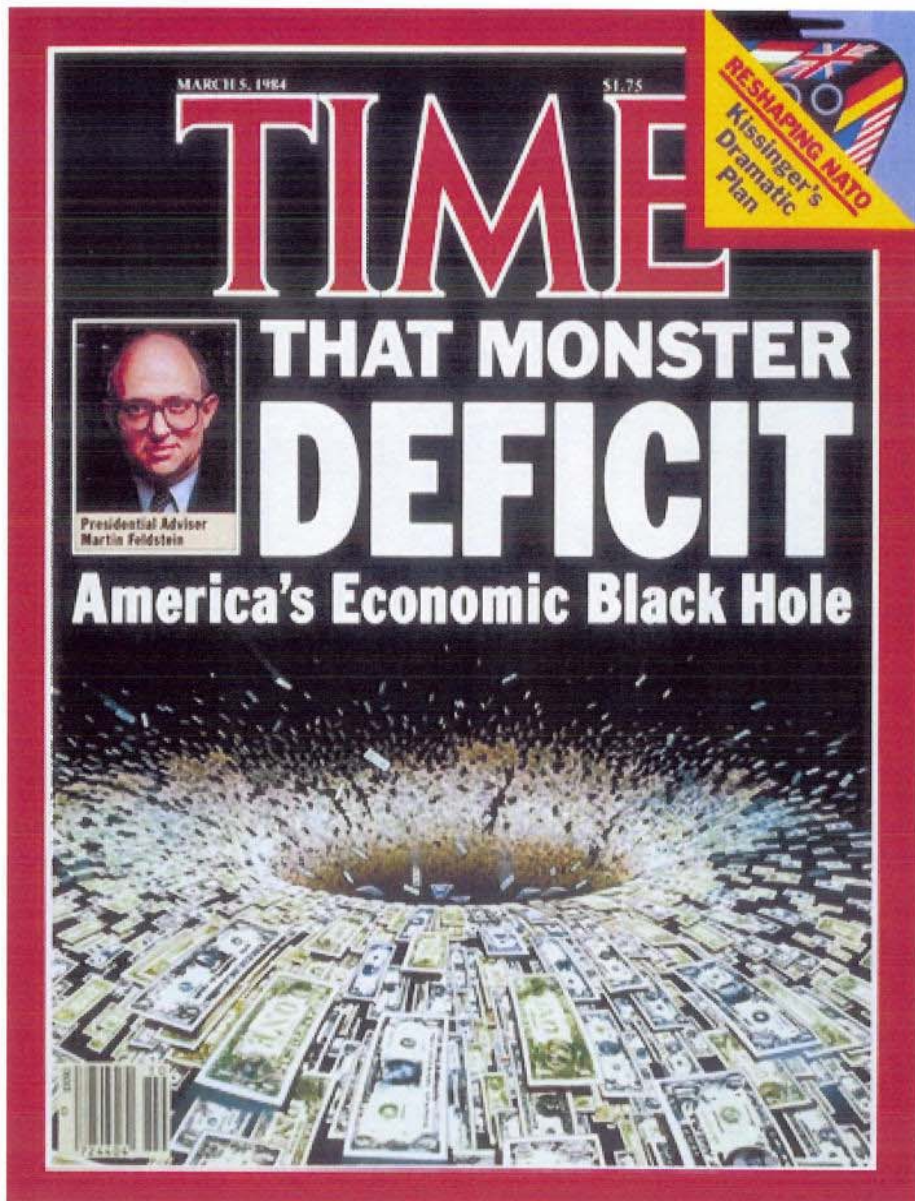
May 8<sup>th</sup> 1982

DOW JONES = 860.92

DOW JONES 10 years later = 3369.41

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$3,914** ten years later.

