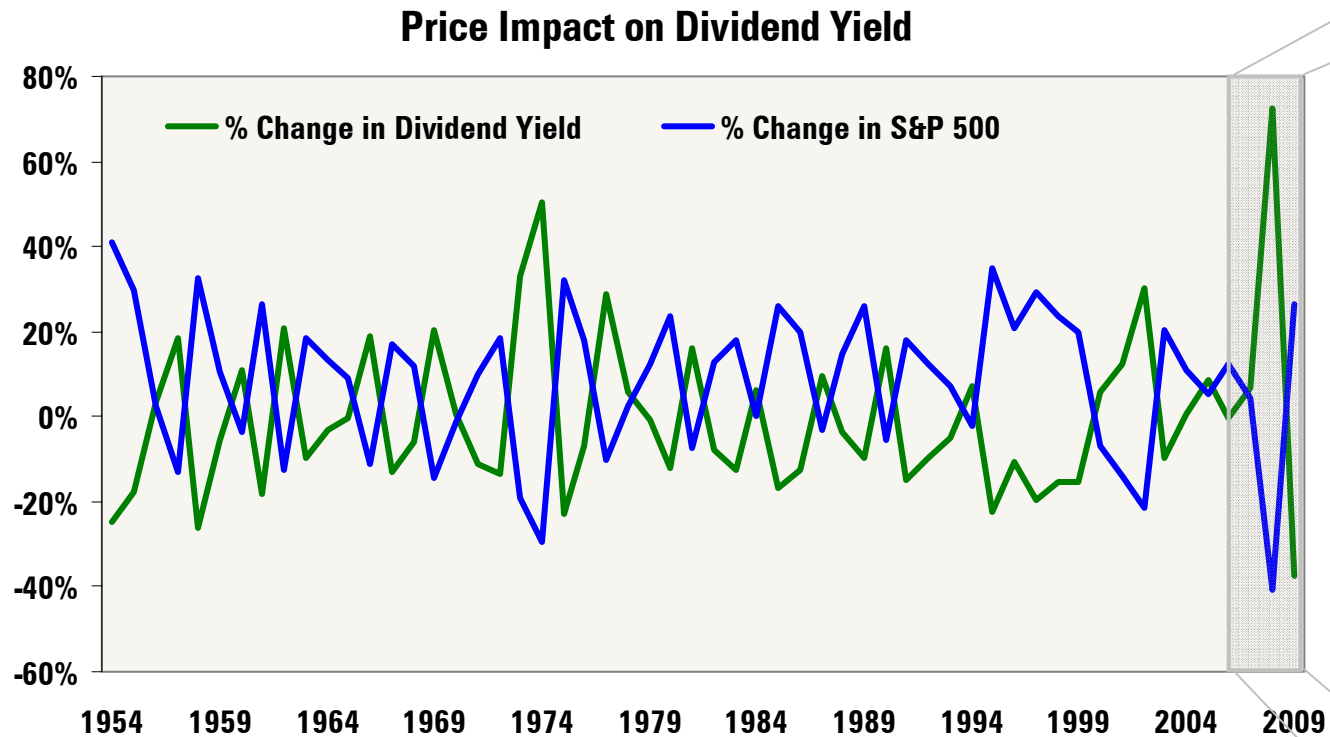


Chasing Yield In A Low/Rising Rate Environment Part III

Rising Stock Prices and Drop in Dividends Drive Dividend Yields Lower

- During **2009**, **Dividend Yield** on the S&P 500 fell close to **-40%** as investors began buying stocks and **Equity prices increased**.
- Dividend Yields also declined as the result of **companies cutting back on payouts**, causing **\$'s of Dividends to fall by -21%** - the **largest decline in Dividends** during the period observed (1953-2009); second largest drop of -3.2% occurred in 2003).



Dividend Yield = Dividends Over Last Twelve Months / Current Price

Data from <http://federalreserve.gov>