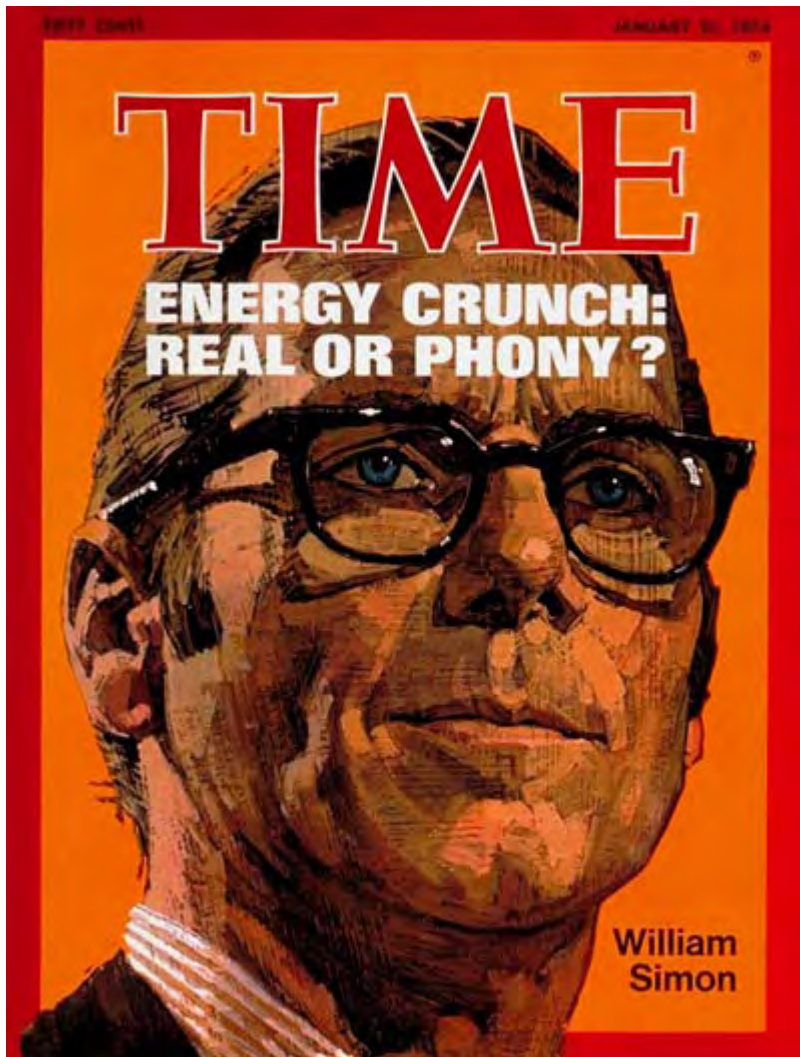


30 years of Time Magazine Covers & The Stock Market

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

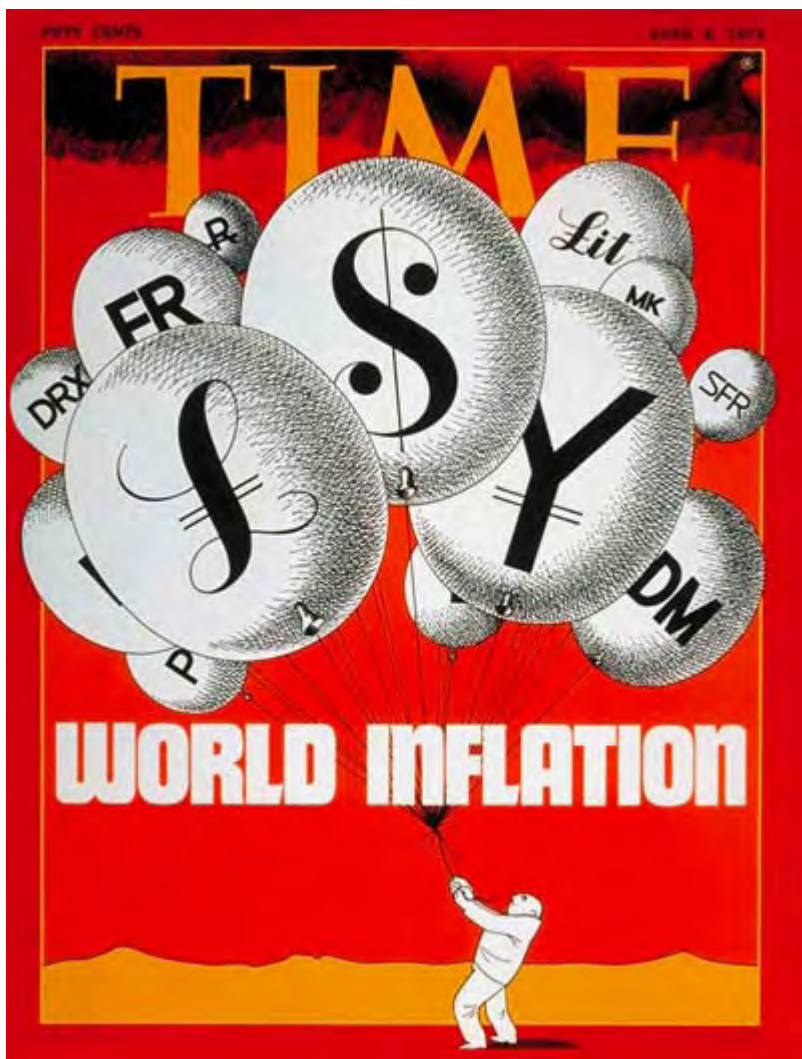


January 21st 1974

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 8th 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 9th 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)



