

Bogle Sources of Return Model - 1915-2014

| 10-Year Period Ending December 31 | STOCKS | | | | | BONDS | | |
|---|-------------------------------------|--------------------|--|------------------|-----------------|-------------------------------|--|--|
| | ESTIMATED PARAMETERS / MODEL INPUTS | | | | | ACTUAL | INPUT | ACTUAL |
| | Investment Return Initial Yield | Earnings Growth | Speculative Return Initial P/E Ratio | Annual Return | Total Return | Total Return on S&P 500 | Initial Yield on 10-Year Treasury | Return on Inter-Term U.S. Gov't Bonds |
| 1915 | 3.5% | 4.0% | 14.2 | 0.7% | 8.1% | 4.5% | 3.5% | 3.2% |
| 1916 | 4.1 | 5.4 | 12.9 | 1.7 | 11.1 | 5.3 | 3.7 | 3.6 |
| 1917 | 6.7 | 6.8 | 10.0 | 4.4 | 17.9 | 6.7 | 3.9 | 3.9 |
| 1918 | 4.4 | 7.4 | 15.6 | -0.1 | 11.7 | 5.0 | 3.9 | 4.0 |
| 1919 | 4.3 | 7.5 | 13.6 | 1.3 | 13.1 | 5.2 | 3.8 | 3.7 |
| 1920 | 5.2 | 7.5 | 12.4 | 2.2 | 14.9 | 4.0 | 3.9 | 3.9 |
| 1921 | 5.2 | 7.3 | 15.4 | 0.0 | 12.5 | 4.8 | 3.9 | 5.0 |
| 1922 | 5.1 | 7.0 | 13.4 | 1.5 | 13.6 | 6.9 | 4.0 | 5.5 |
| 1923 | 6.0 | 6.5 | 12.8 | 2.0 | 14.4 | 8.0 | 4.1 | 5.6 |
| 1924 | 5.7 | 5.7 | 14.1 | 0.9 | 12.3 | 11.2 | 4.1 | 5.9 |
| 1925 | 4.5 | 4.8 | 10.8 | 3.6 | 12.9 | 10.7 | 4.2 | 5.9 |
| 1926 | 5.7 | 4.1 | 6.4 | 8.9 | 18.7 | 11.0 | 4.1 | 6.0 |
| 1927 | 10.1 | 3.7 | 5.3 | 10.7 | 24.6 | 16.2 | 4.4 | 6.0 |
| 1928 | 7.2 | 3.7 | 8.0 | 6.0 | 16.9 | 18.5 | 4.8 | 5.5 |
| 1929 | 5.9 | 3.6 | 9.6 | 3.9 | 13.4 | 15.4 | 5.5 | 6.2 |
| 1930 | 7.5 | 3.3 | 8.5 | 4.9 | 15.7 | 13.9 | 6.1 | 6.3 |
| 1931 | 6.3 | 2.8 | 25.2 | -5.9 | 3.1 | 6.4 | 6.0 | 4.6 |
| 1932 | 5.8 | 2.3 | 12.7 | 0.8 | 8.9 | 2.7 | 5.1 | 5.1 |
| 1933 | 6.2 | 2.4 | 8.7 | 4.5 | 13.1 | 6.7 | 5.1 | 4.5 |
| 1934 | 5.4 | 2.8 | 10.9 | 1.9 | 10.1 | 4.1 | 5.0 | 4.7 |
| 1935 | 4.8 | 3.1 | 10.0 | 2.5 | 10.4 | 5.9 | 4.9 | 4.7 |
| 1936 | 5.1 | 2.6 | 10.9 | 1.4 | 9.1 | 7.8 | 3.6 | 4.5 |
| 1937 | 4.4 | 1.7 | 15.7 | -2.4 | 3.8 | 0.0 | 3.4 | 4.2 |
| 1938 | 3.7 | 1.2 | 16.8 | -3.0 | 1.9 | -0.9 | 4.0 | 4.7 |
| 1939 | 4.5 | 1.2 | 13.3 | -0.6 | 5.1 | -0.1 | 3.6 | 4.6 |
| 1940 | 6.3 | 1.5 | 16.0 | -2.4 | 5.5 | 1.8 | 2.9 | 4.2 |
| 1941 | 9.7 | 2.1 | 13.8 | -0.9 | 10.9 | 6.4 | 4.1 | 4.5 |
| 1942 | 7.3 | 2.5 | 16.6 | -2.7 | 7.1 | 9.3 | 3.0 | 3.8 |
| 1943 | 4.4 | 1.7 | 22.7 | -5.5 | 0.6 | 7.2 | 3.3 | 3.9 |
| 1944 | 4.9 | 0.5 | 18.9 | -3.6 | 1.8 | 9.3 | 2.5 | 3.2 |
| 1945 | 3.6 | -0.4 | 17.2 | -2.7 | 0.5 | 8.4 | 1.6 | 2.8 |
| 1946 | 4.2 | -0.8 | 16.7 | -2.3 | 1.1 | 4.4 | 1.3 | 2.5 |
