

Historical Perspective on U.S. Asset Returns

Campbell R. Harvey

Duke University, Durham, NC USA

National Bureau of Economic Research, Cambridge MA USA

Cam.harvey@duke.edu

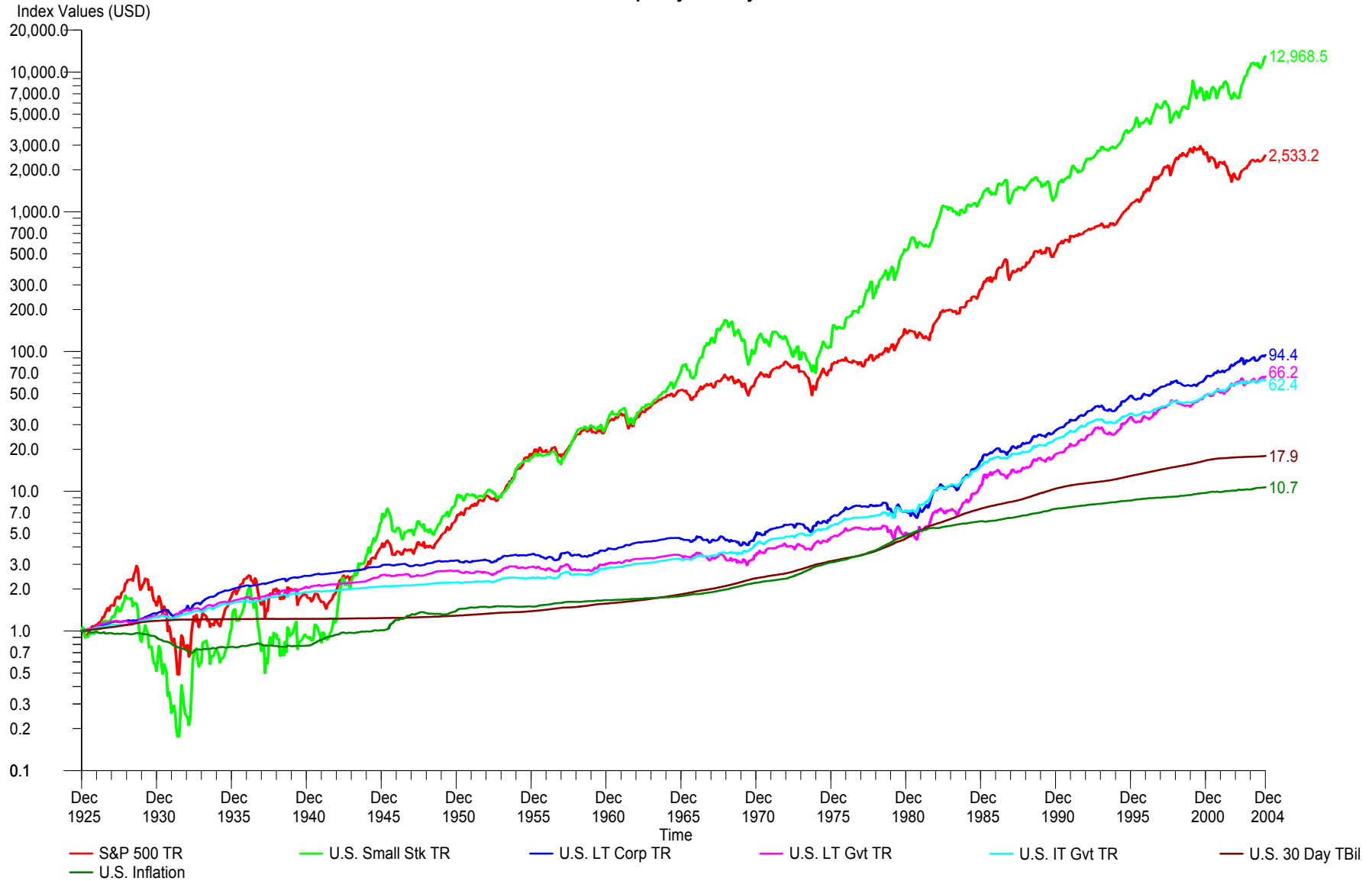
+1 919.660.7768 office || +1 919.271.8156 mobile

