

Monthly Returns of the S&P 500

In 1905, American Author George Santayana said “Those who cannot remember the past are condemned to repeat it.” In the case of the S&P 500, repeating the past would not be all that bad. Overall, the performance history of the S&P 500 has had a very positive effect on the growth of wealth in America. But a statistical analysis of its history tells us much more.

Standard and Poor used to publish returns from 1926, but since 2001, they have stopped at 1950.

- Average monthly return is 0.71%
- 60% of all months have been positive and 40% negative
- December has been the best month, producing positive returns 75% of the time
- September has been the worst month, producing positive returns only 46% of the time
- Best month ever – October 1974 (16.30%)
- Worst month ever – October 1987 (-21.76%)

S&P 500 Total Return Index Summary

1950-2017

| | | | |
|---------------|---------------|------------|----------------|
| Best 3 Months | Next 3 Months | Months 7-9 | Worst 3 Months |
|---------------|---------------|------------|----------------|

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|-------------|-------|--------|--------|-------|-------|-------|-------|--------|--------|--------|--------|-------|
| Avg Month | 0.95 | 0.10 | 1.22 | 1.47 | 0.23 | -0.02 | 1.03 | -0.09 | -0.48 | 0.92 | 1.55 | 1.61 |
| Neg Months | 40% | 44% | 35% | 29% | 41% | 47% | 44% | 46% | 54% | 40% | 32% | 25% |
| Best Month | 1987 | 1986 | 2000 | 2009 | 1990 | 1955 | 1989 | 1982 | 2010 | 1974 | 1980 | 1991 |
| | 13.18 | 7.15 | 9.67 | 9.39 | 9.20 | 8.23 | 8.84 | 11.60 | 8.76 | 16.30 | 10.24 | 11.16 |
| Worst Month | 2009 | 2009 | 1980 | 1970 | 1962 | 2008 | 2002 | 1998 | 1974 | 1987 | 1973 | 2002 |
| | -8.57 | -10.99 | -10.18 | -9.05 | -8.60 | -8.60 | -7.90 | -14.58 | -11.93 | -21.76 | -11.39 | -6.03 |

Now, let us look at monthly averages and median returns to develop reasonable client expectation about S&P 500 returns.

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|---------|------|------|------|------|------|-------|------|-------|-------|------|------|------|
| Average | 0.95 | 0.10 | 1.22 | 1.47 | 0.23 | -0.02 | 1.03 | -0.09 | -0.48 | 0.92 | 1.55 | 1.61 |

| | | | | | | | | | | | | |
|--------|------|------|------|------|------|------|------|------|-------|------|------|------|
| Median | 1.56 | 0.35 | 1.11 | 1.15 | 1.05 | 0.02 | 0.87 | 0.49 | -0.35 | 0.93 | 1.74 | 1.35 |
| | | | | | | | | | | | | |

Ranking the months' average – best to worst:

| | | | | | | | | | | | |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Dec | Nov | Apr | Mar | Jul | Jan | Oct | May | Feb | Jun | Aug | Sep |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|

If there is any worthwhile positive return pattern here, it is November, December and January. The average November-January produces a robust 4.17%, so be there!

If there is any worthwhile negative return pattern here, it is August, September and October. The average August-October produces only 0.35%, so you might want to go home!

Here are some quarterly insights:

- Average quarter return is 2.17%
- 66% of all quarters have been positive and 34% negative
- 4th quarter has been the best quarter, producing positive returns 80% of the time
- 2nd and 3rd quarters have been the worst, producing positive returns only 60% of the time
- Best quarter ever – 1st quarter 1975 (21.59%)
- Worst quarter ever – 3rd quarter October 1974 (-26.12%)

Historical Tables Follow:

Monthly Returns of the S&P 500 Total Return Index 1950-2017

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|------|-------|-------|--------|-------|-------|-------|-------|-------|--------|-------|--------|-------|
| 1950 | 1.73 | 1.00 | 0.41 | 4.51 | 3.93 | -5.80 | 0.85 | 3.25 | 5.59 | 0.41 | -0.10 | 4.61 |
| 1951 | 6.12 | 0.65 | -1.83 | 4.81 | -4.06 | -2.60 | 6.87 | 3.93 | -0.09 | -1.38 | -0.26 | 3.89 |
| 1952 | 1.56 | -3.65 | 4.77 | -4.31 | 2.32 | 4.61 | 1.76 | -1.46 | -1.96 | -0.08 | 4.65 | 3.55 |
| 1953 | -0.72 | -1.82 | -2.36 | -2.65 | -0.32 | -1.63 | 2.53 | -5.78 | 0.13 | 5.10 | 0.90 | 0.20 |
| 1954 | 5.12 | 0.27 | 3.02 | 4.90 | 3.29 | 0.07 | 5.72 | -3.40 | 8.31 | -1.95 | 8.08 | 5.08 |
| 1955 | 1.81 | 0.35 | -0.49 | 3.77 | -0.13 | 8.23 | 6.07 | -0.78 | 1.13 | -3.05 | 7.49 | -0.07 |
| 1956 | -3.65 | 3.47 | 6.93 | -0.21 | -6.57 | 3.92 | 5.15 | -3.81 | -4.55 | 0.51 | -1.10 | 3.53 |
| 1957 | -4.18 | -3.26 | 1.96 | 3.70 | 3.69 | -0.13 | 1.14 | -5.61 | -6.19 | -3.21 | 1.61 | -4.15 |
| 1958 | 4.28 | -2.06 | 3.09 | 3.18 | 1.50 | 2.61 | 4.31 | 1.19 | 4.84 | 2.54 | 2.24 | 5.20 |
| 1959 | 0.43 | -0.07 | 0.05 | 3.88 | 1.89 | -0.36 | 3.49 | -1.50 | -4.56 | 1.13 | 1.32 | 2.76 |
| 1960 | -7.15 | 0.92 | -1.39 | -1.75 | 2.69 | 1.95 | -2.48 | 2.61 | -6.04 | -0.24 | 4.03 | 4.63 |
| 1961 | 6.32 | 2.69 | 2.55 | 0.38 | 1.91 | -2.88 | 3.28 | 1.96 | -1.97 | 2.83 | 3.93 | 0.32 |
| 1962 | -3.79 | 1.63 | -0.59 | -6.20 | -8.60 | -8.18 | 6.36 | 1.53 | -4.82 | 0.44 | 10.16 | 1.35 |
| 1963 | 4.91 | -2.89 | 3.55 | 4.85 | 1.43 | -2.02 | -0.35 | 4.87 | -1.10 | 3.22 | -1.05 | 2.44 |
| 1964 | 2.69 | 0.99 | 1.52 | 0.61 | 1.15 | 1.64 | 1.82 | -1.62 | 2.87 | 0.81 | -0.52 | 0.39 |
| 1965 | 3.32 | -0.15 | -1.45 | 3.42 | -0.77 | -4.86 | 1.34 | 2.25 | 3.20 | 2.73 | -0.88 | 0.90 |
| 1966 | 0.49 | -1.79 | -2.18 | 2.05 | -5.41 | -1.61 | -1.35 | -7.78 | -0.70 | 4.75 | 0.31 | -0.15 |
| 1967 | 7.82 | 0.20 | 3.94 | 4.22 | -5.24 | 1.75 | 4.53 | -1.17 | 3.28 | -2.91 | 0.11 | 2.63 |
| 1968 | -4.38 | -3.12 | 0.94 | 8.19 | 1.12 | 0.91 | -1.85 | 1.15 | 3.85 | 0.72 | 4.80 | -4.16 |
| 1969 | -0.82 | -4.74 | 3.44 | 2.15 | -0.22 | -5.56 | -6.02 | 4.01 | -2.50 | 4.42 | -3.53 | -1.87 |
| 1970 | -7.65 | 5.27 | 0.15 | -9.05 | -6.10 | -5.00 | 7.33 | 4.45 | 3.30 | -1.14 | 4.74 | 5.68 |
| 1971 | 4.05 | 0.91 | 3.68 | 3.63 | -4.16 | 0.07 | -4.13 | 3.61 | -0.70 | -4.18 | -0.25 | 8.62 |
| 1972 | 1.81 | 2.53 | 0.59 | 0.44 | 1.73 | -2.18 | 0.23 | 3.45 | -0.49 | 0.93 | 4.56 | 1.18 |
| 1973 | -1.71 | -3.75 | -0.14 | -4.08 | -1.89 | -0.66 | 3.80 | -3.67 | 4.01 | -0.13 | -11.39 | 1.66 |
| 1974 | -1.00 | -0.36 | -2.33 | -3.91 | -3.36 | -1.47 | -7.78 | -9.03 | -11.93 | 16.30 | -5.32 | -2.02 |
| 1975 | 12.28 | 5.99 | 2.17 | 4.73 | 4.41 | 4.43 | -6.77 | -2.11 | -3.46 | 6.16 | 2.47 | -1.15 |
| 1976 | 11.83 | -1.14 | 3.07 | -1.10 | -1.44 | 4.09 | -0.81 | -0.51 | 2.26 | -2.22 | -0.78 | 5.25 |
| 1977 | -5.05 | -2.17 | -1.40 | 0.02 | -2.36 | 4.54 | -1.62 | -2.10 | -0.25 | -4.34 | 2.70 | 0.28 |
| 1978 | -6.15 | -2.48 | 2.49 | 8.54 | 0.48 | -1.81 | 5.39 | 2.59 | -0.73 | -9.16 | 1.66 | 1.49 |
| 1979 | 3.97 | -3.65 | 5.52 | 0.17 | -2.63 | 3.87 | 0.87 | 5.31 | 0.00 | -6.86 | 4.26 | 1.68 |
| 1980 | 5.76 | -0.44 | -10.18 | 4.11 | 4.66 | 2.70 | 6.50 | 0.58 | 2.52 | 1.60 | 10.24 | -3.39 |
| 1981 | -4.57 | 1.33 | 3.60 | -2.35 | -0.17 | -1.04 | -0.22 | -6.21 | -5.38 | 4.91 | 3.66 | -3.01 |
| 1982 | -1.75 | -6.05 | -1.02 | 4.00 | -3.92 | -2.03 | -2.30 | 11.60 | 0.76 | 11.04 | 3.61 | 1.52 |
| 1983 | 3.31 | 1.90 | 3.31 | 7.49 | -1.23 | 3.52 | -3.30 | 1.13 | 1.02 | -1.52 | 1.74 | -0.88 |
| 1984 | -0.92 | -3.89 | 1.35 | 0.55 | -5.94 | 1.75 | -1.65 | 10.63 | -0.35 | -0.01 | -1.51 | 2.24 |
| 1985 | 7.41 | 0.86 | -0.29 | -0.46 | 5.41 | 1.21 | -0.48 | -1.20 | -3.47 | 4.25 | 6.51 | 4.51 |