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)

December 9th 1974



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 27th 1975



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)

January 30th 1978



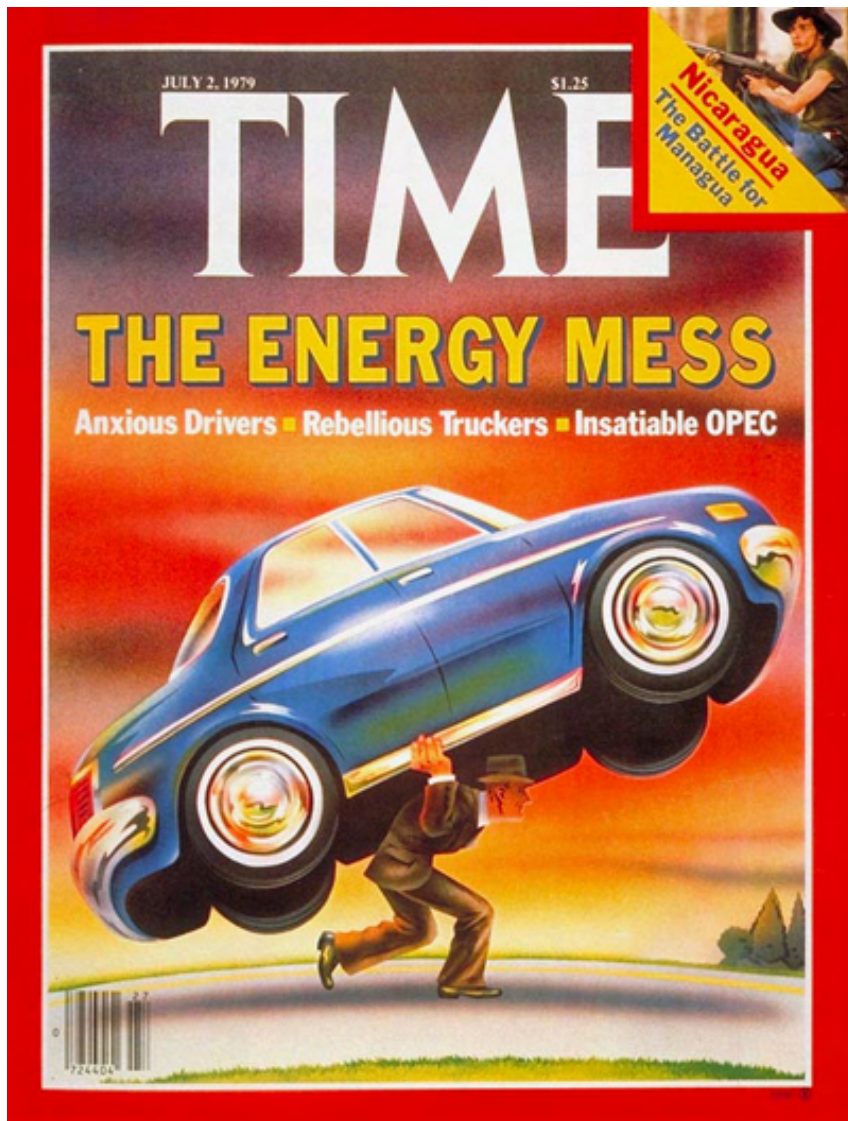
July 17th 1978

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)