<http://www.duke.edu/~charvey>

Harvey: Historical Perspective

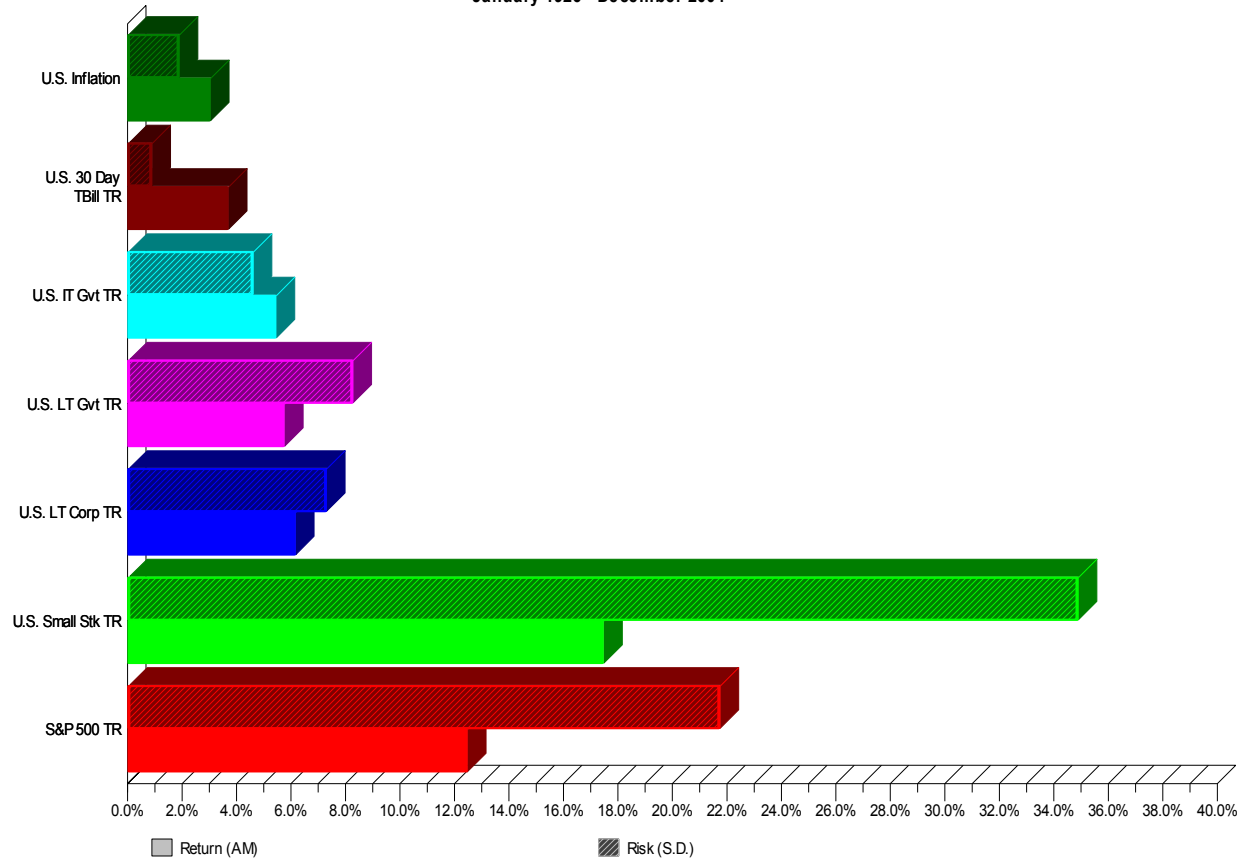
Index Line Graph

Frequency: Monthly



Harvey: Historical Perspective

Risk vs. Return
January 1926 - December 2004



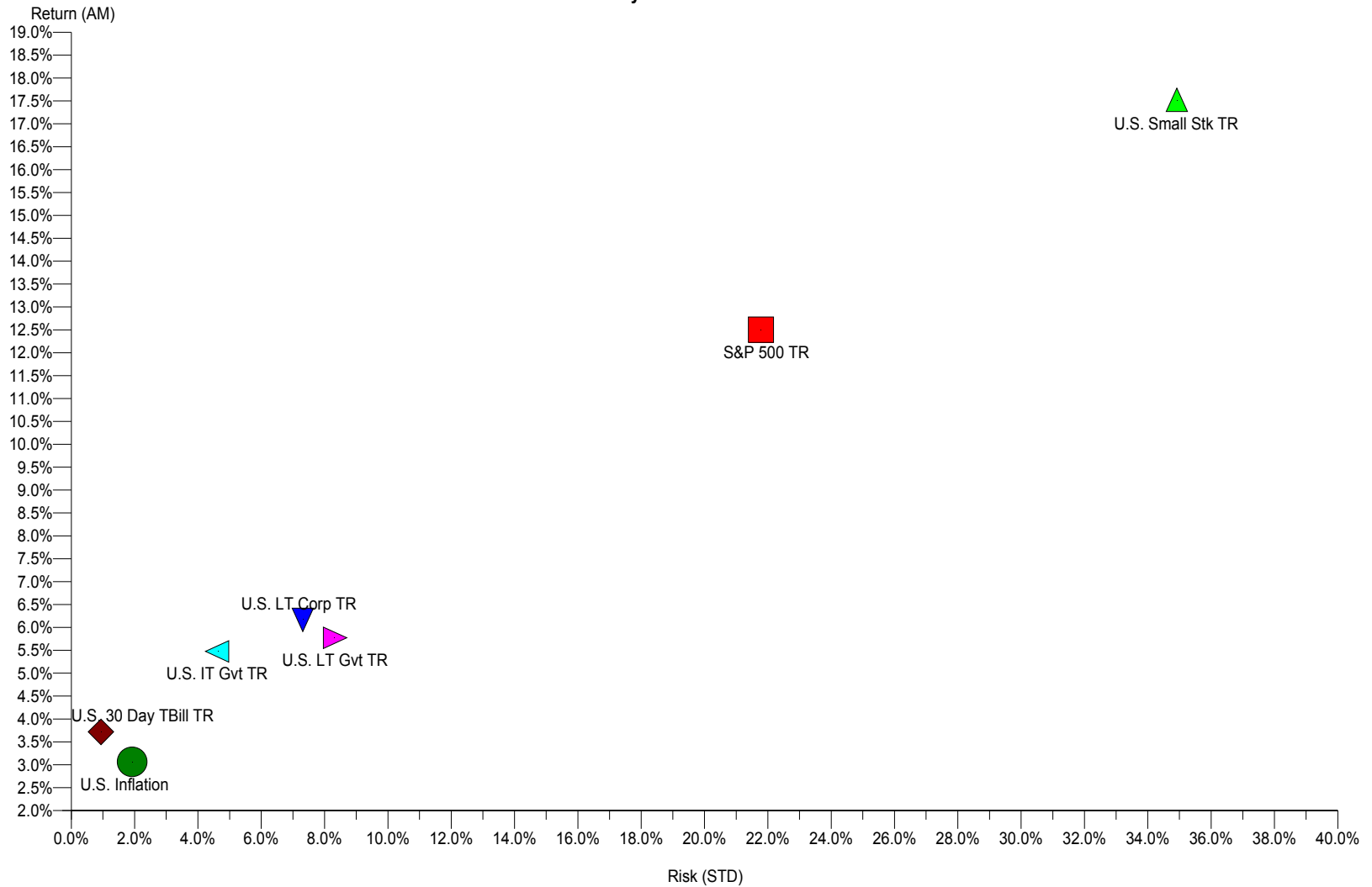
Harvey: Historical Perspective

Correlation Matrix

	<u>S&P 500</u>	<u>U.S. Small Stk</u>	<u>U.S. LT Corp</u>	<u>U.S. LT Gvt</u>	<u>U.S. IT Gvt</u>	<u>U.S. 30 DTBill</u>	<u>U.S. Infl</u>
S&P 500	1.0000	0.8266	0.2083	0.1420	0.1011	-0.0194	-0.0118
U.S. Small Stk	0.8266	1.0000	0.1646	0.0727	0.0442	-0.0442	0.0083
U.S. LT Corp	0.2083	0.1646	1.0000	0.8559	0.7789	0.0924	-0.0455
U.S. LT Gvt	0.1420	0.0727	0.8559	1.0000	0.8509	0.1077	-0.0585
U.S. IT Gvt	0.1011	0.0442	0.7789	0.8509	1.0000	0.2116	-0.0255
U.S. 30d TBill	-0.0194	-0.0442	0.0924	0.1077	0.2116	1.0000	0.2650
U.S. Inflation	-0.0118	0.0083	-0.0455	-0.0585	-0.0255	0.2650	1.0000