| 1947 | 7.3 | -0.7 | 9.8 | 3.2 | 9.7 | 9.6 | 1.1 | 2.5 |
| 1948 | 4.0 | -1.2 | 19.8 | -3.8 | -1.0 | 7.3 | 1.5 | 2.0 |
| 1949 | 5.0 | -2.3 | 13.7 | -0.2 | 2.5 | 9.2 | 1.0 | 1.8 |
| 1950 | 6.4 | -2.9 | 10.0 | 2.9 | 6.4 | 13.4 | 0.6 | 1.6 |
| 1951 | 8.1 | -3.0 | 7.6 | 5.8 | 10.9 | 17.3 | 0.8 | 1.6 |
| 1952 | 6.2 | -2.4 | 9.2 | 3.5 | 7.3 | 17.1 | 0.7 | 1.6 |
| 1953 | 5.3 | -0.8 | 12.2 | 0.6 | 5.1 | 14.3 | 1.5 | 1.6 |
| 1954 | 4.9 | 0.6 | 14.1 | -0.8 | 4.6 | 17.1 | 1.4 | 1.7 |

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| | ESTIMATED PARAMETERS / MODEL INPUTS | | | | | ACTUAL | INPUT | ACTUAL |
| | Investment Return | | Speculative Return | | Total Return | Total Return on S&P 500 | Initial Yield on 10-Year Treasury | Return on Inter-Term U.S. Gov't Bonds |
| Initial Yield | Earnings Growth | Initial P/E Ratio | Annual Return | | | | | |
| 1955 | 3.8 | 1.3 | 18.1 | -3.2 | 1.9 | 16.7 | 1.0 | 1.4 |
| 1956 | 4.7 | 1.7 | 14.3 | -0.6 | 5.8 | 18.4 | 1.1 | 1.3 |
| 1957 | 5.6 | 2.0 | 9.3 | 3.8 | 11.4 | 16.4 | 1.3 | 1.9 |
| 1958 | 6.1 | 3.2 | 6.6 | 7.5 | 16.8 | 20.1 | 1.5 | 1.6 |
| 1959 | 6.9 | 5.1 | 7.1 | 6.6 | 18.6 | 19.4 | 1.2 | 1.3 |
| 1960 | 7.4 | 6.3 | 7.0 | 6.8 | 20.6 | 16.2 | 1.6 | 2.4 |
| 1961 | 6.0 | 6.9 | 9.6 | 3.3 | 16.2 | 16.4 | 2.2 | 2.5 |
| 1962 | 5.4 | 7.1 | 10.9 | 1.9 | 14.4 | 13.4 | 2.4 | 2.9 |
| 1963 | 5.8 | 7.0 | 9.9 | 2.8 | 15.6 | 15.9 | 2.2 | 2.8 |
| 1964 | 4.4 | 7.4 | 12.6 | 0.4 | 12.2 | 12.8 | 1.7 | 2.9 |
| 1965 | 3.6 | 8.3 | 12.5 | 0.5 | 12.4 | 11.1 | 2.8 | 3.1 |
| 1966 | 3.7 | 9.7 | 13.6 | -0.3 | 13.2 | 9.2 | 3.6 | 3.6 |
| 1967 | 4.4 | 10.5 | 12.0 | 1.0 | 16.0 | 12.8 | 2.8 | 2.9 |
| 1968 | 3.3 | 10.2 | 18.5 | -3.3 | 10.1 | 10.0 | 3.8 | 3.5 |
| 1969 | 3.1 | 9.3 | 17.4 | -2.7 | 9.7 | 7.8 | 5.0 | 3.5 |
| 1970 | 3.4 | 8.6 | 17.4 | -2.7 | 9.4 | 8.2 | 3.3 | 3.9 |
| 1971 | 2.8 | 7.8 | 22.5 | -5.0 | 5.6 | 7.0 | 3.8 | 4.6 |
| 1972 | 3.4 | 7.3 | 17.1 | -2.3 | 8.4 | 9.9 | 3.9 | 4.6 |
| 1973 | 3.1 | 6.8 | 18.5 | -3.1 | 6.8 | 6.0 | 4.1 | 4.9 |
| 1974 | 3.0 | 6.3 | 18.5 | -3.2 | 6.1 | 1.2 | 4.2 | 5.1 |
| 1975 | 3.0 | 5.4 | 17.7 | -2.7 | 5.7 | 3.3 | 4.7 | 5.7 |
| 1976 | 3.5 | 4.4 | 14.7 | -0.9 | 7.0 | 6.6 | 4.6 | 6.5 |
| 1977 | 3.1 | 3.9 | 17.9 | -2.7 | 4.2 | 3.6 | 5.7 | 6.6 |
| 1978 | 2.9 | 4.0 | 18.5 | -3.0 | 3.9 | 3.2 | 6.2 | 6.5 |
| 1979 | 3.5 | 4.3 | 15.8 | -1.4 | 6.3 | 5.9 | 7.9 | 7.0 |
| 1980 | 3.5 | 4.5 | 17.6 | -2.4 | 5.7 | 8.5 | 6.5 | 5.7 |
