Long-term statistics

UK 2025

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Welcome to the 2025 edition of *Long-term statistics*, Willis Towers Watson's annual publication that presents historical data for key economic and investment indices.

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Long-term statistics

Historic economic and investment indices

On the following pages, we set out details of bank rates, shares, rates of inflation, retail prices, index of real earnings, deposits, returns, dividends and pensions.

Since 2011, the Consumer Prices Index (CPI) has been used rather than the Retail Prices Index (RPI) to set minimum increases for occupational pensions. How a scheme is affected depends on how its rules are written: some pension increases will now be based on CPI while others will continue to be based on RPI.

In many cases, increases will be based on CPI before a member's benefits come into payment and on RPI thereafter. In this issue we have adjusted the nominal data with respect to both RPI and CPI.

Rate of inflation

Figure 1.1. shows the annual rate of inflation as at December each year from 1900 to 2024, based on a series of cost of living indices and RPI over the whole period and CPI from December 1988.

Figure 2.1. gives the percentage increase in the General Index of Retail Prices and the General Index of Consumer Prices over periods of one, five, ten and twenty years, ending in December each year from 1994 to 2024.

Figure 1.1 **Rate of inflation**

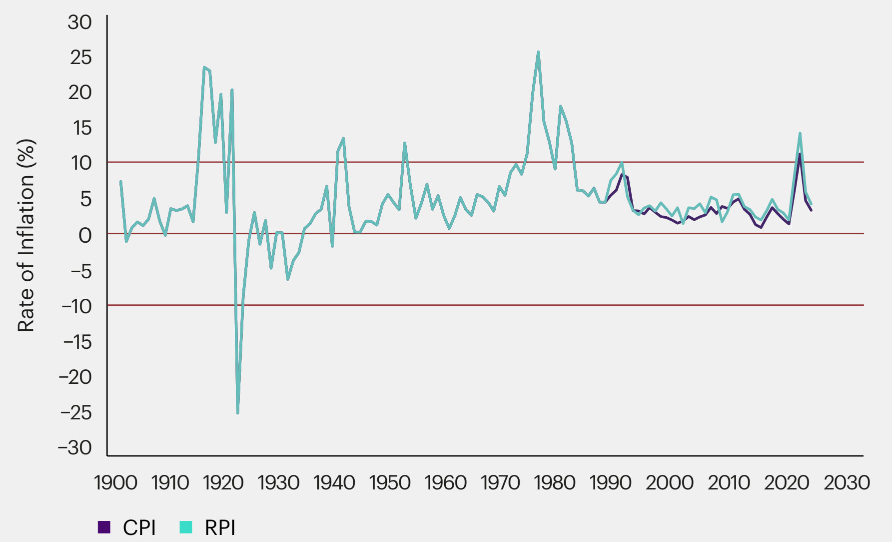


Figure 2.1. **Retail Prices and Consumer Prices**

	Increase % per year in General Index of Retail Prices				Increase % per year in General Index of Consumer Prices			
Year	Over past year	Over past 5 years	Over past 10 years	Over past 20 years	Over past year	Over past 5 years	Over past 10 years	Over past 20 years
1994	2.89	4.21	4.86	8.30	2.05	4.35	-	-
1995	3.22	3.02	4.61	7.27	2.96	3.43	-	-
1996	2.46	2.62	4.48	6.65	2.30	2.46	-	-
1997	3.63	2.82	4.47	6.23	1.69	2.29	-	-
1998	2.75	2.99	4.07	5.95	1.55	2.11	-	-
1999	1.76	2.76	3.48	5.20	1.20	1.94	3.14	-
2000	2.93	2.70	2.86	4.61	0.75	1.49	2.46	-
2001	0.70	2.35	2.48	4.06	1.07	1.25	1.86	-
2002	2.94	2.21	2.52	3.93	1.69	1.25	1.77	-
2003	2.80	2.22	2.60	3.81	1.25	1.19	1.65	-
2004	3.49	2.57	2.66	3.75	1.64	1.28	1.61	-
2005	2.21	2.42	2.56	3.58	1.92	1.51	1.50	-
2006	4.43	3.17	2.76	3.62	2.97	1.89	1.57	-
2007	4.05	3.39	2.80	3.63	2.12	1.98	1.61	-
2008	0.95	3.02	2.62	3.34	3.11	2.35	1.77	-
2009	2.40	2.80	2.68	3.08	2.83	2.59	1.93	2.53
2010	4.77	3.31	2.86	2.86	3.73	2.95	2.23	2.34
2011	4.82	3.38	3.28	2.88	4.20	3.19	2.54	2.20
2012	3.09	3.19	3.29	2.90	2.71	3.31	2.64	2.21
2013	2.67	3.54	3.28	2.94	2.00	3.09	2.72	2.18
2014	1.62	3.39	3.09	2.88	0.55	2.63	2.61	2.11
2015	1.20	2.67	2.99	2.78	0.14	1.91	2.43	1.96
2016	2.49	2.21	2.80	2.78	1.60	1.39	2.29	1.93
2017	4.12	2.42	2.80	2.80	2.94	1.44	2.37	1.99
2018	2.70	2.42	2.98	2.80	2.10	1.46	2.27	2.02
2019	2.21	2.54	2.96	2.82	1.31	1.61	2.12	2.03
2020	1.20	2.54	2.61	2.74	0.65	1.71	1.81	2.02
2021	7.55	3.53	2.87	3.07	5.40	2.47	1.93	2.23
2022	13.44	5.32	3.86	3.58	10.51	3.93	2.68	2.66
2023	5.16	5.82	4.11	3.69	3.93	4.30	2.87	2.79
2024	**3.46**	**6.08**	**4.29**	**3.69**	**2.57**	**4.56**	**3.08**	**2.84**

Alternative measures of inflation

Figure 1.2. shows the annual rate of inflation as at every month end each year from 2006 to 2024, based on the RPI, CPI and CPIH indices.

Figure 2.2. gives the percentage increase in the RPI, CPI and CPIH indices over periods of one and five years, ending in December each year from 2006 to 2024.