Harvey: Historical Perspective

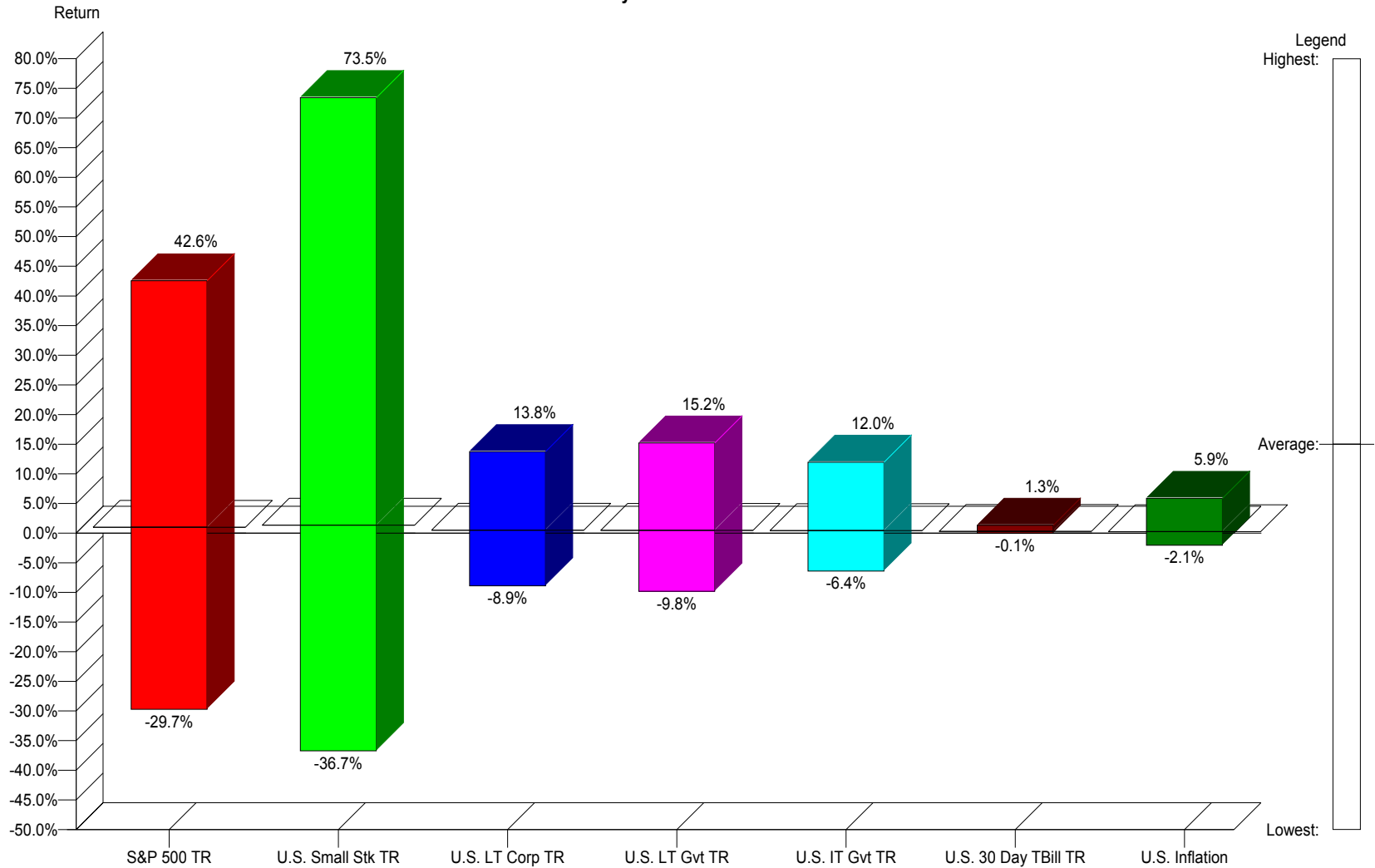
Risk vs. Return January 1926 - December 2004



