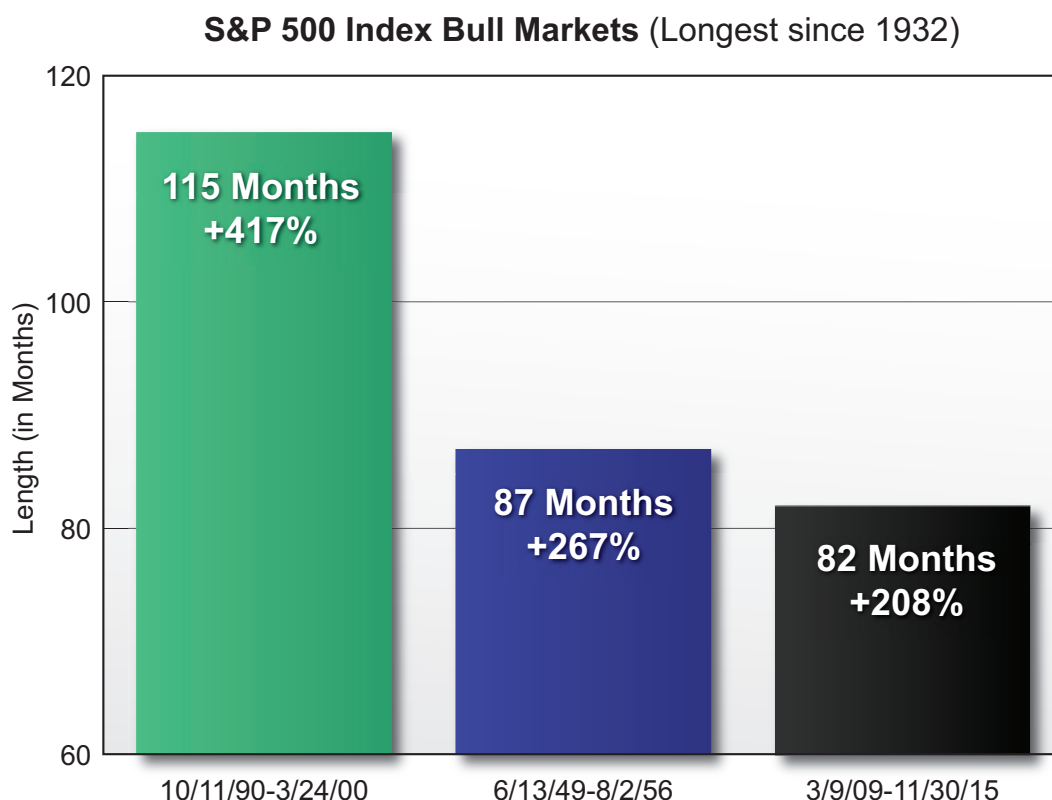


# The Current Bull Market Is The 3rd Longest



Source: Bloomberg, UBS, Benzinga. Data through 11/30/15. Returns (noted in bars) are price-only. Past performance is no guarantee of future results.

## View from the Observation Deck

1. A "bull market" is generally defined as a sustained period of rising stock prices.
2. While the current bull market, as measured by the S&P 500 Index, is closing in on qualifying as the second-longest since 1932, it is still well off the longest that spanned nearly a decade (115 months).
3. The 208% cumulative price-only return (dividends not included) actually ranks as the 5th highest return since 1932. The 417% cumulative price-only return posted in the longest bull market also ranks as the highest return.
4. The S&P 500 Index stood at 2079.51 on 12/2/15, just 2.40% below its all-time high (2130.82) set on 5/21/15, according to Bloomberg.
5. We believe that corporate earnings determine the direction of stock prices over time, especially when the equities markets are trading at or near all-time highs.
6. Bloomberg's 2016 consensus earnings growth rate estimate for the S&P 500 Index was 8.96% as of 12/2/15, according to Bloomberg.
7. Low interest rates, low inflation, job growth, and lower gas prices, which, if sustained, could potentially boost discretionary spending moving forward, are reasons to be optimistic about the chances for this bull market to forge ahead, in our opinion.
8. Data from Standard & Poor's revealed that, since 1953, U.S. stocks actually posted their best returns when the yield on the 10-year T-note rose to around 4.0%, according to *Businessweek*. Stock prices usually retrench when the yield on the 10-year T-note tops 6.0%. Sam Stovall, S&P's chief equity strategist, defined this "sweet spot" as a period where growth in the economy reduces unemployment, increases corporate earnings, but does not trigger potential growth-slowing efforts by the Federal Reserve.

*The chart and performance data referenced are for illustrative purposes only and not indicative of any actual investment. The index performance data excludes the effects of taxes and brokerage commissions or other expenses incurred when investing. Investors cannot invest directly in an index. There can be no assurance that any of the projections cited will occur. The S&P 500 Index is a capitalization-weighted index comprised of 500 stocks used to measure large-cap U.S. stock market performance.*