

A Brief Recap of Significant Short-term Market Declines Over the Last 60 Years

Significant Declining Periods in the S&P 500

Begin Day	End Day	Incident	% Decline	# of Days	Decline/Day	Degree of Recovery		
						Next 30 Days	Next 90 Days	Next Year
5/1/1962	6/25/1962	Cuban Missile Crisis	-20.2%	55	-0.34%	7.6%	8.6%	33.5%
8/12/1974	10/7/1974	Recession, NYC financial crisis	-18.6%	56	-0.31%	15.8%	9.3%	33.6%
10/8/1987	10/20/1987	Market crash	-24.6%	12	-1.85%	2.2%	2.4%	19.0%
4/1/2002	10/14/2002	Post-tech bubble decline	-26.6%	196	-0.12%	7.5%	10.7%	31.1%
8/27/2008	10/6/2008	Sub-prime banking crisis	-17.5%	40	-0.40%			
Averages			-21.5%	72	-0.60%	8.3%	7.8%	29.3%

- On average, during a significant market decline:
 - the cumulative average decline has exceeded -20%
 - the average duration of the cited declines exceeded two months
 - the recovery after a decline took several months, with sometimes challenging interim short-term periods

- In this market decline (defined as the last 40 days, ending 10/6/2008):
 - the recent decline's loss amount is not unprecedented
 - the length of the recent decline's horizon is shorter than the average of the other major declines, indicating it could extend further
 - it is occurring over September/October time frame, not unlike 3 of the other 4 cited declining periods