| 1981 | 3.1 | 4.9 | 17.4 | -2.1 | 6.0 | 6.5 | 5.9 | 5.8 |
| 1982 | 2.7 | 5.1 | 18.3 | -2.3 | 5.5 | 6.7 | 6.4 | 8.0 |
| 1983 | 3.6 | 5.3 | 11.6 | 2.3 | 11.2 | 10.7 | 6.9 | 8.3 |
| 1984 | 5.4 | 5.6 | 7.5 | 6.7 | 17.6 | 14.8 | 7.4 | 9.1 |
| 1985 | 4.1 | 5.7 | 11.1 | 2.5 | 12.3 | 14.3 | 7.8 | 10.3 |
| 1986 | 3.9 | 5.8 | 10.6 | 2.9 | 12.5 | 13.8 | 6.8 | 10.5 |
| 1987 | 5.0 | 6.0 | 8.6 | 5.0 | 15.9 | 15.3 | 7.8 | 10.7 |
| 1988 | 5.3 | 6.1 | 7.8 | 6.0 | 17.4 | 16.3 | 9.2 | 11.0 |
| 1989 | 5.2 | 6.4 | 7.3 | 6.8 | 18.4 | 17.6 | 10.3 | 11.9 |
| 1990 | 4.6 | 6.9 | 9.0 | 4.5 | 16.1 | 13.9 | 12.4 | 12.5 |
| 1991 | 5.4 | 7.5 | 8.1 | 5.7 | 18.5 | 17.6 | 14.0 | 13.1 |
| 1992 | 4.9 | 7.8 | 11.0 | 2.4 | 15.1 | 16.2 | 10.4 | 11.0 |
| 1993 | 4.3 | 7.7 | 11.7 | 1.8 | 13.9 | 14.9 | 11.8 | 11.4 |
| 1994 | 4.6 | 7.6 | 9.9 | 3.6 | 15.8 | 14.4 | 11.6 | 9.4 |

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| | Investment Return | | Speculative Return | | Total Return | Total Return on S&P 500 | Initial Yield on 10-Year Treasury | Return on Inter-Term U.S. Gov't Bonds |
| Initial Yield | Earnings Growth | Initial P/E Ratio | Annual Return | | | | | |
| 1995 | 3.8 | 7.8 | 14.2 | -0.1 | 11.5 | 14.9 | 9.0 | 9.1 |
| 1996 | 3.3 | 7.8 | 17.2 | -1.9 | 9.1 | 15.3 | 7.2 | 7.8 |
| 1997 | 3.7 | 7.5 | 13.8 | 0.4 | 11.5 | 18.1 | 8.8 | 8.3 |
| 1998 | 3.5 | 7.3 | 11.6 | 2.0 | 12.9 | 19.2 | 9.1 | 8.7 |
| 1999 | 3.2 | 7.0 | 15.2 | -0.8 | 9.4 | 18.2 | 7.9 | 7.2 |
| 2000 | 3.7 | 6.4 | 15.4 | -0.9 | 9.1 | 17.5 | 8.1 | 7.5 |
| 2001 | 3.1 | 5.5 | 24.3 | -5.4 | 3.3 | 12.9 | 6.7 | 6.7 |
| 2002 | 2.8 | 4.8 | 22.8 | -4.6 | 3.0 | 9.3 | 6.7 | 7.3 |
| 2003 | 2.7 | 4.7 | 21.3 | -3.9 | 3.5 | 11.1 | 5.8 | 6.4 |
| 2004 | 2.9 | 4.5 | 14.9 | -0.4 | 7.0 | 12.1 | 7.8 | 7.2 |
| 2005 | 2.2 | 4.6 | 18.1 | -2.4 | 4.5 | 9.1 | 5.6 | 5.7 |
| 2006 | 2.0 | 5.0 | 19.2 | -2.9 | 4.2 | 8.4 | 6.4 | 5.8 |
| 2007 | 1.6 | 5.7 | 24.2 | -5.0 | 2.3 | 5.9 | 5.8 | 6.0 |
| 2008 | 1.4 | 5.7 | 31.6 | -7.3 | -0.2 | -1.4 | 4.7 | 6.2 |
| 2009 | 1.2 | 5.7 | 29.7 | -6.4 | 0.4 | -0.9 | 6.5 | 6.2 |
| 2010 | 1.2 | 6.2 | 26.6 | -5.1 | 2.3 | 1.4 | 5.1 | 5.6 |
| 2011 | 1.4 | 6.6 | 46.4 | -9.9 | -2.0 | 2.9 | 5.1 | 5.8 |
| 2012 | 1.8 | 6.9 | 32.6 | -6.3 | 2.3 | 7.1 | 3.8 | 4.8 |
| 2013 | 1.6 | 7.0 | 22.2 | -2.4 | 6.1 | 7.4 | 4.3 | 4.4 |
| 2014 | 1.6 | 7.3 | 20.5 | -1.5 | 7.5 | 7.7 | 4.2 | 4.5 |
| 1915-2014 | 4.5 | 4.7 | 14.9 | 0.2 | 9.4 | 10.1 | 4.8 | 5.4 |
| 1951-2014 | 3.8 | 5.7 | 15.8 | -0.2 | 9.3 | 11.5 | 5.5 | 5.9 |