

The following details the results of three investment options if \$100,000 was invested in January 2001.

Column 1 (purple) shows the exact results of the S&P 500 index; both the losses and rebounds of gains over the entire period. As noted, during the first two down years when we experienced the .COM market crash, the \$100,000 actually dropped to \$64,815 (losing \$35,185) and didn't make it back to over \$100,000 until January 2007 when it reached \$108,994 before losing money again during the financial disaster market crash of 2008.

Column 2 (rose) shows the net after compounding at 5% growth per year.

Column 3 (green) shows the net results of never losing any principle when the market goes down ... combines with a "lock in and reset" power of Indexing. Note that during 2001 to 2003 when the market dropped over -35%, the principle never lost one penny ... yet rebounded to the 12% cap as the market started going back up. The similar situation happened again during the 2007 – 2009 crash but again no principle was lost.

Bottom line – the S&P Index with 12% cap and no losses outperformed them all.

## Results of \$100,000 invested January 2001

<u>S&amp;P 500 Results</u>	<u>Straight 5% Interest</u>	<u>S&amp;P Index with 12% cap &amp; no loss</u>
Jan 2001 – \$100,000	Jan 2001 – \$100,000	Jan 2001 – \$100,000
Jan 2002 – \$ 87,000 (-13.0%)	Jan 2002 – \$105,000	Jan 2002 – \$100,000 (-13.0%)
Jan 2003 – \$ 64,815 (-25.5%)	Jan 2003 – \$110,250	Jan 2003 – \$100,000 (-25.5%)
Jan 2004 – \$ 85,685 (+32.2%)	Jan 2004 – \$115,762	Jan 2004 - \$112,000 (+32.2%) ( <u>12%</u> )
Jan 2005 – \$89,455 (+4.4%)	Jan 2005 – \$121,550	Jan 2005 – \$116,928 (+4.4%)
Jan 2006 – \$ 96,970 (+8.4%)	Jan 2006 – \$127,628	Jan 2006 – \$126,750 (+8.4%)
Jan 2007 – \$108,994 (+12.4%)	Jan 2007 – \$134,009	Jan 2007 – \$141,960 (+12.4%) ( <u>12%</u> )
Jan 2008 – \$104,416 (-4.2%)	Jan 2008 – \$140,710	Jan 2008 – \$141,960 (-4.2%)
Jan 2009 -- \$ 62,545 (-40.1%)	Jan 2009 -- \$147,745	Jan 2009 -- \$141,960 (-40.1%)
Jan 2010 – \$ 81,309 (+30.0%)	Jan 2010 – \$155,132	Jan 2010 – \$158,995 (+30.0%) ( <u>12%</u> )
Jan 2011 – \$ 97,408 (+19.8%)	Jan 2011 – \$162889	Jan 2011 – \$178,074 (+19.8%) ( <u>12%</u> )
Jan 2012 – \$ 99,454 (+2.1%)	Jan 2012 – \$171034	Jan 2012 – \$181,814 (+2.1%)