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The Truth About Average Stock Market Returns

If you've ever listened to a talk radio show on investments, read a popular consumer financial magazine or picked up a newspaper and opened the financial section, it's likely that you've read or heard something called "the average rate of the return of the stock market." During his show, a popular radio

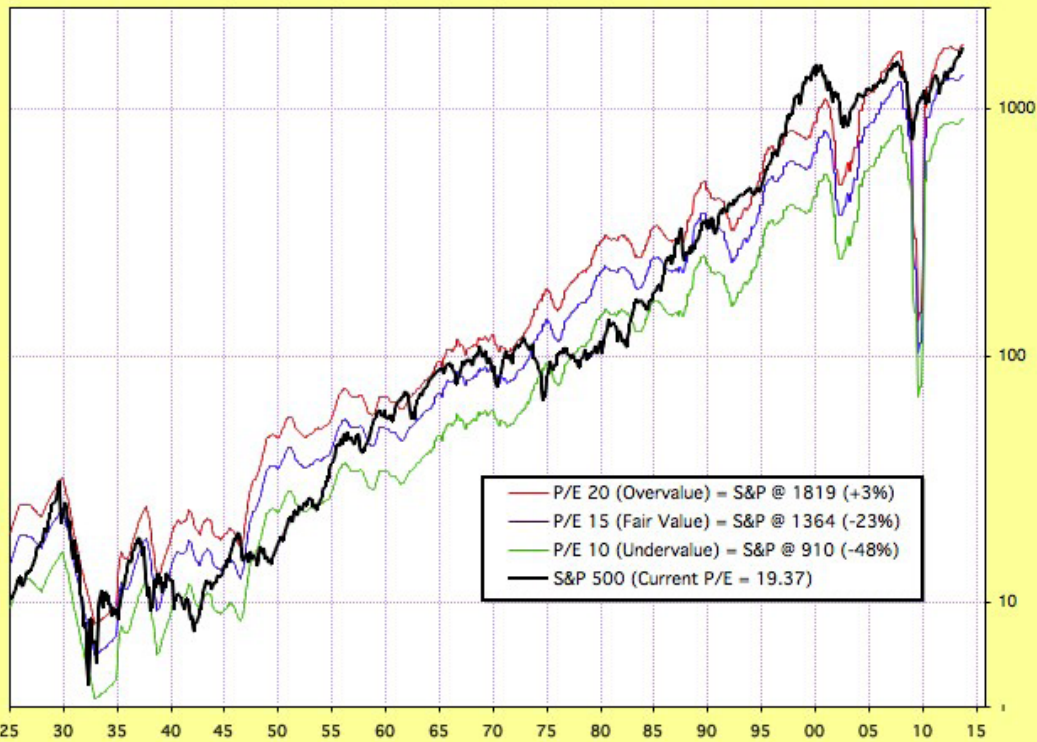
and TV personality often refers to the "average rates of return" of mutual funds. But what does this REALLY mean and should a prudent person really trust this type of statistic when considering investing in the stock market?

Average Arithmetic Return VERSUS Average Geometric Return

The Best Example of the Average Rate of Return

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(c) 2013 DecisionPoint.com S&P 500 Index Relative to Normal P/E Range 1925 - 2013 11/2/2013



Don't Bother Arguing With Your Stockbroker

Dividends Count and DO Increase the Total Return

Buyer Beware!

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What IS “The long run”?

Summary