

**GMP PROXY GROUP**  
**Capital Asset Pricing Model Analysis**  
**Historic Market Premium**

	Geometric Mean	Arithmetic Mean	Adjusted Arithmetic Mean
	_____	_____	_____
Long-Term Annual Return on Stocks	10.20%	12.10%	
Long-Term Annual Income Return on Long-Term Treas. Bonds	<u>5.00%</u>	<u>5.00%</u>	
Historical Market Risk Premium	5.20%	7.10%	6.04%
Comparison Group Beta, Value Line	<u>0.68</u>	<u>0.68</u>	<u>0.68</u>
Beta * Market Premium	3.56%	4.86%	4.13%
Current 30-Year Treasury Bond Yield	<u>3.06%</u>	<u>3.06%</u>	<u>3.06%</u>
<b>CAPM Cost of Equity, Value Line Beta</b>	<b><u>6.62%</u></b>	<b><u>7.92%</u></b>	<b><u>7.19%</u></b>
	_____	_____	_____

Source: 2018 SBBi Yearbook, *Stocks, Bonds, Bills, and Inflation*, Duff and Phelps; pp. 6-17, 10-31