

The Callan Periodic Table of Investment Returns

Annual Returns for Key Indices Ranked in Order of Performance (1997–2016)

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
S&P 500 Growth	S&P 500 Growth	MSCI Emerging Markets	Russell 2000 Value	Russell 2000 Value	Bloomberg Barclays Agg	MSCI Emerging Markets	MSCI Emerging Markets	MSCI Emerging Markets	MSCI Emerging Markets	MSCI Emerging Markets	Bloomberg Barclays Agg	MSCI Emerging Markets	Russell 2000 Growth	Bloomberg Barclays Agg	MSCI Emerging Markets	Russell 2000 Growth	S&P 500 Growth	S&P 500 Growth	Russell 2000 Value
36.52%	42.16%	66.84%	22.83%	14.02%	10.26%	55.82%	25.55%	34.00%	32.17%	39.38%	5.24%	78.51%	29.09%	7.84%	18.23%	43.30%	14.89%	5.52%	31.74%
S&P 500	S&P 500	Russell 2000 Growth	Bloomberg Barclays Agg	Bloomberg Barclays Agg	Bloomberg Barclays High Yield	Russell 2000 Growth	Russell 2000 Value	MSCI EAFE	MSCI EAFE	MSCI EAFE	Bloomberg Barclays High Yield	Bloomberg Barclays High Yield	Russell 2000	Bloomberg Barclays High Yield	Russell 2000 Value	Russell 2000	S&P 500	S&P 500	Russell 2000
33.36%	28.58%	43.09%	11.63%	8.43%	-1.37%	48.54%	22.25%	13.54%	26.34%	11.17%	-26.16%	58.21%	26.85%	4.98%	18.05%	38.82%	13.69%	1.38%	21.31%
Russell 2000 Value	MSCI EAFE	S&P 500 Growth	S&P 500 Value	Bloomberg Barclays High Yield	MSCI Emerging Markets	Russell 2000	MSCI EAFE	S&P 500 Value	Russell 2000 Value	S&P 500 Growth	Russell 2000 Value	Russell 2000 Growth	Russell 2000 Value	S&P 500 Growth	S&P 500 Value	Russell 2000 Value	S&P 500 Value	Bloomberg Barclays Agg	S&P 500 Value
31.78%	20.00%	28.24%	6.08%	5.28%	-6.16%	47.25%	20.25%	5.82%	23.48%	9.13%	-28.92%	34.47%	24.50%	4.65%	17.68%	34.52%	12.36%	0.55%	17.40%
S&P 500 Value	S&P 500 Value	MSCI EAFE	Russell 2000	Russell 2000	Russell 2000 Value	Russell 2000 Value	Russell 2000	S&P 500 Value	S&P 500 Value	Russell 2000 Growth	Russell 2000	MSCI EAFE	MSCI Emerging Markets	S&P 500	MSCI EAFE	S&P 500 Growth	Bloomberg Barclays Agg	MSCI EAFE	Bloomberg Barclays High Yield
29.98%	14.68%	26.96%	-3.02%	2.49%	-11.43%	46.03%	18.33%	4.91%	20.81%	7.05%	-33.79%	31.78%	18.88%	2.11%	17.32%	32.75%	5.97%	-0.81%	17.13%
Russell 2000	Bloomberg Barclays Agg	Russell 2000	Bloomberg Barclays High Yield	MSCI Emerging Markets	MSCI EAFE	MSCI EAFE	S&P 500 Value	Russell 2000 Value	Russell 2000	Bloomberg Barclays Agg	S&P 500 Growth	S&P 500 Growth	Bloomberg Barclays High Yield	S&P 500 Value	Russell 2000	S&P 500	Russell 2000 Growth	Russell 2000 Growth	S&P 500
22.36%	8.67%	21.26%	-5.86%	-2.61%	-15.94%	38.59%	15.71%	4.71%	18.37%	6.97%	-34.92%	31.57%	15.12%	-0.48%	16.35%	32.39%	5.60%	-1.38%	11.96%
Russell 2000 Growth	Bloomberg Barclays High Yield	S&P 500	S&P 500	Russell 2000 Growth	Russell 2000	S&P 500 Value	Russell 2000 Growth	Russell 2000	S&P 500	S&P 500	S&P 500	Russell 2000	S&P 500 Value	Russell 2000 Growth	S&P 500	S&P 500 Value	Russell 2000	S&P 500 Value	Russell 2000 Growth
12.95%	1.87%	21.04%	-9.11%	-9.23%	-20.48%	31.79%	14.31%	4.55%	15.79%	5.49%	-37.00%	27.17%	15.10%	-2.91%	16.00%	31.99%	4.89%	-3.13%	11.32%
Bloomberg Barclays High Yield	Russell 2000 Growth	S&P 500 Value	MSCI EAFE	S&P 500 Value	S&P 500 Value	Bloomberg Barclays High Yield	Bloomberg Barclays High Yield	Russell 2000 Growth	Russell 2000 Growth	S&P 500 Value	Russell 2000 Growth	S&P 500	S&P 500	Russell 2000	Bloomberg Barclays High Yield	MSCI EAFE	Russell 2000 Value	Russell 2000	MSCI Emerging Markets
12.76%	1.23%	12.73%	-14.17%	-11.71%	-20.85%	28.97%	11.13%	4.15%	13.35%	1.99%	-38.54%	26.47%	15.06%	-4.18%	15.81%	22.78%	4.22%	-4.41%	11.19%
Bloomberg Barclays Agg	Russell 2000	Bloomberg Barclays High Yield	S&P 500 Growth	S&P 500	S&P 500	S&P 500	S&P 500	S&P 500 Growth	Bloomberg Barclays High Yield	Bloomberg Barclays High Yield	S&P 500 Value	S&P 500 Value	S&P 500 Growth	Russell 2000 Value	S&P 500 Growth	Bloomberg Barclays High Yield	Bloomberg Barclays High Yield	Bloomberg Barclays High Yield	S&P 500 Growth
9.68%	-2.55%	2.39%	-22.08%	-11.89%	-22.10%	28.68%	10.88%	4.00%	11.85%	1.87%	-39.22%	21.17%	15.05%	-5.50%	14.61%	7.44%	2.45%	-4.47%	6.89%
MSCI EAFE	Russell 2000 Value	Bloomberg Barclays Agg	Russell 2000 Growth	S&P 500 Growth	S&P 500 Growth	S&P 500 Growth	S&P 500 Growth	Bloomberg Barclays High Yield	S&P 500 Growth	Russell 2000	MSCI EAFE	Russell 2000 Value	MSCI EAFE	MSCI EAFE	Russell 2000 Growth	Bloomberg Barclays Agg	MSCI Emerging Markets	Russell 2000 Value	Bloomberg Barclays Agg
1.78%	-6.45%	-0.83%	-22.43%	-12.73%	-23.59%	25.66%	6.13%	2.74%	11.01%	-1.67%	-43.38%	20.58%	7.75%	-12.14%	14.59%	-2.02%	-2.19%	-7.47%	2.65%
MSCI Emerging Markets	MSCI Emerging Markets	Russell 2000 Value	MSCI Emerging Markets	MSCI EAFE	Russell 2000 Growth	Bloomberg Barclays Agg	Bloomberg Barclays Agg	Bloomberg Barclays Agg	Bloomberg Barclays Agg	Russell 2000 Value	MSCI Emerging Markets	Bloomberg Barclays Agg	Bloomberg Barclays Agg	MSCI Emerging Markets	Bloomberg Barclays Agg	MSCI Emerging Markets	MSCI EAFE	MSCI Emerging Markets	MSCI EAFE
-11.59%	-25.34%	-1.49%	-30.71%	-21.44%	-30.26%	4.10%	4.34%	2.43%	4.33%	-9.78%	-53.33%	5.93%	6.54%	-18.42%	4.21%	-2.60%	-4.90%	-14.92%	1.00%