Figure 1.2. **Alternative measures of inflation**

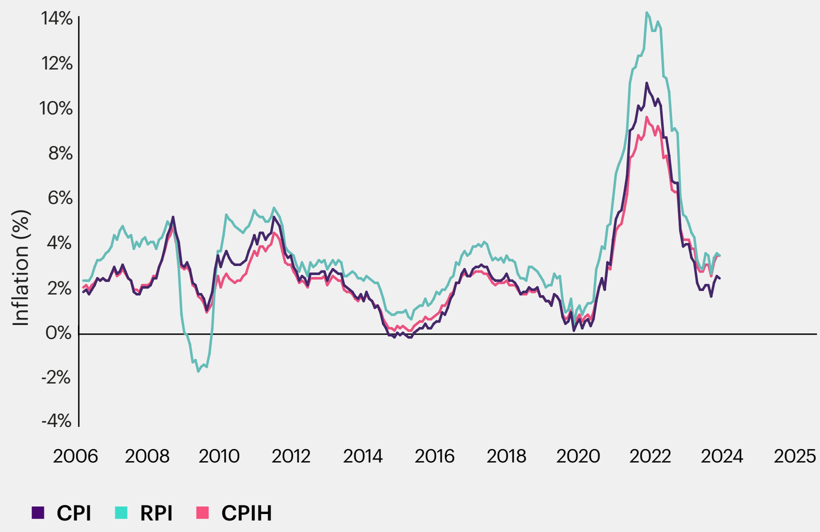


Figure 2.2. **RPI, CPI and CPI-H**

Year	Increase % per year in RPI			Increase % per year in CPI			Increase % per year in CPIH		
	Over past year	Over past 5 years	Over past 10 years	Over past year	Over past 5 years	Over past 10 years	Over past year	Over past 5 years	Over past 10 years
2006	4.43	3.17	2.76	2.97	1.89	1.57	2.99	–	–
2007	4.05	3.39	2.80	2.12	1.98	1.61	2.18	–	–
2008	0.95	3.02	2.62	3.11	2.35	1.77	3.08	–	–
2009	2.40	2.80	2.68	2.83	2.59	1.93	2.07	–	–
2010	4.77	3.31	2.86	3.73	2.95	2.23	3.15	2.69	–
2011	4.82	3.38	3.28	4.20	3.19	2.54	3.71	2.84	–
2012	3.09	3.19	3.29	2.71	3.31	2.64	2.53	2.91	–
2013	2.67	3.54	3.28	2.00	3.09	2.72	1.85	2.66	–
2014	1.62	3.39	3.09	0.55	2.63	2.61	0.71	2.38	–
2015	1.20	2.67	2.99	0.14	1.91	2.43	0.50	1.85	2.27
2016	2.49	2.21	2.80	1.60	1.39	2.29	1.79	1.47	2.15
2017	4.12	2.42	2.80	2.94	1.44	2.37	2.74	1.51	2.21
2018	2.70	2.42	2.98	2.10	1.46	2.27	2.00	1.54	2.10
2019	2.21	2.54	2.96	1.31	1.61	2.12	1.31	1.67	2.02
2020	1.20	2.54	2.61	0.65	1.71	1.81	0.83	1.73	1.79
2021	7.55	3.53	2.87	5.40	2.47	1.93	4.84	2.33	1.90
2022	13.44	5.32	3.86	10.51	3.93	2.68	9.24	3.60	2.55
2023	5.16	5.82	4.11	3.93	4.30	2.87	4.15	4.03	2.78
2024	**3.46**	**6.08**	**4.29**	**2.57**	**4.56**	**3.08**	**3.52**	**4.48**	**3.06**

Wages/earnings

Figure 3. shows an index of real earnings constructed by joining together various indices of wages and earnings over the period and dividing by the price indices shown in *Figure 2.1*. The teal line depicts the indices of real earnings as at December each year from 1900 to 2024 relative to RPI, while the violet line depicts the indices of real earnings as at December each year from 1988 to 2024 relative to CPI.

Figure 3. **Average wages/earnings**

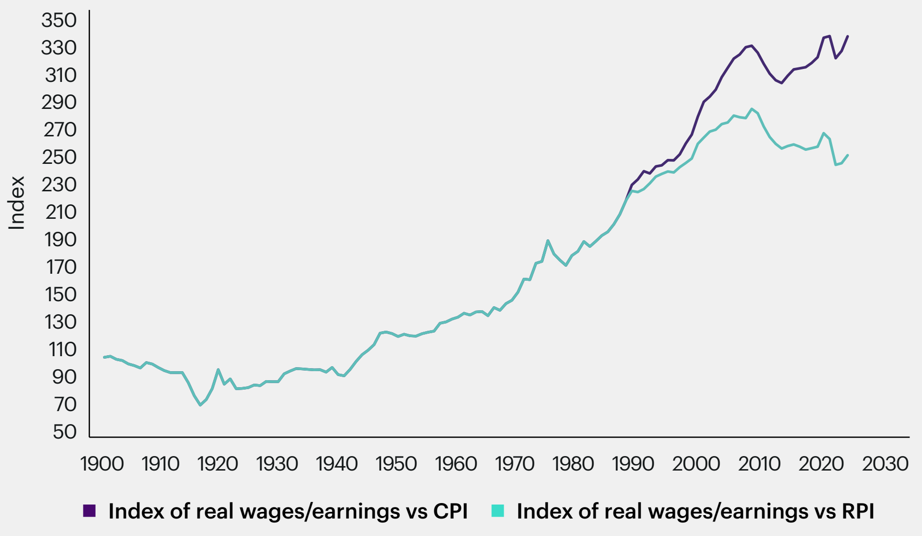


Figure 4.1. gives the percentage increase in the earnings index over periods of one, five, ten and twenty years, ending in December each year, from 1988 to 2009. The first column shows the percentage increase in the nominal index. The second and the third columns show the percentage increase in the real index, relative to retail prices and consumer prices respectively. All figures have been shown on the seasonally adjusted basis.