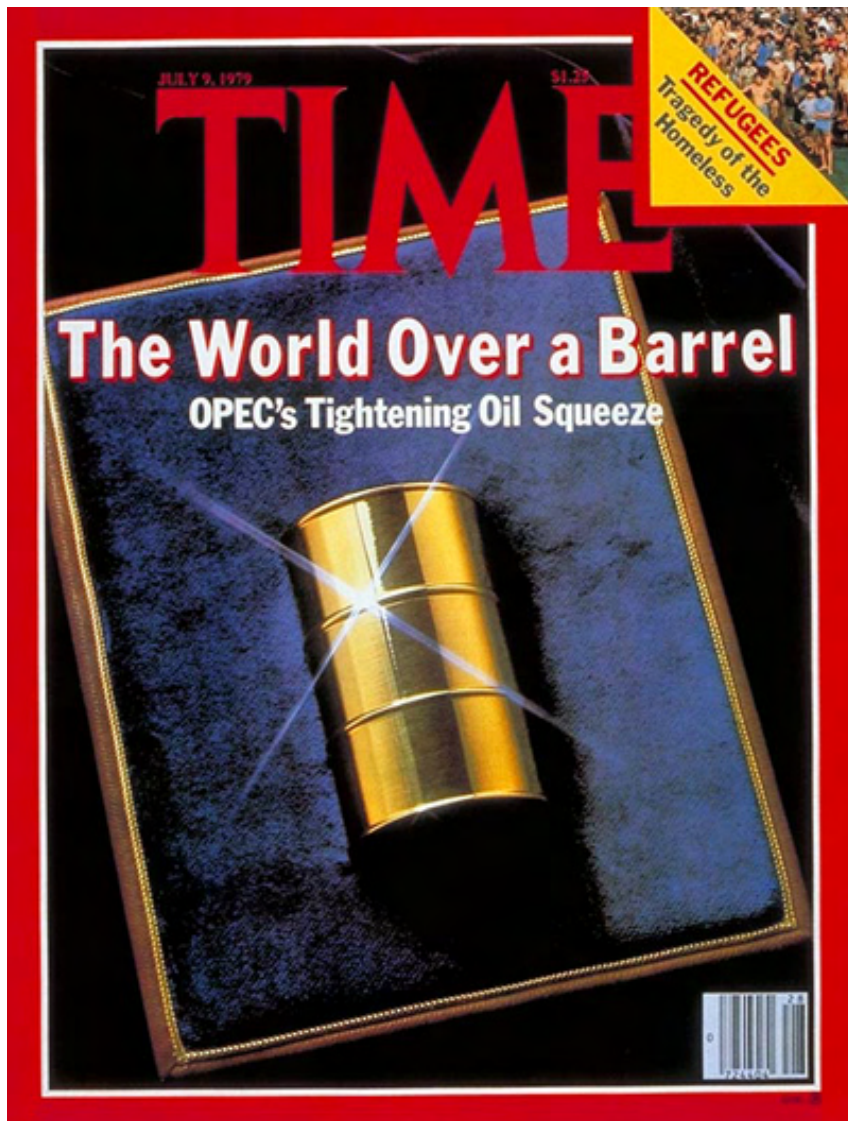
July 2nd 1979

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)