**(almost quadrupling in 10 years)**



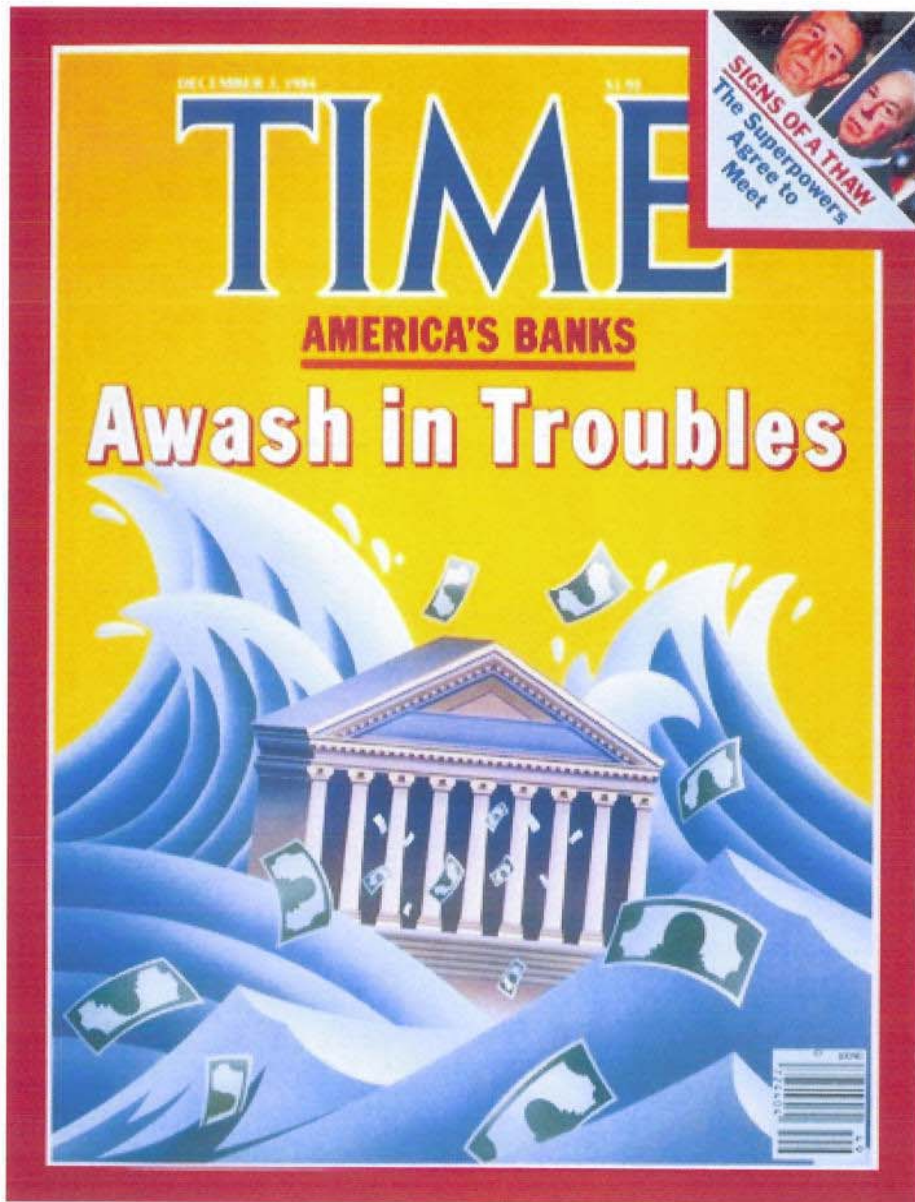
March 5<sup>th</sup> 1984

DOW JONES = 1165.20

DOW JONES 10 years later = 3832.30

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$3,229** ten years later.

**(more than tripling in 10 years)**



December 3<sup>rd</sup> 1984

DOW JONES = 1182.42

DOW JONES 10 years later = 3745.62

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$3,168** ten years later.

**(more than tripling in 10 years)**



April 14<sup>th</sup> 1986

DOW JONES = 1805.31

DOW JONES 10 years later = 5532.59

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$3,065** ten years later.

