

**Chapter 6 Assignment:** *Who Has “Beaten the Market?”* (10 points)

The 10-year annual average rate of return of the Standard and Poor’s 500 Composite was 13.02% from January 1, 2015 to December 31, 2024. The 20-year average rate of return was 10.31% from January 1, 2005 to December 31, 2024. Can you find at least 10 **domestic stock mutual funds** that have beaten the S&P 500 over 10 years and at least 5 **domestic stock mutual funds** that have beaten it over 20 years? The 30-year average rate of return was 10.89% from January 1, 1995 to December 31, 2024. Can you find any **domestic stock mutual funds** that have been in existence for *30 years or more* and that have beaten the S&P 500 index over 30 years or more?

The 10-year returns will be easy to find. For the 20-year and 30-year returns, ***you will have to go to the mutual fund company’s own website to find their lifetime returns.*** Check out the six mutual fund companies in the chapter 2 section of the class website or Canvas. There are many, many other companies that you could research. Look for “lifetime results” or “results since inception” or “since inception.” You might even have to call them. Some mutual fund companies really do not want you to know their long-term results. As with our previous assignments, we hope you have fun with this. It can be a bit frustrating at times but you just never know where you will end up as you sniff through the various websites and call the various companies. Enjoy! Who knows? You might find the mutual fund company that you will want to invest in for the next thirty to forty years!

*Optional On Your Own:* Research the MSCI World index and global stock mutual funds for 10, 20, & 30 or more years.

MSCI World Index:

10-year results: 10.52%

20-year results: 8.55%

30-year results: 8.54%

Note: Yes, the United States has recovered far faster from the Great Recession than the rest of the world. This is yet another example of the resilience and strength of our economy. Also, the 10-year returns of the S&P 500 Index and MSCI World Index are much higher than the 20-year and 30-year returns because the Great Recession is now over 10 years old and the effects of the brutal 2008-2009 bear market are no longer included in the results.

**Due: Saturday, November 1<sup>st</sup>**

P.S. Again, ***you will have to go to the mutual fund company’s own website to find their 20-year and 30+-year returns.*** Check out the six mutual fund companies in the chapter 2 section of the class website or in the Canvas module on mutual funds. But don’t feel that you can only use these six companies. There are many, many more mutual fund companies to explore. Here are some others that are in the top ten mutual fund families by assets:

Pimco <https://www.pimco.com/us/en>

Blackrock <https://www.blackrock.com/us/individual/products/investment-funds>

DFA <https://www.dimensions.com/us-en/mutual-funds>

State Street <https://www.ssga.com/us/en/individual>

Invesco <https://www.invesco.com/us/en/Individual-investor.html>