Harvey: Historical Perspective

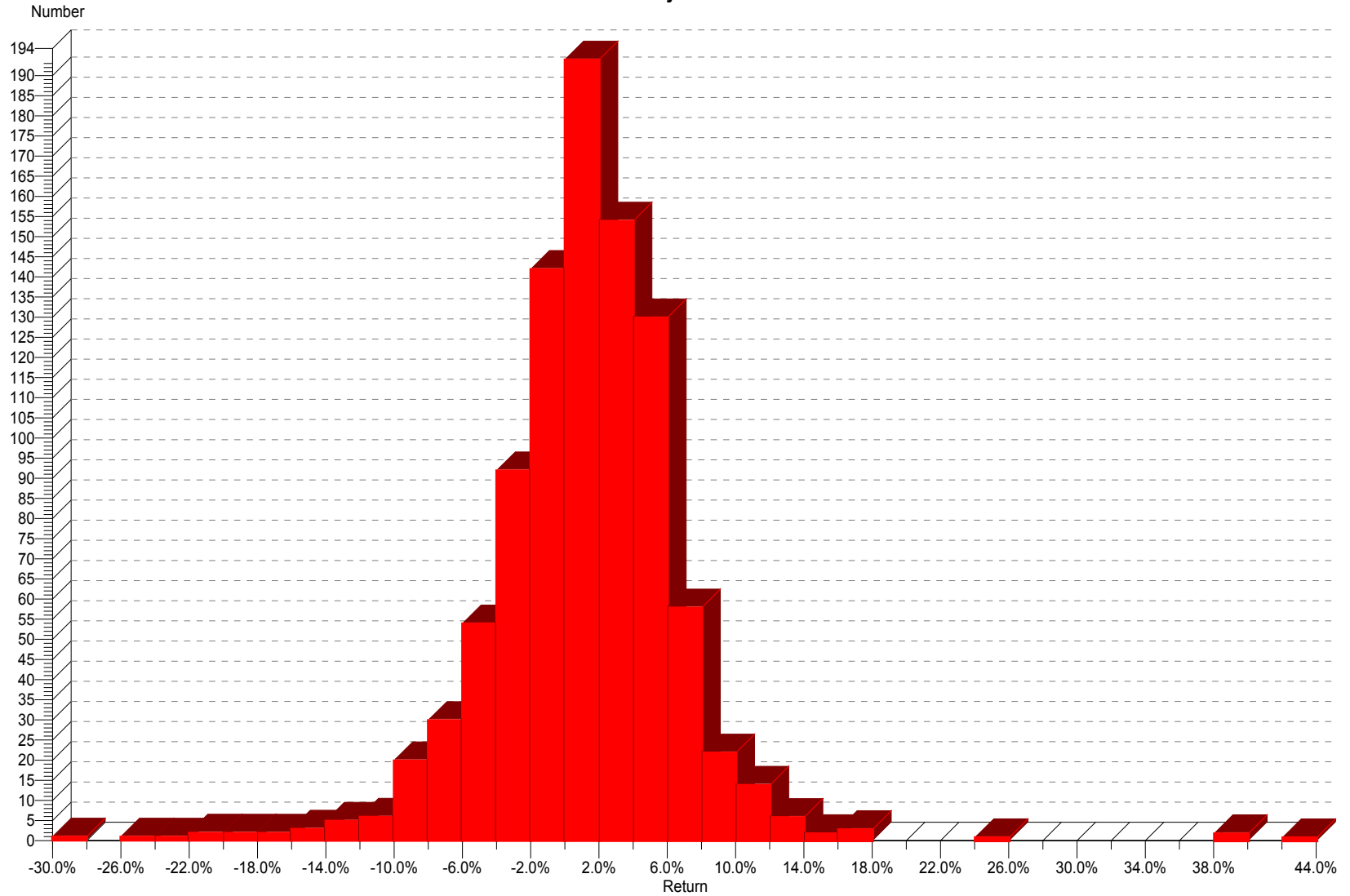
Range of Returns Bar Graph

January 1926 - December 2004



