

1 **Q. Reference: Dr. Booth's Evidence, Appendix D, Page 17, lines 1-13**

2
3 **Please provide the data in electronic format used to support Dr. Booth's**
4 **assertion that EPS growth and DPS growth have tracked GDP growth over the**
5 **last 51 years.**

6
7 **A. Dr. Booth's actual statement was as below.**

8
9 *"Of critical importance is that long run, the earnings of the S&P500 index has*
10 *broadly tracked GDP growth as one would expect, so the "best" estimate of*
11 *earnings growth (OLS) is exactly the same as the growth rate in GDP. However,*
12 *short run, the average growth rate can be much higher, since it takes into account*
13 *the base from which this growth is earned."*

14
15 The words "broadly" and "long run" were missed in the question.

16
17 The data is attached as Attachment 1. Note the low end of the ESP growth rage
18 should have been 6.08% not 6.11%.

	EPS	DPS	GDPA	Growth rates				Ln(values)		
				GDP	EPS	DPS				
1967	5.33	2.92	940.651				1	0.0000	0.0000	0.0000
1968	5.76	3.07	1017.615	0.0818	0.0807	0.0514	2	0.0786	0.0776	0.0501
1969	5.78	3.16	1073.303	0.0547	0.0035	0.0293	3	0.1319	0.0811	0.0790
1970	5.13	3.14	1164.850	0.0853	-0.1125	-0.0063	4	0.2138	-0.0382	0.0726
1971	5.7	3.07	1279.110	0.0981	0.1111	-0.0223	5	0.3073	0.0671	0.0501
1972	6.42	3.15	1425.376	0.1143	0.1263	0.0261	6	0.4156	0.1861	0.0758
1973	8.16	3.38	1545.243	0.0841	0.2710	0.0730	7	0.4964	0.4259	0.1463
1974	8.89	3.6	1684.904	0.0904	0.0895	0.0651	8	0.5829	0.5116	0.2094
1975	7.96	3.68	1873.412	0.1119	-0.1046	0.0222	9	0.6889	0.4011	0.2313
1976	9.91	4.05	2081.826	0.1112	0.2450	0.1005	10	0.7944	0.6202	0.3271
1977	10.89	4.67	2351.599	0.1296	0.0989	0.1531	11	0.9163	0.7145	0.4696
1978	12.33	5.07	2627.334	0.1173	0.1322	0.0857	12	1.0272	0.8387	0.5518
1979	14.86	5.65	2857.307	0.0875	0.2052	0.1144	13	1.1111	1.0253	0.6601
1980	14.82	6.16	3207.042	0.1224	-0.0027	0.0903	14	1.2265	1.0226	0.7465
1981	15.36	6.63	3343.789	0.0426	0.0364	0.0763	15	1.2683	1.0584	0.8200
1982	12.64	6.87	3634.038	0.0868	-0.1771	0.0362	16	1.3515	0.8635	0.8556
1983	14.03	6.99	4037.613	0.1111	0.1100	0.0175	17	1.4568	0.9678	0.8729
1984	16.64	7.53	4338.979	0.0746	0.1860	0.0773	18	1.5288	1.1385	0.9473
1985	14.61	7.9	4579.631	0.0555	-0.1220	0.0491	19	1.5828	1.0084	0.9953
1986	14.48	8.28	4855.215	0.0602	-0.0089	0.0481	20	1.6412	0.9994	1.0423
1987	17.5	8.81	5236.438	0.0785	0.2086	0.0640	21	1.7168	1.1888	1.1043
1988	23.75	9.73	5641.580	0.0774	0.3571	0.1044	22	1.7913	1.4942	1.2036
1989	22.87	11.05	5963.144	0.0570	-0.0371	0.1357	23	1.8468	1.4565	1.3308
1990	21.73	12.09	6158.129	0.0327	-0.0498	0.0941	24	1.8790	1.4053	1.4208
1991	16.29	12.2	6520.327	0.0588	-0.2503	0.0091	25	1.9361	1.1172	1.4299
1992	18.86	12.38	6858.559	0.0519	0.1578	0.0148	26	1.9867	1.2637	1.4445
1993	21.89	12.58	7287.236	0.0625	0.1607	0.0162	27	2.0473	1.4127	1.4605
1994	30.6	13.18	7639.749	0.0484	0.3979	0.0477	28	2.0945	1.7476	1.5071
1995	33.96	13.79	8073.122	0.0567	0.1098	0.0463	29	2.1497	1.8518	1.5524
1996	38.73	14.9	8577.552	0.0625	0.1405	0.0805	30	2.2103	1.9833	1.6298
1997	39.72	15.49	9062.817	0.0566	0.0256	0.0396	31	2.2654	2.0085	1.6686
1998	37.71	16.2	9630.663	0.0627	-0.0506	0.0458	32	2.3261	1.9566	1.7134
1999	48.17	16.69	10252.347	0.0646	0.2774	0.0302	33	2.3887	2.2014	1.7432
2000	50	16.27	10581.822	0.0321	0.0380	-0.0252	34	2.4203	2.2387	1.7177
2001	24.7	15.74	10936.418	0.0335	-0.5060	-0.0326	35	2.4533	1.5335	1.6846
2002	27.59	16.08	11458.246	0.0477	0.1170	0.0216	36	2.4999	1.6441	1.7060
2003	48.73	17.39	12213.730	0.0659	0.7662	0.0815	37	2.5637	2.2129	1.7843
2004	58.55	19.43	13036.637	0.0674	0.2015	0.1173	38	2.6289	2.3965	1.8952
2005	69.93	22.22	13814.609	0.0597	0.1944	0.1436	39	2.6869	2.5741	2.0294
2006	81.51	24.89	14451.860	0.0461	0.1656	0.1202	40	2.7320	2.7274	2.1429
2007	66.17	27.88	14712.845	0.0181	-0.1882	0.1201	41	2.7499	2.5189	2.2563
2008	14.88	28.39	14448.932	-0.0179	-0.7751	0.0183	42	2.7318	1.0267	2.2745
2009	50.97	22.41	14992.052	0.0376	2.4254	-0.2106	43	2.7687	2.2579	2.0379
2010	77.35	22.73	15542.582	0.0367	0.5176	0.0143	44	2.8048	2.6750	2.0521
2011	86.94	26.42	16197.007	0.0421	0.1240	0.1623	45	2.8460	2.7919	2.2025
2012	86.51	31.24	16784.851	0.0363	-0.0049	0.1824	46	2.8817	2.7869	2.3701
2013	100.2	34.99	17521.747	0.0439	0.1582	0.1200	47	2.9246	2.9338	2.4835
2014	102.31	39.44	18219.297	0.0398	0.0211	0.1272	48	2.9637	2.9547	2.6032
2015	86.52	43.39	18707.189	0.0268	-0.1543	0.1002	49	2.9901	2.7870	2.6986
2016	94.54	45.7	19485.394	0.0416	0.0927	0.0532	50	3.0308	2.8757	2.7505
2017	109.87	48.93		0.0432	0.1622	0.0707	51		3.0259	2.8188
			Average	6.38%	11.94%	6.00%		6.38%	6.08%	5.68%
			Median	5.92%	10.99%	5.86%				