Figure 4.1. **Average Earnings Index**

	Nominal increase % per year in earnings index				Real increase % per year in earnings index (relative to retail prices)				Real increase % per year in earnings index (relative to consumer prices)			
Year	Over past year	Over past 5 years	Over past 10 years	Over past 20 years	Over past year	Over past 5 years	Over past 10 years	Over past 20 years	Over past year	Over past 5 years	Over past 10 years	Over past 20 years
1988	10.41	8.31	10.50	12.32	3.41	3.27	2.45	2.29	–	–	–	–
1989	7.30	8.56	9.34	12.23	-0.38	2.89	2.23	2.06	–	–	–	–
1990	10.45	8.89	8.45	12.00	1.01	2.51	1.92	1.78	2.63	–	–	–
1991	6.46	8.66	8.11	11.89	1.91	2.15	2.32	1.89	-0.70	–	–	–
1992	4.80	7.86	7.82	11.32	2.16	1.61	2.32	1.62	2.20	–	–	–
1993	2.83	6.33	7.32	10.87	0.87	1.11	2.18	1.63	0.34	–	–	–
1994	3.66	5.60	7.07	9.63	0.75	1.34	2.11	1.23	1.58	1.20	–	–
1995	2.90	4.12	6.48	8.87	-0.31	1.07	1.79	1.49	-0.05	0.67	–	–
1996	4.17	3.67	6.14	8.47	1.68	1.03	1.59	1.70	1.83	1.18	–	–
1997	4.95	3.70	5.76	8.24	1.27	0.85	1.23	1.89	3.21	1.37	–	–
1998	4.15	3.97	5.14	7.79	1.37	0.95	1.03	1.74	2.57	1.82	–	–
1999	6.25	4.48	5.04	7.17	4.41	1.67	1.51	1.87	4.99	2.50	1.85	–
2000	4.77	4.85	4.49	6.45	1.79	2.10	1.58	1.75	3.98	3.31	1.98	–
2001	2.42	4.50	4.08	6.08	1.71	2.10	1.56	1.94	1.34	3.21	2.19	–
2002	3.50	4.21	3.95	5.87	0.54	1.95	1.40	1.86	1.78	2.92	2.15	–
2003	4.38	4.26	4.11	5.70	1.54	1.99	1.47	1.82	3.10	3.03	2.42	–
2004	3.94	3.80	4.14	5.59	0.43	1.20	1.44	1.77	2.26	2.49	2.49	–
2005	4.12	3.67	4.26	5.36	1.87	1.22	1.66	1.72	2.17	2.13	2.72	–
2006	3.96	3.98	4.24	5.18	-0.45	0.78	1.44	1.51	0.96	2.05	2.63	–
2007	3.81	4.04	4.13	4.94	-0.23	0.63	1.29	1.26	1.66	2.03	2.47	–
2008	3.45	3.86	4.06	4.60	2.47	0.81	1.40	1.21	0.33	1.47	2.25	–
2009	1.23	3.31	3.55	4.29	-1.14	0.50	0.85	1.18	-1.56	0.70	1.59	1.72
2010	Average Earnings Index (AEI) has been superseded by Average Weekly Earnings (AWE) as the lead measure of short-term earnings growth. The Office of National Statistics discontinued publishing AEI after August 2010.											

Figure 4.2. gives the percentage increase in the average weekly earnings over periods of one, five and ten years, ending in December each year, from 2001 to 2024. The first column shows the percentage increase in the nominal average weekly earnings. The second and the third columns show the percentage increase in the real average weekly earnings, relative to retail prices and consumer prices respectively. All figures have been shown on the seasonally adjusted basis and are based on the 2024 release of this data series.

The data series is subject to review by the Office for National Statistics on a periodic basis, which may affect prior periods. Comparisons with earlier editions of Long-term statistics may show small differences.