The Callan Periodic Table of Investment Returns conveys the strong **case for diversification** across asset classes (stocks vs. bonds), investment styles (growth vs. value), capitalizations (large vs. small), and equity markets (U.S. vs. non-U.S.). The Table highlights the uncertainty inherent in all capital markets. Rankings change every year. Also noteworthy is the difference between absolute and relative performance, as returns for the top-performing asset class span a wide range over the past 20 years.

A printable copy of The Callan Periodic Table of Investment Returns is available on our website at www.callan.com.

The Callan Periodic Table of Investment Returns 1997–2016

Callan's Periodic Table of Investment Returns depicts annual returns for 10 asset classes, ranked from best to worst performance for each calendar year. The asset classes are color-coded to enable easy tracking over time. We describe the well-known, industry-standard market indices that we use as proxies for each asset class in the text below.

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- **Barclays Aggregate Bond Index** includes U.S. government, corporate, and mortgage-backed securities with maturities of at least one year.
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- **Barclays High Yield Bond Index** measures the market of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds. Securities are classified as high yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB+ or below, excluding emerging market debt.
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- **MSCI EAFE** is a Morgan Stanley Capital International Index that is designed to measure the performance of the developed stock markets of Europe, Australasia, and the Far East.
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- **MSCI Emerging Markets** is a Morgan Stanley Capital International Index that is designed to measure the performance of equity markets in 23 emerging countries around the world.
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- **Russell 2000** measures the performance of small capitalization U.S. stocks. The Russell 2000 is a market-value-weighted index of the 2,000 smallest stocks in the broad-market Russell 3000 Index.
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- **Russell 2000 Value** and ● **Russell 2000 Growth** measure the performance of the growth and value styles of investing in small cap U.S. stocks. The indices are constructed by dividing the market capitalization of the Russell 2000 Index into Growth and Value indices, using style "factors" to make the assignment. The Value Index contains those Russell 2000 securities with a greater-than-average value orientation, while the Growth Index contains those securities with a greater-than-average growth orientation. Securities in the Value Index generally have lower price-to-book and price-earnings ratios than those in the Growth Index. The indices are market-capitalization-weighted. The constituent securities are not mutually exclusive.
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- **S&P 500** measures the performance of large capitalization U.S. stocks. The S&P 500 is a market-value-weighted index of 500 stocks. The weightings make each company's influence on the Index performance directly proportional to that company's market value.
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- **S&P 500 Growth** and ● **S&P 500 Value** measure the performance of the growth and value styles of investing in large cap U.S. stocks. The indices are constructed by dividing the market capitalization of the S&P 500 Index into Growth and Value indices, using style "factors" to make the assignment. The Value Index contains those S&P 500 securities with a greater-than-average value orientation, while the Growth Index contains those securities with a greater-than-average growth orientation. The indices are market-capitalization-weighted. The constituent securities are not mutually exclusive.

Callan

Callan was founded as an employee-owned investment consulting firm in 1973. Ever since, we have empowered institutional clients with creative, customized investment solutions that are uniquely backed by proprietary research, exclusive data, ongoing education and decision support. Today, Callan advises on more than \$2 trillion in total assets, which makes us among the largest independently owned investment consulting firms in the U.S. We use a client-focused consulting model to serve public and private pension plan sponsors, endowments, foundations, operating funds, smaller investment consulting firms, investment managers, and financial intermediaries. For more information, please visit www.callan.com.

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