Harvey: Historical Perspective

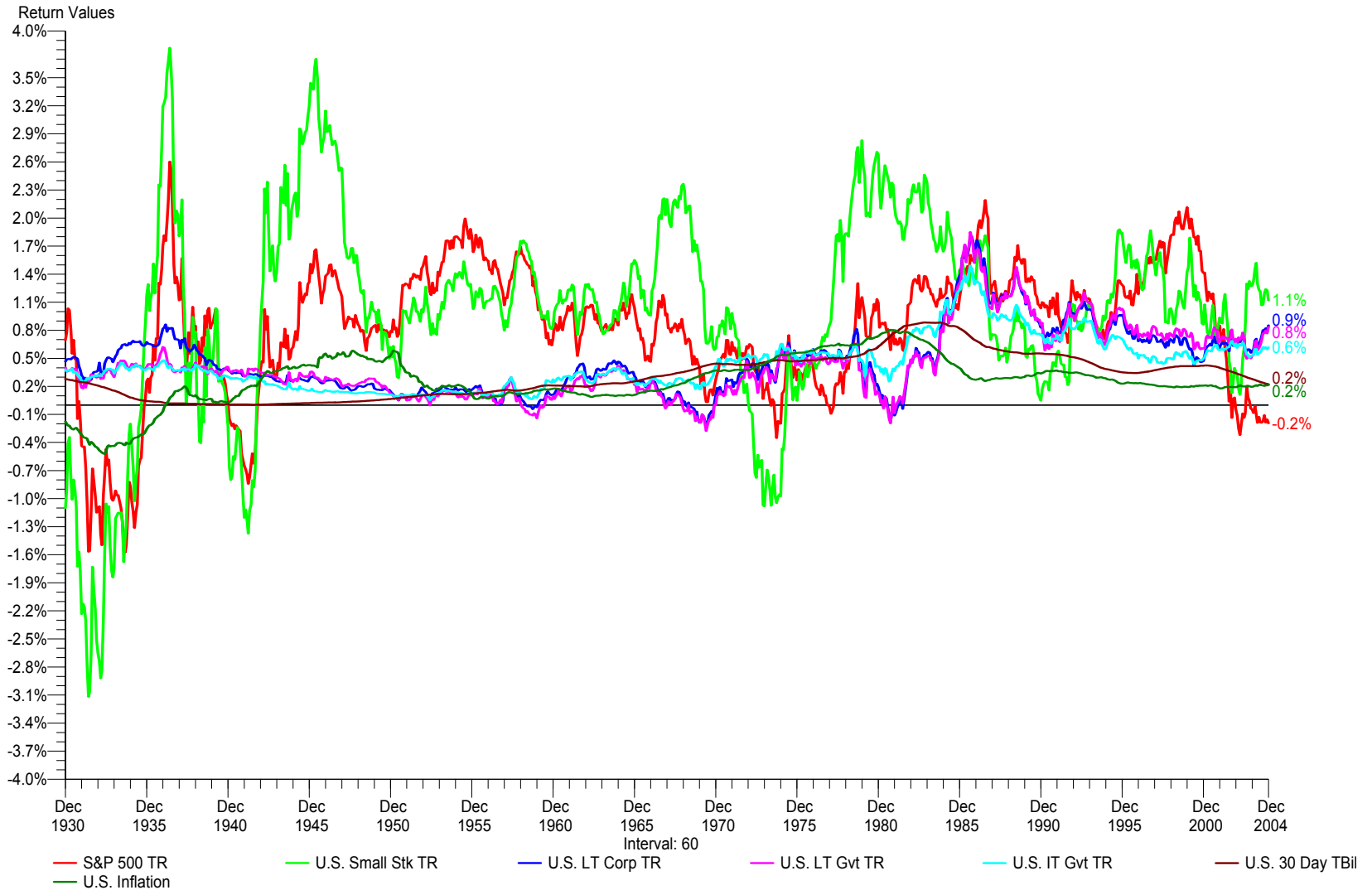
Returns Histogram
S&P 500 TR: January 1926 - December 2004