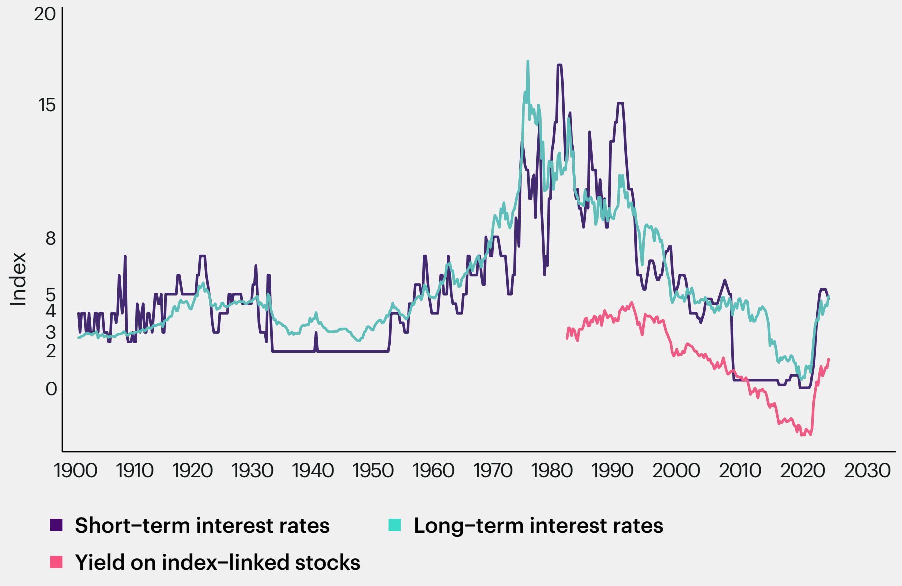
Figure 4.2. **Average Weekly Earnings**

	Nominal increase % per year in average weekly earnings			Real increase % per year in average weekly earnings (relative to retail prices)			Real increase % per year in average weekly earnings (relative to consumer prices)		
Year	Over past year	Over past 5 years	Over past 10 years	Over past year	Over past 5 years	Over past 10 years	Over past year	Over past 5 years	Over past 10 years
2001	3.41	–	–	2.69	–	–	2.31	–	–
2002	2.69	–	–	-0.24	–	–	0.99	–	–
2003	4.08	–	–	1.25	–	–	2.80	–	–
2004	4.48	–	–	0.96	–	–	2.79	–	–
2005	4.56	3.84	–	2.30	1.39	–	2.59	2.30	–
2006	5.90	4.34	–	1.40	1.13	–	2.84	2.40	–
2007	3.15	4.43	–	-0.86	1.00	–	1.01	2.41	–
2008	2.35	4.08	–	1.39	1.03	–	-0.74	1.69	–
2009	0.92	3.36	–	-1.44	0.55	–	-1.86	0.75	–
2010	2.05	2.86	3.35	-2.60	-0.44	0.47	-1.62	-0.09	1.10
2011	1.78	2.05	3.19	-2.89	-1.30	-0.09	-2.32	-1.11	0.63
2012	1.09	1.64	3.02	-1.94	-1.51	-0.26	-1.57	-1.62	0.37
2013	1.30	1.43	2.74	-1.34	-2.05	-0.52	-0.69	-1.61	0.02
2014	2.35	1.71	2.53	0.72	-1.62	-0.54	1.79	-0.89	-0.07
2015	1.67	1.64	2.25	0.46	-1.01	-0.72	1.53	-0.27	-0.18
2016	1.85	1.65	1.85	-0.63	-0.55	-0.92	0.25	0.25	-0.43
2017	3.23	2.08	1.86	-0.86	-0.33	-0.92	0.27	0.63	-0.50
2018	3.13	2.44	1.93	0.42	0.02	-1.02	1.01	0.97	-0.33
2019	2.65	2.50	2.11	0.44	-0.04	-0.83	1.33	0.88	-0.01
2020	5.17	3.20	2.41	3.92	0.64	-0.19	4.49	1.46	0.59
2021	5.79	3.98	2.81	-1.64	0.44	-0.06	0.37	1.48	0.87
2022	**4.98**	**4.33**	**3.20**	**-7.46**	**-0.94**	**-0.64**	**-5.01**	**0.39**	**0.51**
2023	**5.85**	**4.88**	**3.65**	**0.65**	**-0.89**	**-0.44**	**1.84**	**0.55**	**0.76**
2024	**5.97**	**5.55**	**4.01**	**2.43**	**-0.50**	**-0.27**	**3.31**	**0.95**	**0.91**

Interest rates

Figure 5. shows various interest rates at the end of each quarter from 1900 to 2024.
The violet line shows short-term interest rates represented successively by the bank rate, the minimum lending rate and bank base rates. Long-term interest rates are shown by the teal line, represented by the yield on 2.5% Consols up to 1977, then by the yield on FTSE Actuaries Government Securities Irredeemable stocks up to 2014 and thereafter by the yield on FTSE Actuaries Government Securities 45 years stock. Also shown, by the pink line, are yields on index-linked stocks, using the real yields (assuming 5% inflation) from the FTSE Actuaries Government Securities Index-linked indices for all stocks up to March 1986 and for stocks of over five years' duration thereafter.

Figure 5. **Interest rates**



Dividend yields

Figure 6. shows the gross and net dividend yields on ordinary shares and compares them with long-term interest rates. The latter (shown by the teal line) is the same as the graph of long-term interest rates shown above. The gross dividend yield on ordinary shares up to September 1997 is shown by the violet line. This is based from 1919 to 1923 on values of the index published by stockbrokers de Zoete. Thereafter, values at the end of each quarter are used; from 1924 to March 1962, these are taken from various older actuaries indices. From June 1962 onwards, the dividend yield on the FTSE Actuaries All-Share Index is used. The net dividend yield is shown by the teal line, constructed by reducing the gross dividend yield by the rate of advanced corporation tax between April 1973 and August 1997 and using the actual published yield thereafter.

Figure 6. **Dividend yields**

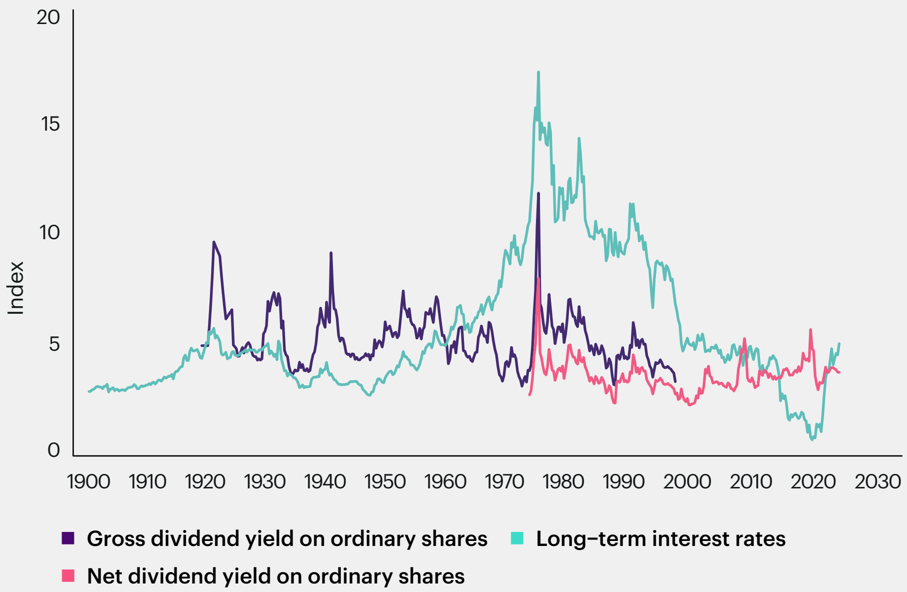
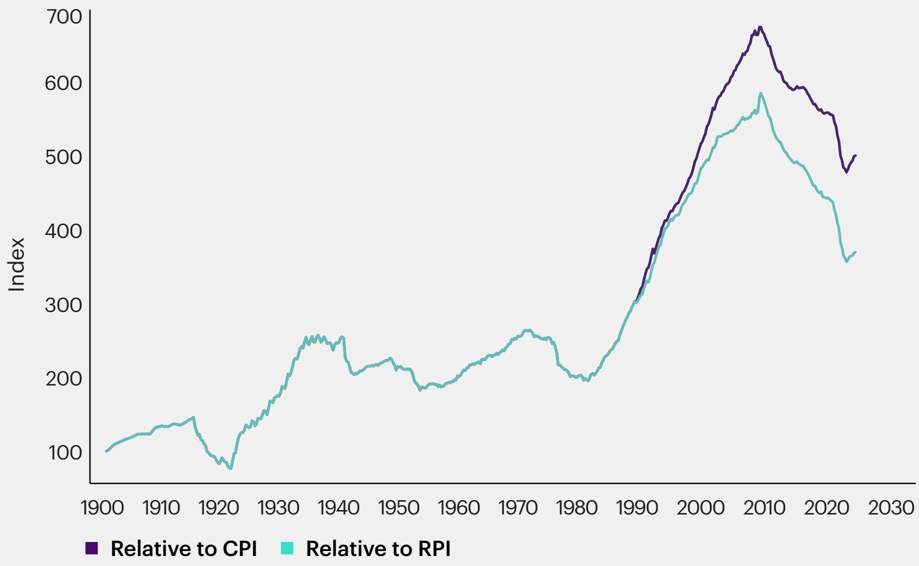