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|------|-------|--------|-------|-------|-------|-------|-------|--------|--------|--------|-------|-------|
| 1986 | 0.24 | 7.15 | 5.28 | -1.41 | 5.02 | 1.41 | -5.87 | 7.12 | -8.54 | 5.47 | 2.15 | -2.83 |
| 1987 | 13.18 | 3.69 | 2.64 | -1.15 | 0.60 | 4.79 | 4.82 | 3.50 | -2.42 | -21.76 | -8.53 | 7.29 |
| 1988 | 4.04 | 4.18 | -3.33 | 0.94 | 0.32 | 4.33 | -0.54 | -3.86 | 3.97 | 2.60 | -1.89 | 1.47 |
| 1989 | 7.11 | -2.89 | 2.08 | 5.01 | 3.51 | -0.79 | 8.84 | 1.55 | -0.65 | -2.52 | 1.65 | 2.14 |
| 1990 | -6.88 | 0.85 | 2.43 | -2.69 | 9.20 | -0.89 | -0.52 | -9.43 | -5.12 | -0.67 | 5.99 | 2.48 |
| 1991 | 4.15 | 6.73 | 2.22 | 0.03 | 3.86 | -4.79 | 4.49 | 1.96 | -1.91 | 1.19 | -4.39 | 11.16 |
| 1992 | -1.99 | 0.96 | -2.18 | 2.79 | 0.10 | -1.74 | 3.94 | -2.40 | 0.91 | 0.21 | 3.03 | 1.01 |
| 1993 | 0.70 | 1.05 | 1.87 | -2.54 | 2.27 | 0.08 | -0.53 | 3.44 | -1.00 | 1.94 | -1.29 | 1.01 |
| 1994 | 3.25 | -3.00 | -4.57 | 1.15 | 1.24 | -2.68 | 3.15 | 3.76 | -2.69 | 2.09 | -3.95 | 1.23 |
| 1995 | 2.43 | 3.61 | 2.73 | 2.80 | 3.63 | 2.13 | 3.18 | -0.03 | 4.01 | -0.50 | 4.10 | 1.74 |
| 1996 | 3.26 | 0.69 | 0.79 | 1.34 | 2.29 | 0.23 | -4.57 | 1.88 | 5.42 | 2.61 | 7.34 | -2.15 |
| 1997 | 6.13 | 0.59 | -4.26 | 5.84 | 5.86 | 4.35 | 7.81 | -5.74 | 5.32 | -3.45 | 4.46 | 1.57 |
| 1998 | 1.02 | 7.04 | 4.99 | 0.91 | -1.88 | 3.94 | -1.16 | -14.58 | 6.24 | 8.03 | 5.91 | 5.64 |
| 1999 | 4.10 | -3.23 | 3.88 | 3.79 | -2.50 | 5.44 | -3.20 | -0.63 | -2.86 | 6.25 | 1.91 | 5.78 |
| 2000 | -5.09 | -2.01 | 9.67 | -3.08 | -2.19 | 2.39 | -1.63 | 6.07 | -5.35 | -0.50 | -8.01 | 0.41 |
| 2001 | 3.46 | -9.23 | -6.42 | 7.68 | 0.51 | -2.50 | -1.08 | -6.41 | -8.17 | 1.81 | 7.52 | 0.76 |
| 2002 | -1.56 | -2.08 | 3.67 | -6.14 | -0.91 | -7.25 | -7.90 | 0.49 | -11.00 | 8.64 | 5.71 | -6.03 |
| 2003 | -2.74 | -1.70 | 0.84 | 8.10 | 5.09 | 1.13 | 1.62 | 1.79 | -1.20 | 5.50 | 0.71 | 5.08 |
| 2004 | 1.73 | 1.22 | -1.64 | -1.68 | 1.21 | 1.80 | -3.43 | 0.23 | 0.94 | 1.40 | 3.86 | 3.25 |
| 2005 | -2.53 | 1.89 | -1.91 | -2.01 | 3.00 | -0.01 | 3.60 | -1.12 | 0.69 | -1.77 | 3.52 | -0.09 |
| 2006 | 2.55 | 0.05 | 1.11 | 1.22 | -3.09 | 0.01 | 0.51 | 2.13 | 2.46 | 3.15 | 1.65 | 1.26 |
| 2007 | 1.41 | -2.18 | 1.00 | 4.33 | 3.26 | -1.78 | -3.20 | 1.29 | 3.58 | 1.48 | -4.40 | -0.86 |
| 2008 | -6.12 | -3.48 | -0.60 | 4.75 | 1.07 | -8.60 | -0.99 | 1.22 | -9.08 | -16.94 | -7.49 | 0.78 |
| 2009 | -8.57 | -10.99 | 8.54 | 9.39 | 5.31 | 0.02 | 7.41 | 3.36 | 3.57 | -1.98 | 5.74 | 1.78 |
| 2010 | -3.70 | 2.85 | 5.88 | 1.48 | -8.20 | -5.39 | 6.88 | -4.75 | 8.76 | 3.69 | -0.23 | 6.53 |
| 2011 | 2.27 | 3.20 | -0.11 | 2.85 | -1.35 | -1.83 | -2.15 | -5.68 | -7.18 | 10.77 | -0.51 | 0.85 |
| 2012 | 4.36 | 4.06 | 3.13 | -0.75 | -6.27 | 3.96 | 1.26 | 1.98 | 2.42 | -1.98 | 0.28 | 0.71 |
| 2013 | 5.04 | 1.11 | 3.60 | 1.81 | 2.08 | -1.50 | 4.95 | -3.13 | 2.97 | 4.46 | 2.80 | 2.36 |
| 2014 | -3.56 | 4.31 | 0.69 | 0.62 | 2.10 | 1.91 | -1.51 | 3.77 | -1.55 | 2.32 | 2.45 | -0.42 |
| 2015 | -3.10 | 5.49 | -1.74 | 0.85 | 1.05 | -2.10 | 1.97 | -6.26 | -2.64 | 8.30 | 0.05 | -1.75 |
| 2016 | -5.07 | -0.41 | 6.60 | 0.27 | 1.53 | 0.09 | 3.56 | -0.12 | -0.12 | -1.94 | 3.42 | 1.82 |
| 2017 | 1.79 | 3.72 | -0.04 | 0.91 | 1.16 | 0.48 | 1.93 | 0.05 | 1.93 | 2.22 | 2.81 | 0.98 |

| | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter |
|------|-------------|-------------|-------------|-------------|
| 1950 | 3.16% | 2.31% | 9.95% | 4.94% |
| 1951 | 4.85% | -2.06% | 10.97% | 2.19% |
| 1952 | 2.52% | 2.42% | -1.68% | 8.27% |
| 1953 | -4.82% | -4.55% | -3.27% | 6.25% |
| 1954 | 8.59% | 8.43% | 10.61% | 11.36% |
| 1955 | 1.67% | 12.17% | 6.43% | 4.14% |
| 1956 | 6.60% | -3.11% | -3.45% | 2.91% |
| 1957 | -5.49% | 7.39% | -10.45% | -5.73% |
| 1958 | 5.28% | 7.46% | 10.65% | 10.29% |
| 1959 | 0.42% | 5.47% | -2.72% | 5.29% |
| 1960 | -7.60% | 2.86% | -5.97% | 8.58% |
| 1961 | 11.96% | -0.65% | 3.23% | 7.22% |
| 1962 | -2.80% | -21.28% | 2.78% | 12.14% |
| 1963 | 5.50% | 4.21% | 3.36% | 4.63% |
| 1964 | 5.28% | 3.43% | 3.05% | 0.68% |
| 1965 | 1.66% | -2.37% | 6.94% | 2.75% |
| 1966 | -3.46% | -5.03% | -9.65% | 4.92% |
| 1967 | 12.29% | 0.49% | 6.70% | -0.25% |
| 1968 | -6.50% | 10.40% | 3.10% | 1.16% |
| 1969 | -2.26% | -3.74% | -4.70% | -1.14% |
| 1970 | -2.64% | -18.87% | 15.80% | 9.43% |
| 1971 | 8.86% | -0.61% | -1.36% | 3.81% |
| 1972 | 5.01% | -0.06% | 3.18% | 6.78% |
| 1973 | -5.53% | -6.51% | 4.00% | -10.03% |
| 1974 | -3.66% | -8.49% | -26.12% | 7.90% |
| 1975 | 21.59% | 14.19% | -11.89% | 7.54% |
| 1976 | 13.95% | 1.47% | 0.92% | 2.11% |
| 1977 | -8.41% | 2.09% | -3.93% | -1.48% |
| 1978 | -6.19% | 7.08% | 7.34% | -6.27% |
| 1979 | 5.70% | 1.30% | 6.23% | -1.26% |
| 1980 | -5.42% | 11.90% | 9.82% | 8.21% |
| 1981 | 0.18% | -3.52% | -11.45% | 5.48% |
| 1982 | -8.64% | -2.10% | 9.86% | 16.79% |
| 1983 | 8.76% | 9.90% | -1.21% | -0.69% |

| | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter |
|------|-------------|-------------|-------------|-------------|
| 1984 | -3.49% | -3.77% | 8.43% | 0.69% |
| 1985 | 8.02% | 6.19% | -5.09% | 16.04% |
| 1986 | 13.07% | 5.00% | -7.78% | 4.69% |
| 1987 | 20.45% | 4.22% | 5.87% | -23.23% |
| 1988 | 4.78% | 5.64% | -0.58% | 2.14% |
| 1989 | 6.18% | 7.84% | 9.80% | 1.22% |
| 1990 | -3.81% | 5.32% | -14.52% | 7.90% |
| 1991 | 13.63% | -1.08% | 4.50% | 7.54% |
| 1992 | -3.21% | 1.10% | 2.37% | 4.29% |
| 1993 | 3.66% | -0.25% | 1.86% | 1.64% |
| 1994 | -4.43% | -0.34% | 4.15% | -0.74% |
| 1995 | 9.02% | 8.80% | 7.28% | 5.39% |
| 1996 | 4.80% | 3.89% | 2.49% | 7.77% |
| 1997 | 2.21% | 16.91% | 7.02% | 2.44% |
| 1998 | 13.53% | 2.91% | -10.30% | 20.87% |
| 1999 | 4.65% | 6.71% | -6.56% | 14.54% |
| 2000 | 2.00% | -2.93% | -1.24% | -8.09% |
| 2001 | -12.11% | 5.52% | -14.99% | 10.29% |
| 2002 | -0.06% | -13.73% | -17.63% | 7.92% |
| 2003 | -3.60% | 14.89% | 2.20% | 11.64% |
| 2004 | 1.29% | 1.30% | -2.30% | 8.73% |
| 2005 | -2.58% | 0.91% | 3.15% | 1.59% |
| 2006 | 3.73% | -1.90% | 5.17% | 6.17% |
| 2007 | 0.18% | 5.81% | 1.56% | -3.82% |
| 2008 | -9.92% | -3.23% | -8.88% | -22.56% |
| 2009 | -11.67% | 15.22% | 14.98% | 5.49% |
| 2010 | 4.87% | -11.86% | 10.72% | 10.20% |
| 2011 | 5.42% | -0.39% | -14.33% | 11.15% |
| 2012 | 12.00% | -3.29% | 5.76% | -1.01% |
| 2013 | 10.03% | 2.36% | 4.69% | 9.92% |
| 2014 | 1.30% | 4.69% | 0.61% | 4.39% |
| 2015 | 0.44% | -0.23% | -6.94% | 6.45% |
| 2016 | 0.77% | 1.90% | 3.31% | 3.25% |
| 2017 | 5.53% | 2.57% | 3.96% | 6.12% |