Harvey: Historical Perspective

Rolling Line Graph

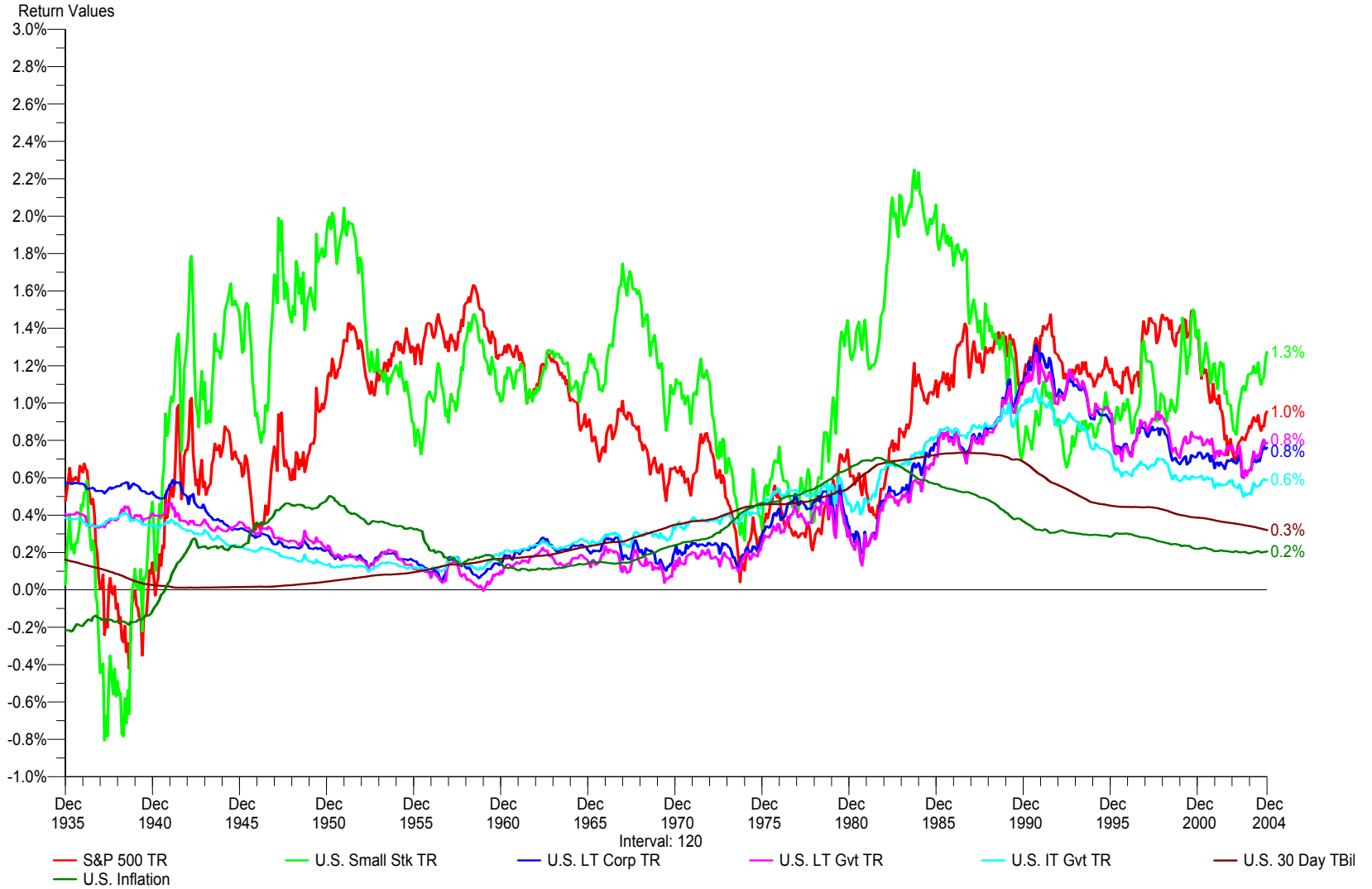
Interval: 60 Months



Harvey: Historical Perspective

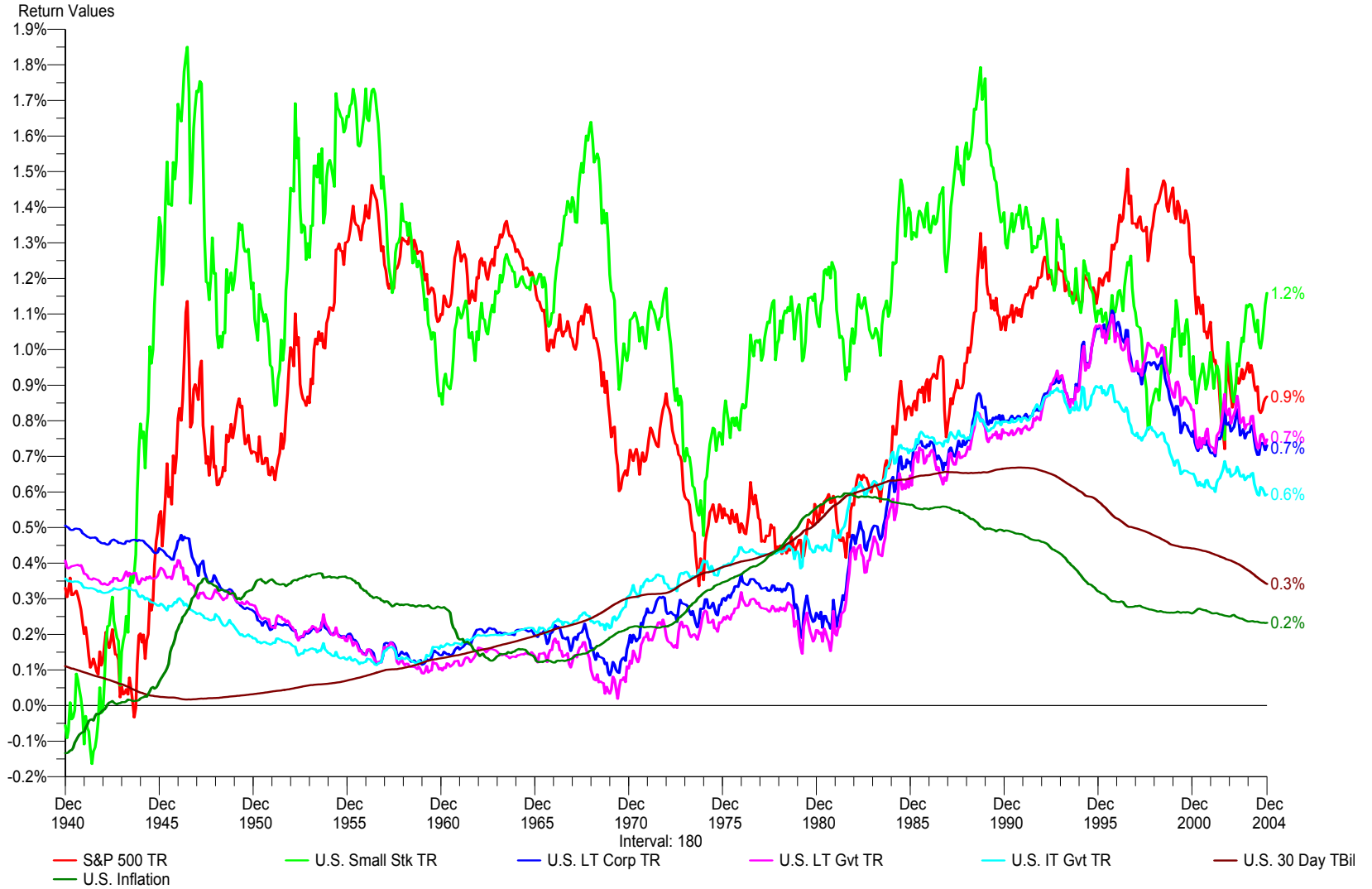
Rolling Line Graph

Interval: 120 Months



Harvey: Historical Perspective

Rolling Line Graph