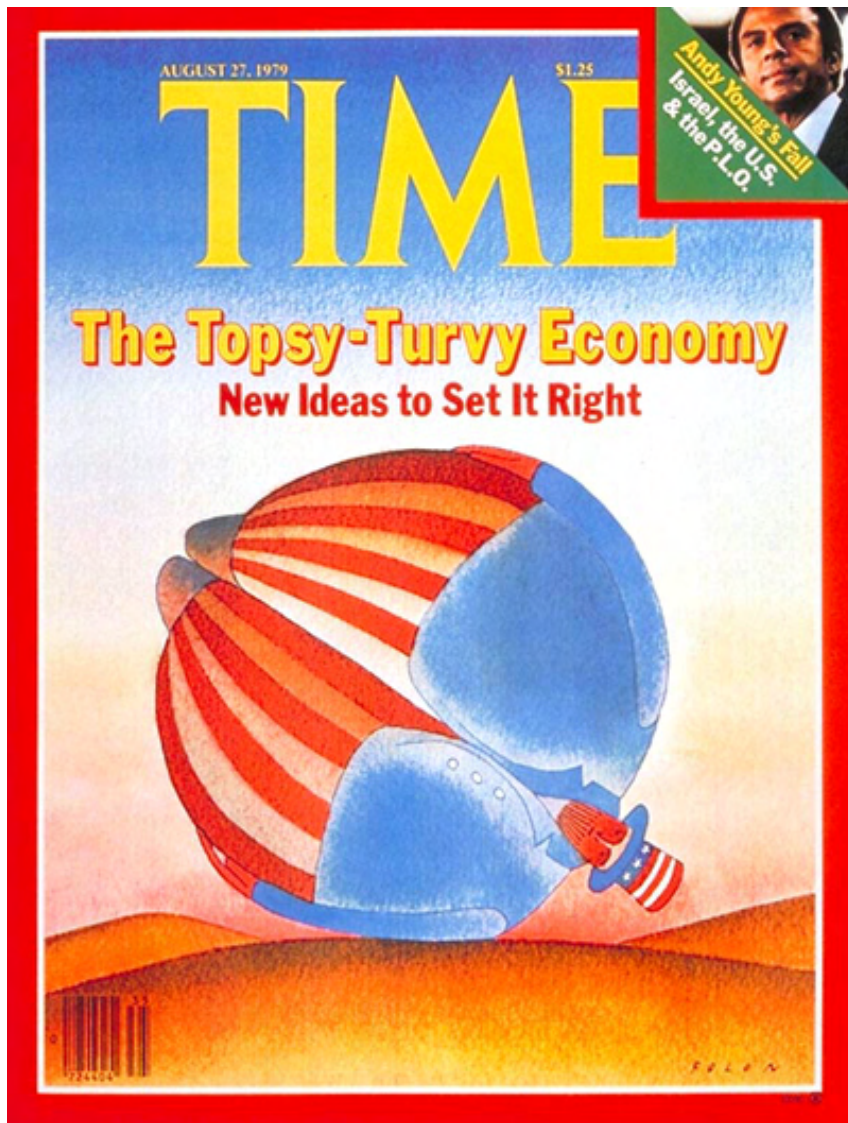
DOW JONES = 852.99

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)