**(more than tripling in 10 years)**



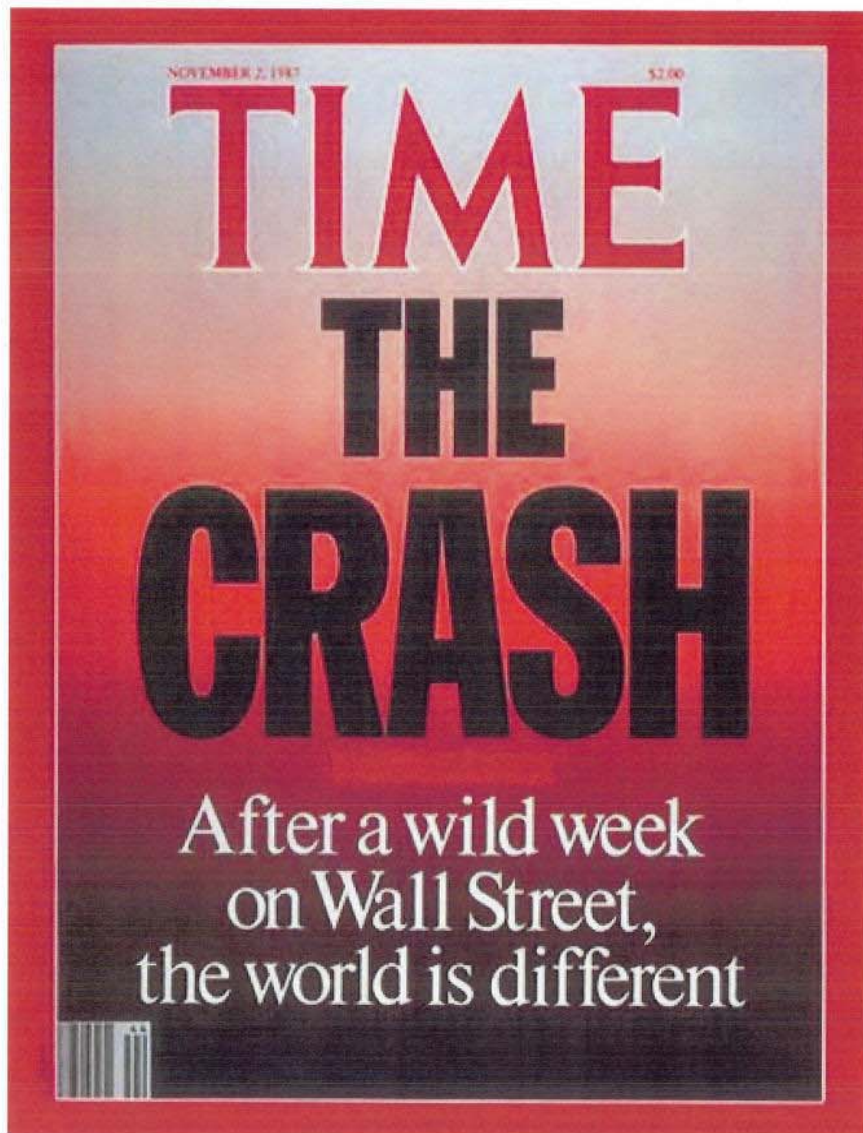
November 10<sup>th</sup> 1986

DOW JONES = 1892.29

DOW JONES 10 years later = 6219.82

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$3,287** ten years later.

