TABLE 11-1.—*Changes in the nominal value of various types of investments, 1948–58, in current dollars and in dollars of 1948 purchasing power*

	Nominal value		Percent change in nominal value	Percent change in 1948 dollars
	Dec. 31, 1948	Dec. 31, 1958		
Cash	$100.00	$100.00		−16.7
Bonds:				
U.S. Treasury 2½s of 12/15/67–72	100.15	85.20	−14.9	−29.1
New York City 4s of 10/1/80	124.25	102.00	−17.9	−31.6
State of New York 1¾s of 3/15/85	86.58	66.80	−22.8	−35.7
Preferred stock average, (Standard & Poor's)	169.50	151.70	−10.5	−25.4
Common stocks, averages (Standard & Poor's):				
Railroads	13.92	34.39	+147.1	+105.8
Industrials	15.12	58.97	+290.0	+224.9
Public utilities	16.04	43.28	+169.8	+124.8
Fire insurance	13.05	34.30	+162.8	+118.9
New York City banks	11.18	24.25	+116.9	+80.7
Real estate:				
Selling price, typical 1-family residence [1]	$14,231	$17,220	+21.0	+0.8
Farm real estate, Department of Agriculture index (1947–49=100)	106	163	+53.8	+28.1

[1] Computed from Roy C. Wenzlick & Co., "The Real Estate Analyst."

For example, in 1948 dollars these investments of 1948 in 1958 would be worth as follows:

If invested in—	
Cash	−16.7 percent.
U.S. Treasury 2½s for 1967–72	−29 percent.
New York City 4s of October 1980	−32 percent.
State of New York 1¾s of March 1985	−36 percent.
Preferred stock	−25 percent.
Common stocks:	
Railroads	+106 percent.
Industrials	+225 percent.
Public utilities	+125 percent.
Private insurance companies	+19 percent.
New York City banks	+81 percent.
Typical one-family residences	slight gain in real selling price.
Farm real estate	+28.1 percent in selling price, stable dollars.

The First National City Bank then goes on to explain the difficulties of purchasing common stocks that yield these returns, for these are only averages. Similarly with houses, which of course may depreciate in value as well as rise, even though the average may be worth more after 10 years in dollars of stable purchasing power.

> It took 16 of the 30 stocks presently in the Dow-Jones industrial average more than 20 years to get back up to 1929 highs—and 4 of the stocks still haven't made it.

The bank also points out that some common stock declines have occurred in periods of rising consumer prices.[13]

[13] Ibid., p. 46.