July 9th 1979



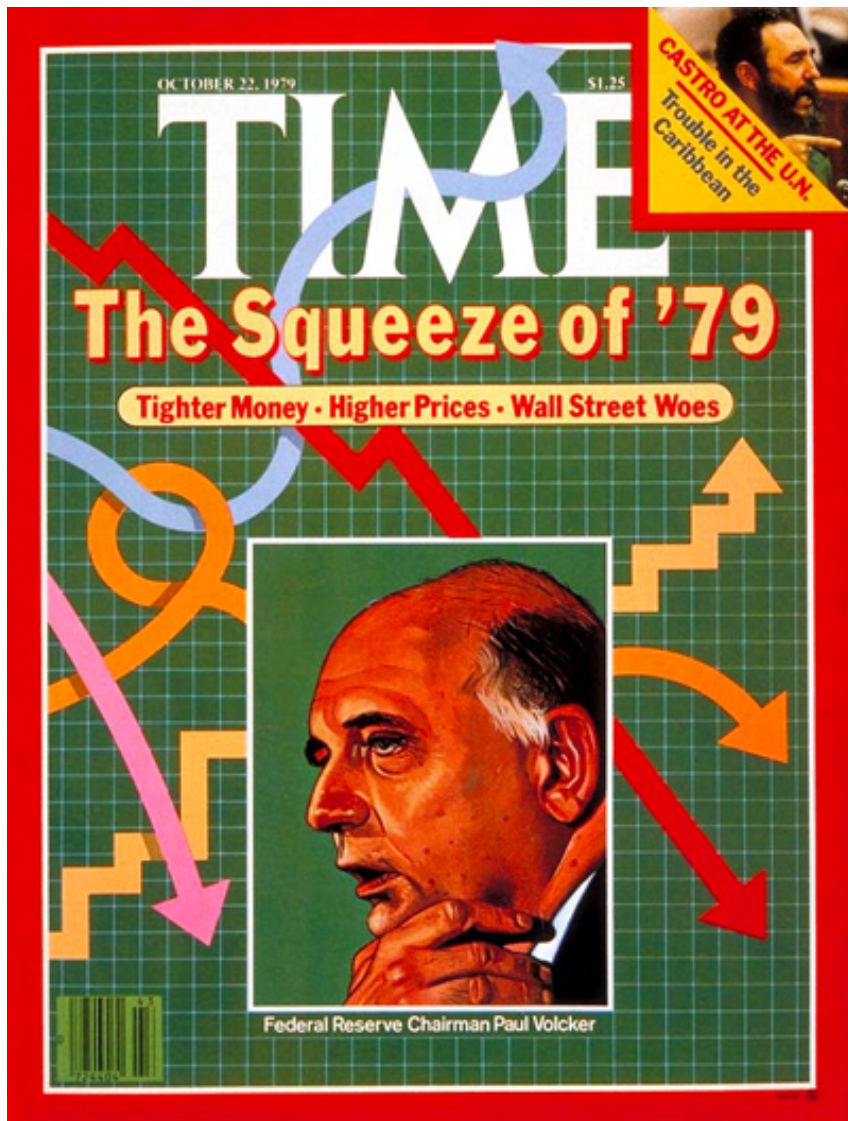
August 27th 1979

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 22nd 1979



March 2nd 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 8th 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)



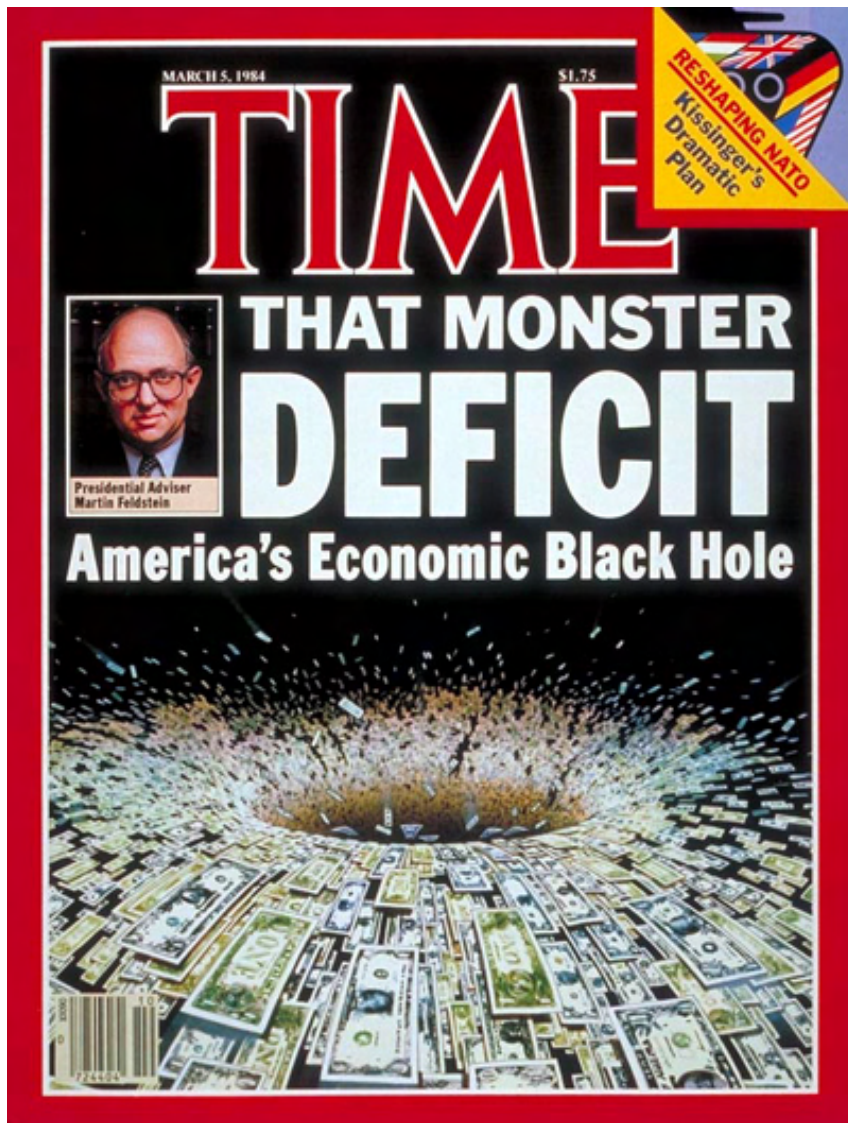
DOW JONES = 860.92

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)