**(more than tripling in 10 years)**



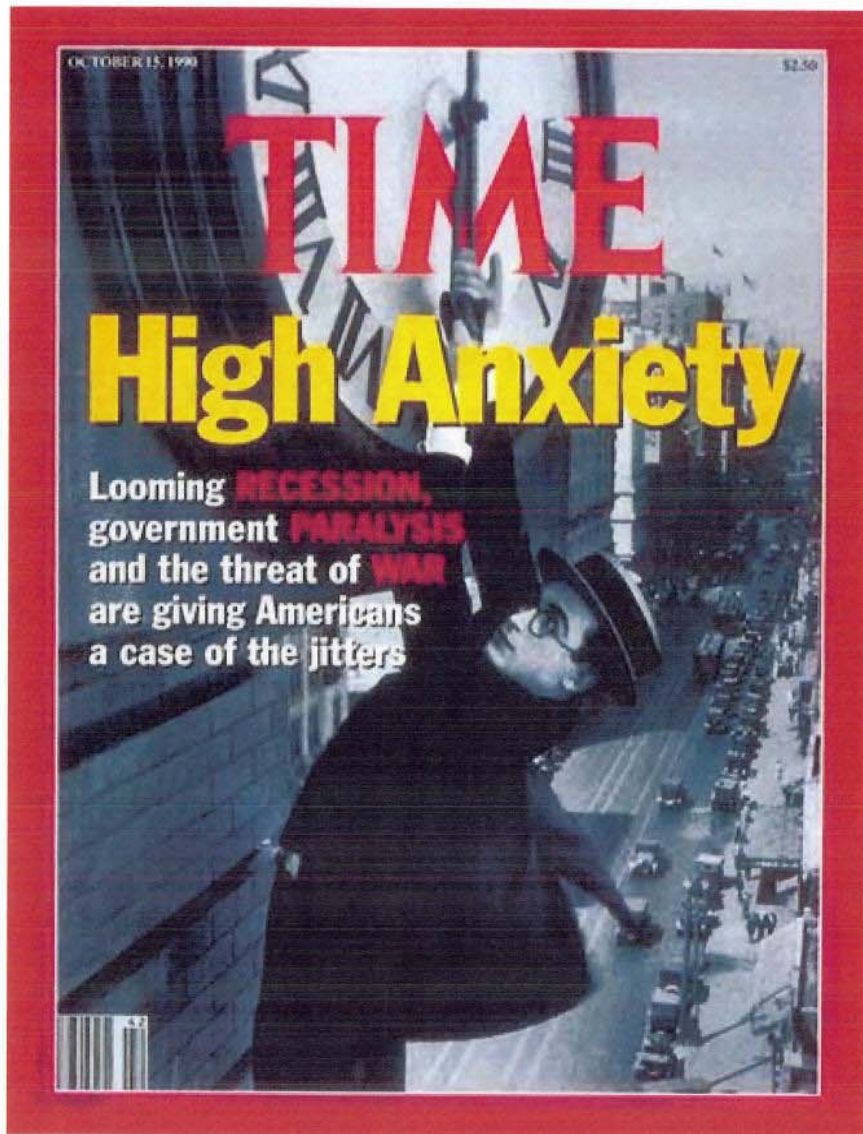
November 2<sup>nd</sup> 1987

DOW JONES = 2014.09

DOW JONES 10 years later = 7442.08

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$3,695** ten years later

**(more than tripling in 10 years)**



DOW JONES = 2545.05

DOW JONES 10 years later = 10707.60

\$1,000 invested in the Dow Jones on the day this issue hit the stands would have been worth \$4,207 ten years later.

(more than quadrupling in 10 years)

November 15<sup>th</sup> 1990



January 13<sup>th</sup> 1992

DOW JONES = 3185.60

DOW JONES 10 years later = 9987.53

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$3,135** ten years later.