Figure 7. **Accumulated real return on short-term fixed interest deposits**



Fixed interest returns: short term

Figure 7. shows an index of the accumulated real return on short-term fixed interest deposits at the end of each quarter from 1900 to 2024, with returns obtained by dividing short-term fixed interest returns by the RPI and from 1988 to 2024 with returns obtained by dividing short-term fixed interest returns by the CPI shown in *Figure 2.1.* Up to December 1972, the interest rates used are those described under interest rates in *Figure 5*. From 1973 to December 1991, the return is based on Local Authority seven-day deposit rates; thereafter, the accumulation is based on the London Interbank BID (LIBID) seven-day notice rate. The accumulated money return allows for gross interest income.

Figure 8. gives the percentage returns on short-term fixed interest investment over periods of one, five, ten and twenty years, ending in December each year from 1998 to 2024.

The first column shows the percentage rates of nominal return, and the second and third columns show the percentage rates of real return, relative to retail prices and consumer prices respectively.

Figure 8. **Fixed interest returns: short-term**

	Nominal increase % per year				Real return % per year relative to retail prices				Real return % per year relative to consumer prices			
Year	Over past year	Over past 5 years	Over past 10 years	Over past 20 years	Over past year	Over past 5 years	Over past 10 years	Over past 20 years	Over past year	Over past 5 years	Over past 10 years	Over past 20 years
1998	7.06	6.08	8.73	10.58	4.19	3.00	4.48	4.37	5.43	3.89	-	-
1999	5.11	6.12	7.83	10.10	3.29	3.27	4.20	4.65	3.86	4.11	4.55	-
2000	5.62	6.02	6.87	9.46	2.61	3.23	3.90	4.64	4.83	4.46	4.30	-
2001	4.86	5.81	6.14	8.99	4.13	3.38	3.57	4.74	3.75	4.50	4.20	-
2002	3.69	5.26	5.60	8.52	0.73	2.98	3.01	4.42	1.97	3.96	3.76	-
2003	3.46	4.54	5.31	8.18	0.64	2.27	2.63	4.21	2.18	3.31	3.60	-
2004	4.32	4.38	5.25	7.89	0.80	1.77	2.52	3.98	2.63	3.07	3.59	-
2005	4.58	4.18	5.10	7.47	2.32	1.71	2.47	3.76	2.61	2.63	3.54	-
2006	4.61	4.13	4.97	7.14	0.17	0.93	2.15	3.41	1.59	2.20	3.34	-
2007	5.55	4.50	4.88	6.93	1.44	1.07	2.02	3.18	3.36	2.47	3.21	-
2008	4.77	4.76	4.65	6.67	3.79	1.70	1.98	3.22	1.62	2.36	2.84	-
2009	0.53	3.99	4.19	5.99	-1.82	1.16	1.47	2.83	-2.24	1.37	2.21	3.38
2010	0.41	3.15	3.66	5.25	-4.17	-0.15	0.78	2.32	-3.21	0.19	1.40	2.84
2011	0.47	2.32	3.22	4.67	-4.15	-1.03	-0.06	1.74	-3.58	-0.85	0.66	2.42
2012	0.42	1.31	2.89	4.24	-2.59	-1.83	-0.39	1.29	-2.23	-1.94	0.24	1.99
2013	0.36	0.44	2.58	3.93	-2.25	-3.00	-0.68	0.96	-1.61	-2.57	-0.14	1.71
2014	0.35	0.40	2.18	3.70	-1.25	-2.89	-0.88	0.80	-0.20	-2.17	-0.42	1.57
2015	0.32	0.39	1.76	3.41	-0.88	-2.23	-1.20	0.62	0.18	-1.49	-0.65	1.42
2016	0.36	0.36	1.34	3.14	-2.09	-1.81	-1.42	0.35	-1.22	-1.02	-0.93	1.18
2017	0.32	0.34	0.82	2.83	-3.65	-2.03	-1.93	0.03	-2.55	-1.08	-1.51	0.82
2018	0.58	0.38	0.41	2.51	-2.06	-1.99	-2.50	-0.28	-1.49	-1.06	-1.82	0.48
2019	0.71	0.46	0.43	2.29	-1.46	-2.03	-2.46	-0.52	-0.59	-1.14	-1.66	0.26
2020	0.19	0.43	0.41	2.02	-1.00	-2.06	-2.14	-0.69	-0.45	-1.26	-1.38	0.00
2021	0.05	0.37	0.37	1.78	-6.97	-3.05	-2.43	-1.25	-5.07	-2.05	-1.53	-0.44
2022	1.40	0.58	0.46	1.67	-10.62	-4.50	-3.27	-1.84	-8.25	-3.22	-2.16	-0.97
2023	4.69	1.39	0.89	1.73	-0.45	-4.18	-3.09	-1.89	0.73	-2.79	-1.93	-1.04
2024	**5.23**	**2.29**	**1.37**	**1.77**	**1.72**	**-3.57**	**-2.81**	**-1.85**	**2.59**	**-2.17**	**-1.66**	**-1.04**

Fixed interest returns: long-term

Figure 9. shows an index of the accumulated real return on long-term fixed interest stocks at the end of each quarter from 1900 to 2024, with returns obtained by dividing long-term fixed interest returns by the RPI, and from 1988 to 2024 with returns obtained by dividing long-term fixed interest returns by the CPI, shown in *Figure 2.1.* Up to December 1980, the accumulated returns are based on the interest rates described under interest rates in Figure 5; thereafter, they are based on the FTSE Actuaries British Government Securities Over 15 Years Index. The accumulated money return allows for gross interest income and for changes in the capital values of stocks.