May 8th 1982



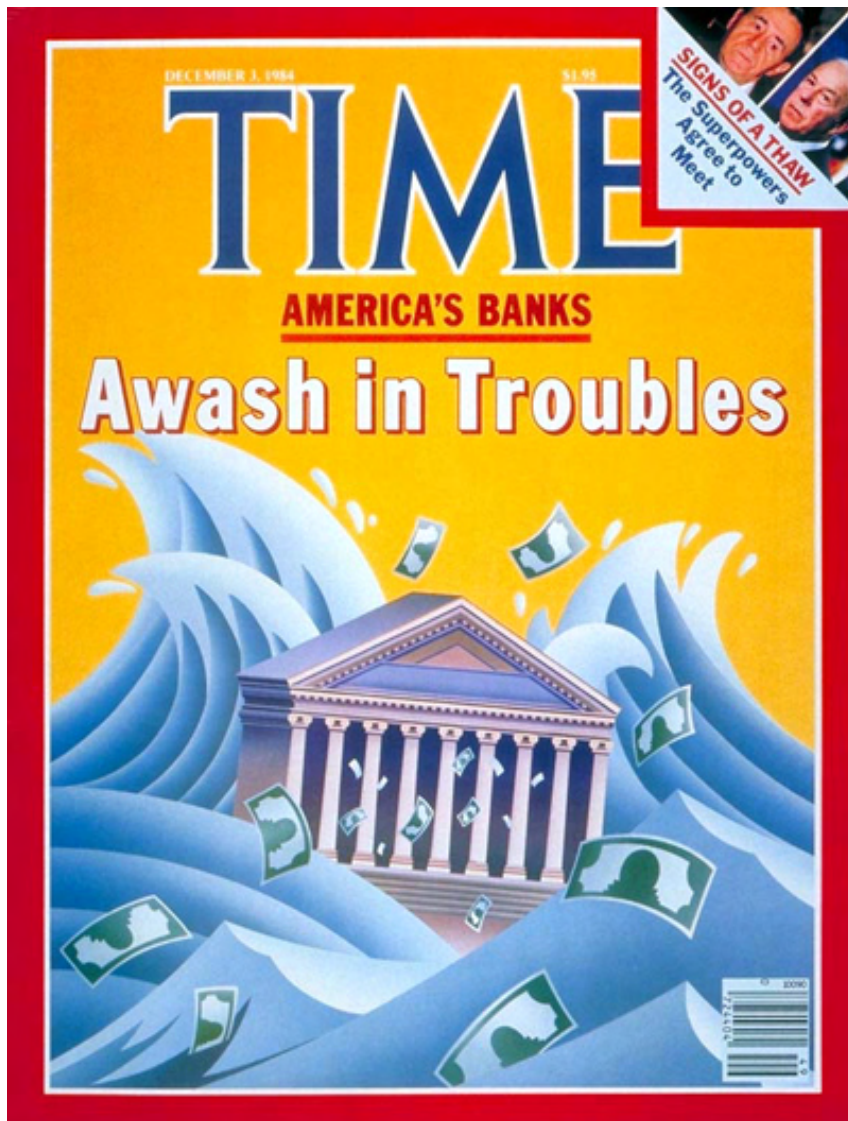
DOW JONES = 1165.20

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)

March 5th 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)

December 3rd 1984



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)

