

High Long-Term Returns Require Patience

Sticking with stocks in turbulent times requires patience—but it has historically paid off.

When investors hear that stocks have averaged an annual return of 10.5% since 1926, they may mistakenly believe that stocks will return 10% most years. In reality, stocks have only returned between 8 and 12% in six calendar years since 1926.

S&P 500 Index Annual Total Returns (1926–2021)

Painful			Challenging			Good			Exceptional		
>-20%	-16 to -20%	-12 to -16%	-8 to -12%	-4 to -8%	0 to -4%	0- to 4%	4 to 8%	8 to 12%	12 to 16%	16 to 20%	>20%
1930 -24.89	N/A	1973 -14.68	1929 -8.41	1977 -7.15	1934 -1.44	1960 0.46	1947 5.70	1926 11.62	1965 12.45	1944 19.75	1927 37.48
1931 -43.33			1932 -8.19	1981 -4.92	1939 -0.41	1970 3.85	1948 5.50	1959 11.95	1971 14.30	1949 18.79	1928 43.60
1937 -35.02			1940 -9.78	2018 -4.38	1953 -0.98	1994 1.32	1956 6.55	1968 11.06	2006 15.79	1952 18.36	1933 53.99
1974 -26.46			1941 -11.59		1990 -3.10	2011 2.11	1978 6.57	1993 10.07	2010 15.06	1964 16.48	1935 47.66
2002 -22.10			1946 -8.07			2015 1.38	1984 6.27	2004 10.88	2014 13.68	1972 18.99	1936 33.92
2008 -36.99			1957 -10.78				1987 5.25	2016 11.95		1979 18.60	1938 31.12
			1962 -8.72				1992 7.61			1986 18.66	1942 20.34
			1966 -10.06				2005 4.91			1988 16.60	1943 25.89
			1969 -8.50				2007 5.49			2012 16.00	1945 36.43
			2000 -9.10							2020 16.26	1950 31.71
			2001 -11.88								1951 24.01
											1954 52.62
											1955 31.56
											1958 43.36
											1961 26.88
											1963 22.80
											1967 23.97
											1975 37.22
											1976 23.92
											1980 32.50
											1982 21.54
											1983 22.55
											1985 31.72
											1989 31.68
											1991 30.46
											1995 37.57
											1996 22.96
											1997 33.36
											1998 28.57
											1999 21.04
											2003 28.68
											2009 26.46
											2013 32.38
											2017 21.83
											2019 31.48
											2021 28.71

Past performance does not guarantee future results. The performance shown above is index performance. Investors cannot directly invest in an index.

Bottom line: The high returns that stocks have delivered come with significant volatility—but this has been worthwhile for long-term investors.

8 to 12% gain

- 1926 11.62
- 1959 11.95
- 1968 11.06
- 1993 10.07
- 2004 10.88
- 2016 11.95

Your financial professional can help you stay focused on your long-term goals when you feel impatient with the stock market.

S&P 500 Index is a market capitalization-weighted price index composed of 500 widely held common stocks. Returns for the S&P 500 Index from 1926 to 1969 is calculated by Ibbotson and is represented by the S&P US Large Stock Index. Returns from 1970 to 2021 are for the S&P 500 Index.

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