Figure 9. **Accumulated real return on long-term fixed interest deposits**

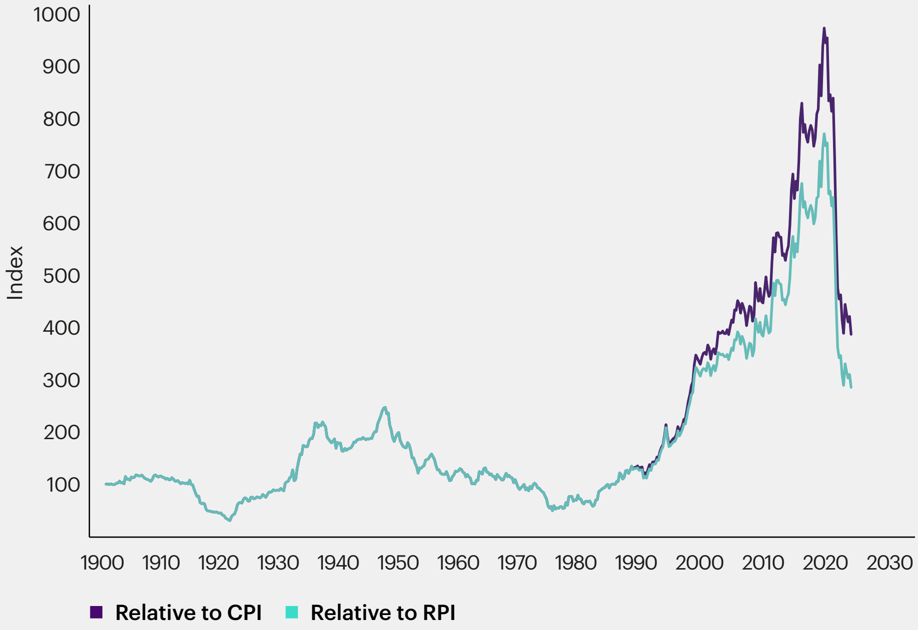
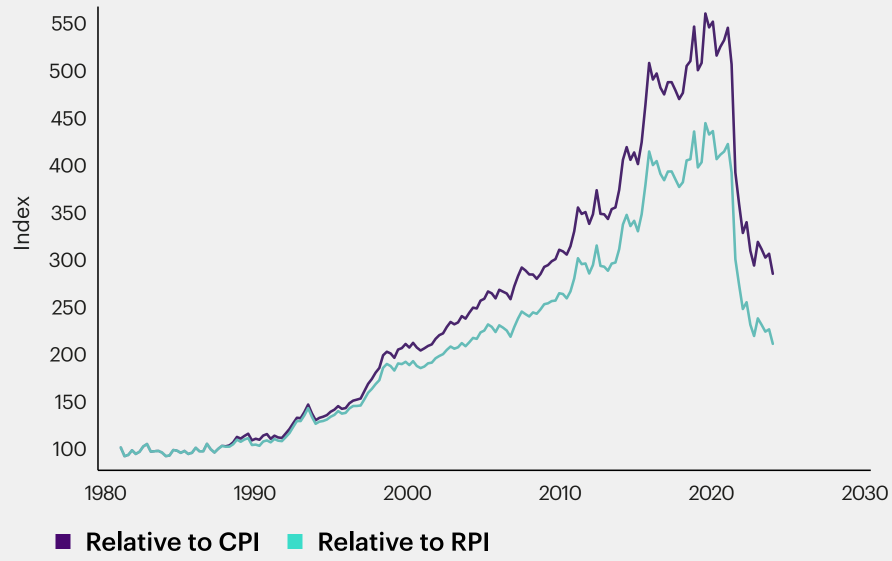


Figure 10. gives the percentage returns on long-term fixed interest investment over periods of one, five, ten and twenty years, ending in December each year from 1997 to 2024. The first column shows the percentage rates of nominal return, and the second and third columns show the percentage rates of real return, relative to retail prices and consumer prices respectively.