April 14th 1986



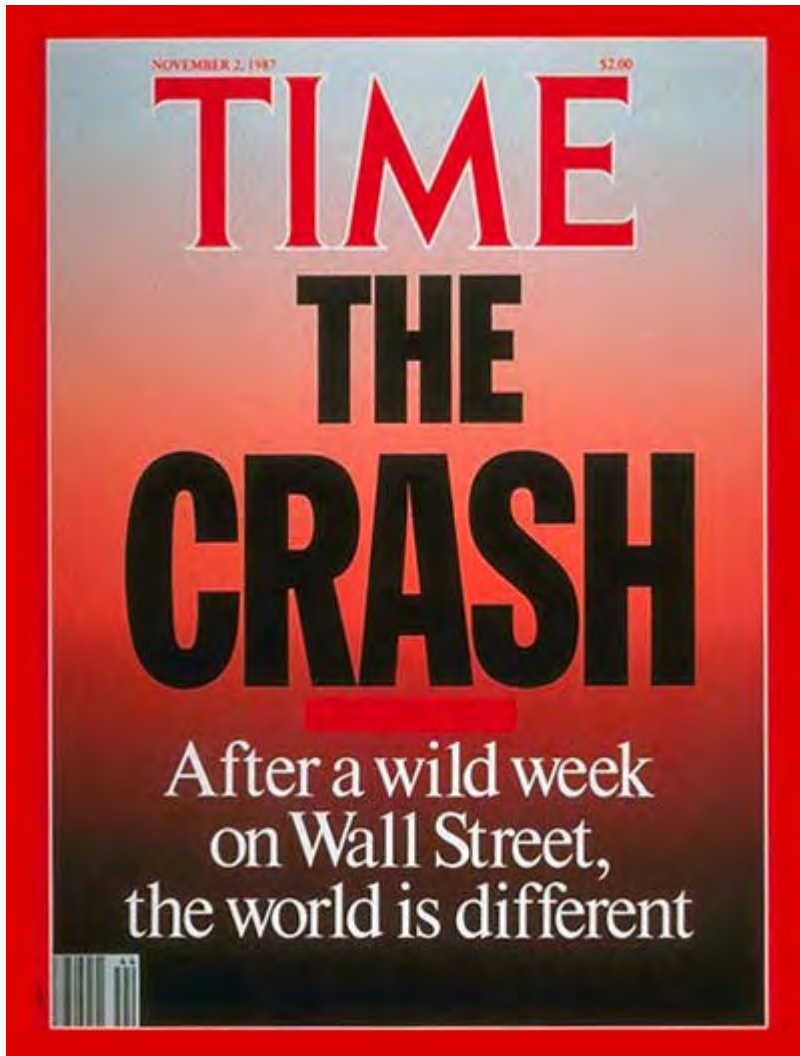
DOW JONES = 1892.29

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 10th 1986



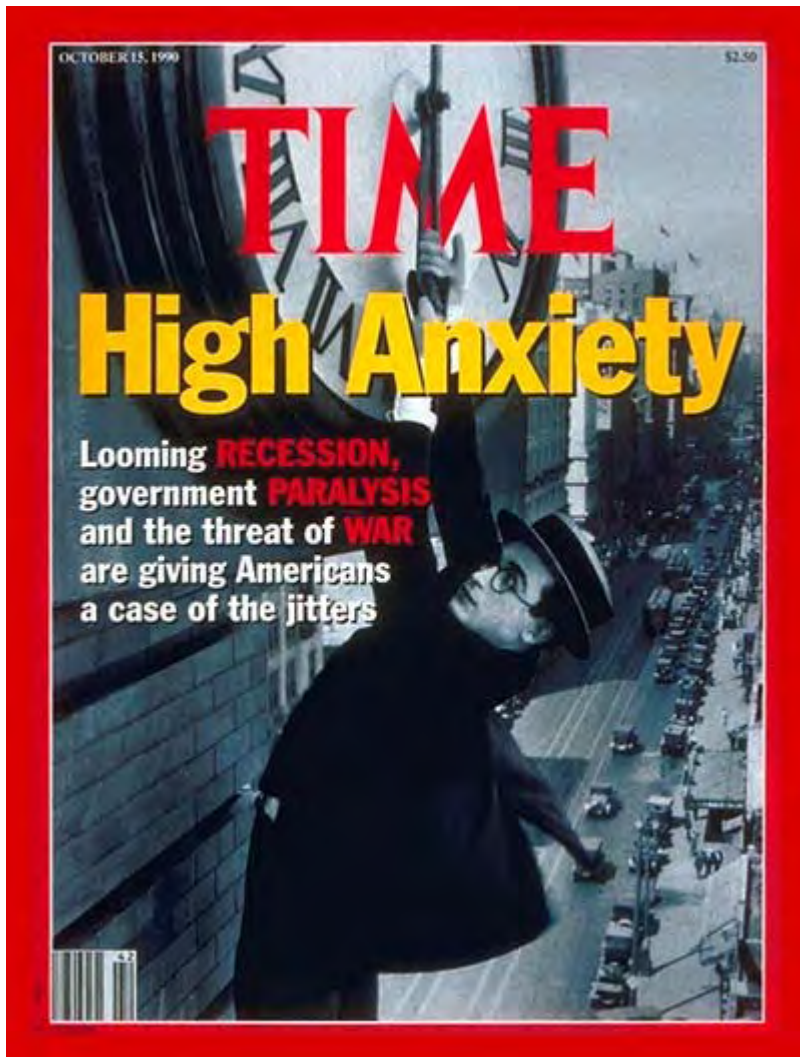
DOW JONES = 2014.09

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)

November 2nd 1987



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 15th 1990



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)

January 13th 1992



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 28th 1992

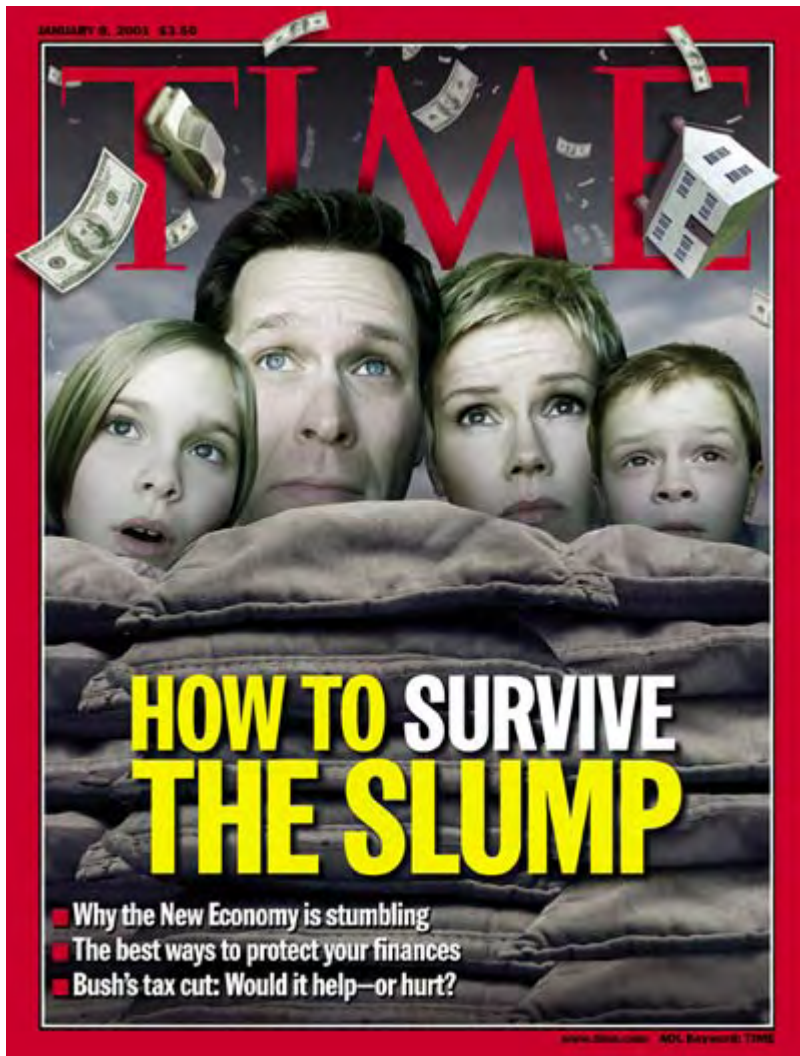


DOW JONES = 7945.35

DOW JONES 10 years later = ???

DOW JONES on Aug 8th 2008 = 11,734

September 14th 1998



DOW JONES = 10621.35

DOW JONES 10 years later = ???

DOW JONES on Aug 8th 2008 = 11,734

January 8th 2001



DOW JONES = 9687.53

DOW JONES 10 years later = ???

DOW JONES on Aug 8th 2008 = 11,734

March 26th 2001



DOW JONES = 8920.70

DOW JONES 10 years later = ???

DOW JONES on Aug 8th 2008 = 11,734

September 14th 2001



DOW JONES = 12479.63

DOW JONES 10 years later = ???

DOW JONES on Aug 8th 2008 = 11,734

May 26th, 2008

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)