Interval: 180 Months

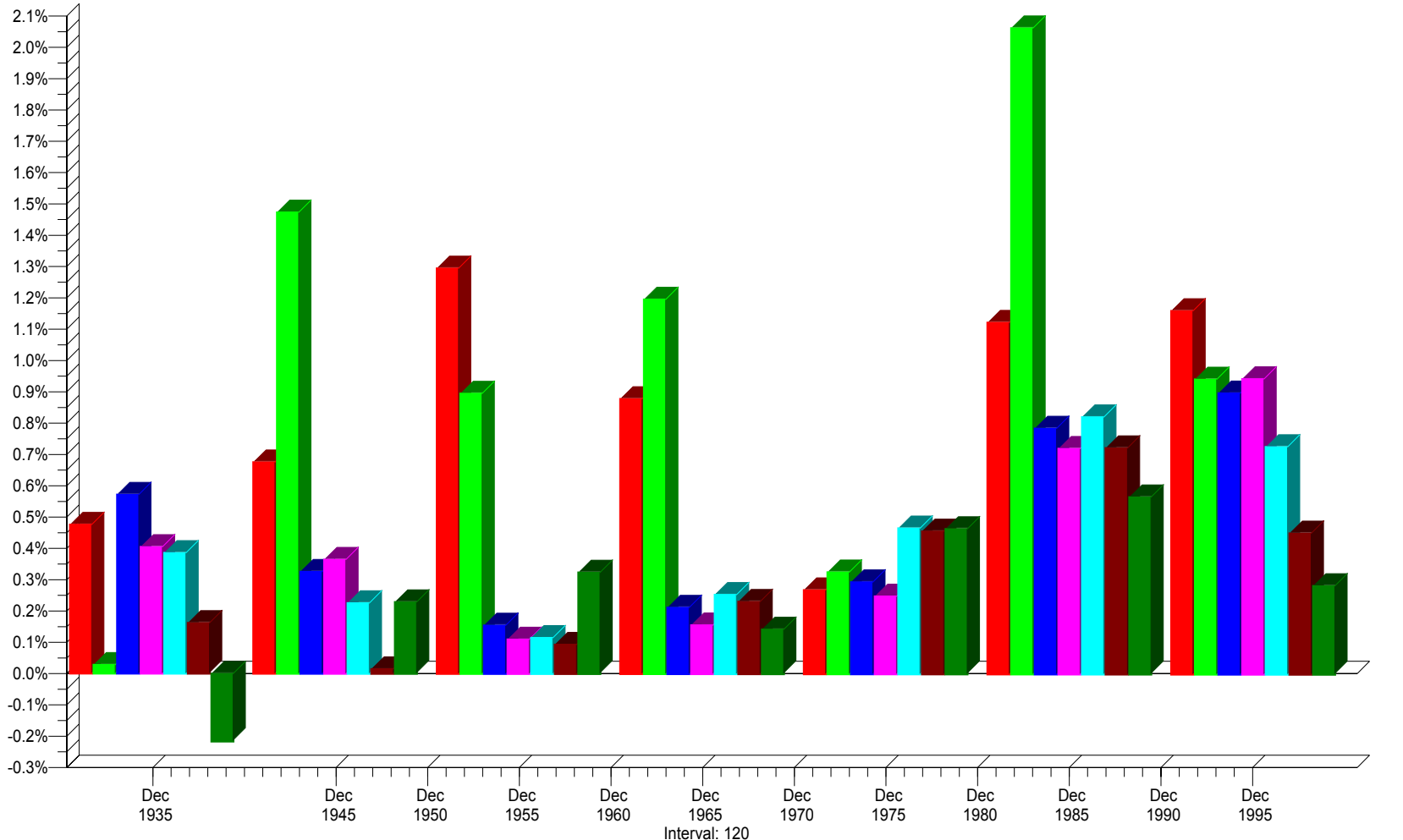


Harvey: Historical Perspective

Independent Period Bar Graph

Interval: 120 Months

Return Values



S&P 500 TR
U.S. Inflation

U.S. Small Stk TR

U.S. LT Corp TR

U.S. LT Gvt TR

U.S. IT Gvt TR

U.S. 30 Day TBil