**(more than tripling in 10 years)**



DOW JONES = 3276.26

DOW JONES 10 years later = 7701.45

**\$1,000** invested in the Dow Jones on the day this issue hit the stands would have been worth **\$2,351**

**(more than doubling in 10 years)**

September 28<sup>th</sup> 1992

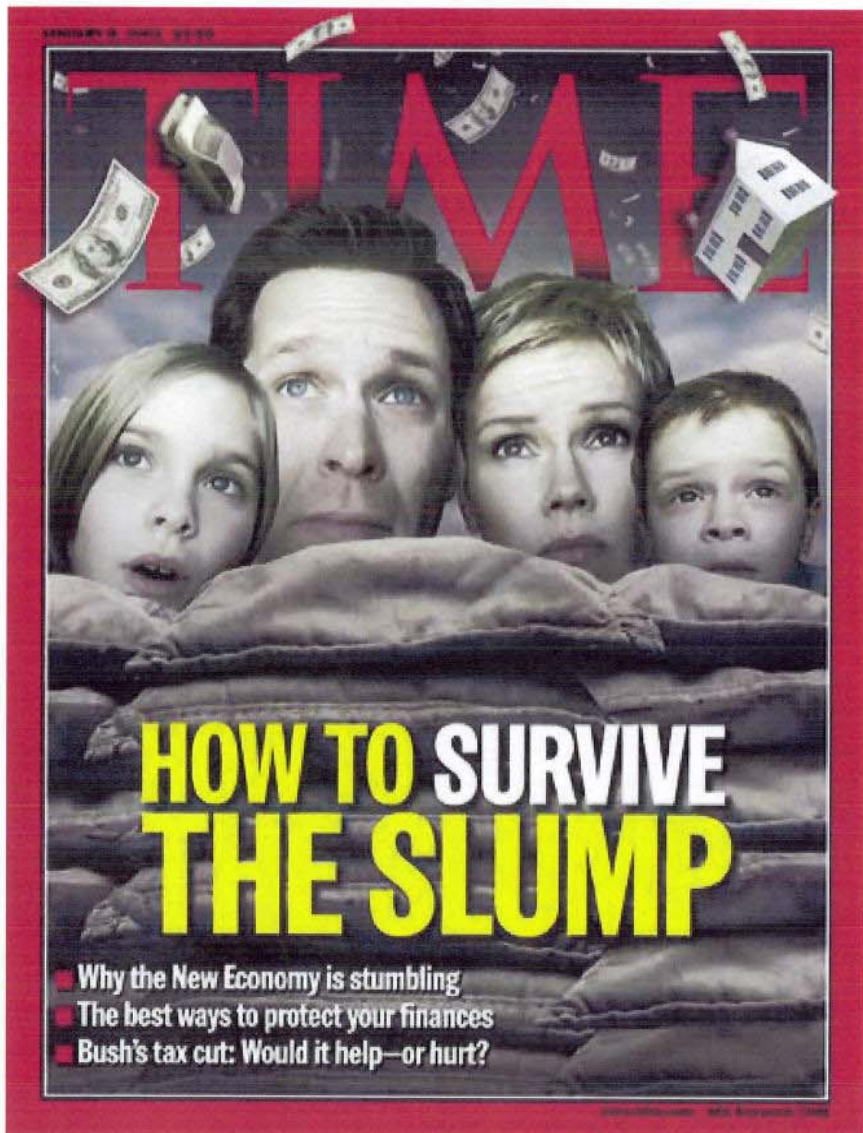


September 14<sup>th</sup> 1998

DOW JONES = 7945.35

DOW JONES 10 years later = ???

DOW JONES on Aug 8th 2008 = 11,734



DOW JONES = 10621.35

DOW JONES 10 years later = ???

DOW JONES on Aug 8th 2008 = 11,734

January 8<sup>th</sup> 2001



DOW JONES = 9687.53

DOW JONES 10 years later = ???

DOW JONES on Aug 8th 2008 = 11,734

March 26<sup>th</sup> 2001



DOW JONES = 8920.70

DOW JONES 10 years later = ???

**DOW JONES on Aug 8th 2008 = 11,734**

September 14<sup>th</sup> 2001



May 26<sup>th</sup>, 2008

DOW JONES = 12479.63

DOW JONES 10 years later = ???

DOW JONES on Aug 8th 2008 = 11,734

# SUMMARY

On average, had you invested \$1,000 on the day these issues hit the stand, the investment would have been worth \$2,850 ten years later **(almost tripling in that time)**

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