Figure 10. **Fixed interest returns: long term**

	Nominal return % per year				Real return % per year relative to retail prices				Real return per cent per year relative to consumer prices			
Year	**Over past year**	**Over past 5 years**	**Over past 10 years**	**Over past 20 years**	**Over past year**	**Over past 5 years**	**Over past 10 years**	**Over past 20 years**	**Over past year**	**Over past 5 years**	**Over past 10 years**	**Over past 20 years**
1997	22.96	13.17	11.99	12.74	18.66	10.06	7.20	6.13	20.92	10.63	-	-
1998	29.75	12.41	13.91	14.32	26.28	9.15	9.46	7.90	27.77	10.09	-	-
1999	-0.36	15.25	13.24	13.80	-2.09	12.16	9.43	8.17	-1.54	13.06	9.80	-
2000	7.99	13.34	13.63	13.29	4.92	10.36	10.47	8.29	7.18	11.67	10.90	-
2001	-0.91	11.21	11.61	13.15	-1.60	8.66	8.91	8.74	-1.96	9.84	9.58	-
2002	9.92	8.74	10.93	11.27	6.78	6.39	8.21	7.06	8.09	7.40	9.00	-
2003	1.19	3.47	7.85	10.50	-1.57	1.22	5.11	6.44	-0.06	2.25	6.10	-
2004	8.42	5.23	10.13	10.56	4.76	2.60	7.27	6.56	6.67	3.90	8.39	-
2005	11.00	5.81	9.51	10.55	8.60	3.31	6.78	6.73	8.92	4.24	7.89	-
2006	0.03	6.01	8.58	9.96	-4.21	2.75	5.66	6.12	-2.85	4.04	6.90	-
2007	2.67	4.57	6.64	9.28	-1.32	1.14	3.73	5.45	0.54	2.55	4.95	-
2008	13.65	7.03	5.24	9.49	12.58	3.90	2.55	5.95	10.22	4.58	3.41	-
2009	-4.84	4.28	4.75	8.92	-7.06	1.44	2.02	5.66	-7.46	1.65	2.77	6.23
2010	8.78	3.86	4.83	9.14	3.83	0.53	1.91	6.10	4.87	0.88	2.54	6.64
2011	26.26	8.81	7.40	9.48	20.46	5.24	3.99	6.42	21.17	5.44	4.74	7.13
2012	2.91	8.86	6.69	8.79	-0.18	5.49	3.29	5.72	0.19	5.37	3.95	6.45
2013	-5.93	4.82	5.92	6.88	-8.38	1.23	2.56	3.82	-7.77	1.68	3.12	4.60
2014	26.13	10.89	7.53	8.82	24.12	7.26	4.31	5.78	25.44	8.05	4.80	6.58
2015	0.09	9.06	6.43	7.96	-1.10	6.22	3.34	5.04	-0.05	7.02	3.90	5.88
2016	18.49	7.69	8.24	8.41	15.61	5.35	5.30	5.48	16.63	6.20	5.82	6.36
2017	3.32	7.77	8.31	7.47	-0.77	5.23	5.36	4.54	0.36	6.24	5.80	5.37
2018	0.28	9.16	6.97	6.10	-2.36	6.58	3.87	3.21	-1.78	7.59	4.59	4.00
2019	12.03	6.60	8.72	6.72	9.61	3.96	5.60	3.79	10.58	4.91	6.47	4.60
2020	13.88	9.39	9.22	7.00	12.53	6.68	6.45	4.16	13.15	7.54	7.28	4.89
2021	-7.31	4.14	5.90	6.65	-13.82	0.59	2.95	3.47	-12.07	1.64	3.90	4.32
2022	-40.05	-6.60	0.33	3.46	-47.15	-11.32	-3.40	-0.11	-45.75	-10.13	-2.29	0.78
2023	1.65	-6.34	1.11	3.49	-3.34	-11.50	-2.88	-0.20	-2.20	-10.21	-1.71	0.67
2024	**-10.63**	**-10.48**	**-2.31**	**2.49**	**-13.62**	**-15.61**	**-6.34**	**-1.16**	**-12.87**	**-14.39**	**-5.23**	**-0.34**

Figure 11. **Accumulated real return on index-linked stocks**



Index-linked returns

Figure 11. shows an index of accumulated real return on index-linked stocks at the end of each quarter from June 1981 to December 2024, with returns obtained by dividing index-linked returns by the RPI, and from January 1988 to December 2024 with returns obtained by dividing index-linked returns by the CPI shown in *Figure 2.1*. The index used is the FTSE Actuaries Government Securities Index-linked Index (all stocks, assuming 5% inflation). The accumulated money return allows for gross interest income and for changes in the capital values of stocks.

Figure 12. gives the percentage returns on index-linked investments over periods of one, five, ten and twenty years, ending in December each year from 1997 to 2024. The first column shows the percentage rates of nominal return, and the second and third columns show the percentage rates of real return, relative to retail prices and consumer prices respectively.

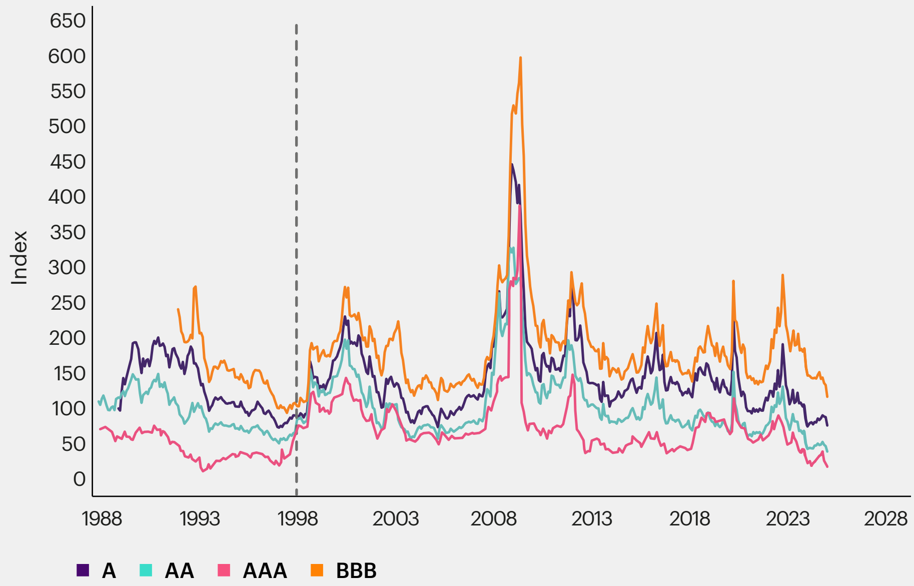
Figure 12. **Index-linked returns**

	Nominal return % per year				Real return % per year relative to retail prices				Real return % per year relative to consumer prices			
Year	Over past year	Over past 5 years	Over past 10 years	Over past 20 years	Over past year	Over past 5 years	Over past 10 years	Over past 20 years	Over past year	Over past 5 years	Over past 10 years	Over past 20 years
1997	13.77	8.34	9.52	–	9.78	5.36	4.83	–	11.88	5.91	–	–
1998	19.90	8.56	10.26	–	16.69	5.41	5.95	–	18.07	6.31	–	–
1999	4.31	11.08	9.24	–	2.51	8.09	5.57	–	3.08	8.97	5.92	–
2000	4.27	9.56	9.09	–	1.30	6.68	6.06	–	3.49	7.95	6.47	–
2001	-0.51	8.10	8.47	7.87	-1.20	5.62	5.84	3.66	-1.56	6.77	6.49	–
2002	8.21	7.02	7.68	7.51	5.12	4.71	5.03	3.44	6.42	5.70	5.80	–
2003	6.56	4.53	6.52	7.82	3.65	2.25	3.82	3.87	5.24	3.30	4.80	–
2004	8.47	5.35	8.18	7.98	4.82	2.71	5.37	4.07	6.72	4.02	6.46	–
2005	8.97	6.28	7.91	8.37	6.61	3.77	5.21	4.63	6.92	4.70	6.31	–
2006	2.89	7.00	7.55	8.17	-1.47	3.71	4.66	4.40	-0.08	5.01	5.88	–
2007	8.45	7.04	7.03	8.27	4.23	3.53	4.12	4.47	6.20	4.97	5.33	–
2008	3.72	6.47	5.49	7.85	2.75	3.35	2.80	4.36	0.60	4.03	3.66	–
2009	6.45	6.07	5.71	7.46	3.96	3.18	2.95	4.25	3.52	3.39	3.71	4.81
2010	8.88	6.05	6.17	7.62	3.92	2.65	3.21	4.62	4.96	3.01	3.85	5.15
2011	19.94	9.35	8.17	8.32	14.43	5.77	4.73	5.29	15.11	5.97	5.49	5.99
2012	0.63	7.73	7.38	7.53	-2.39	4.39	3.96	4.50	-2.03	4.27	4.62	5.21
2013	0.54	7.06	6.76	6.64	-2.08	3.39	3.37	3.59	-1.43	3.85	3.94	4.37
2014	18.96	9.46	7.75	7.96	17.07	5.88	4.52	4.94	18.31	6.66	5.01	5.74
2015	-0.97	7.41	6.73	7.32	-2.14	4.61	3.63	4.42	-1.11	5.40	4.20	5.25
2016	24.33	8.18	8.77	8.15	21.31	5.84	5.81	5.23	22.38	6.70	6.33	6.11
2017	2.34	8.55	8.14	7.58	-1.71	5.99	5.19	4.65	-0.58	7.01	5.63	5.48
2018	-0.28	8.37	7.71	6.60	-2.89	5.81	4.60	3.69	-2.32	6.81	5.32	4.49
2019	6.42	5.99	7.71	6.70	4.12	3.36	4.61	3.78	5.04	4.30	5.47	4.59
2020	11.01	8.43	7.92	7.04	9.70	5.75	5.18	4.19	10.30	6.61	6.00	4.92
2021	4.16	4.66	6.41	7.28	-3.15	1.09	3.44	4.09	-1.17	2.14	4.40	4.94
2022	-33.60	-4.01	2.08	4.70	-41.46	-8.86	-1.72	1.08	-39.91	-7.64	-0.59	1.98
2023	0.93	-3.78	2.12	4.41	-4.02	-9.07	-1.91	0.69	-2.89	-7.75	-0.73	1.57
2024	**-8.32**	**-6.61**	**-0.51**	**3.54**	**-11.38**	**-11.96**	**-4.61**	**-0.15**	**-10.62**	**-10.68**	**-3.48**	**0.68**

Spreads of corporate bond yields over gilts

Figure 13. shows how the additional yield available on corporate bonds over gilts has varied since 1988, for various bond credit ratings. The spreads have been calculated by differencing the UBS Warburg Over 10 Year Corporate Bond Index (for the relevant bond rating) and the UBS Warburg Over 10 Year Gilt Index before 1998, and by differencing the iBoxx Over 10 Year Corporate Bond Index (for the relevant bond rating) and the iBoxx Over 10 Year Gilt Index after 1998.

Figure 13. **Spreads of corporate bond yields over gilts**



Accumulated returns on corporate bonds and gilts

Figure 14. shows an index of the total returns on AA-rated corporate bonds since 1988 compared to an index of returns on gilts of similar duration. Interest income is assumed to be reinvested in the respective indices. The indices used are the same as those in *Figure 13*.

Figure 14. **Accumulated returns (income re-invested)**

Corporate bonds

Figure 15. gives the percentage increase in the AA Corporate Bonds Index over periods of one, five and ten years, ending in December each year, from 1998 to 2024. The first column shows the percentage increase in the nominal index. The second and third columns show the increase in the real index, relative to retail prices and consumer prices respectively. The figure uses the iBoxx Over 10 Year Index.

Figure 15. **Corporate bonds**

	Nominal return % per year			Real return % per year relative to retail prices			Real return % per year relative to consumer prices		
Year	**Over past year**	**Over past 5 years**	**Over past 10 years**	**Over past year**	**Over past 5 years**	**Over past 10 years**	**Over past year**	**Over past 5 years**	**Over past 10 years**
1998	21.75	–	–	18.49	–	–	19.90	–	–
1999	-1.41	–	–	-3.12	–	–	-2.58	–	–
2000	8.82	–	–	5.73	–	–	8.01	–	–
2001	7.80	–	–	7.06	–	–	6.66	–	–
2002	10.10	9.16	–	6.95	6.80	–	8.27	7.82	–
2003	5.01	5.98	–	2.14	3.68	–	3.71	4.74	–
2004	6.68	7.67	–	3.09	4.97	–	4.96	6.31	–
2005	11.95	8.28	–	9.53	5.72	–	9.85	6.67	–
2006	-0.63	6.53	–	-4.85	3.26	–	-3.50	4.55	–
2007	-2.90	3.89	6.49	-6.67	0.48	3.59	-4.91	1.87	4.80
2008	-9.75	0.79	3.35	-10.60	-2.16	0.71	-12.47	-1.53	1.56
2009	12.36	1.84	4.71	9.73	-0.93	1.98	9.27	-0.73	2.73
2010	8.39	1.18	4.67	3.45	-2.06	1.76	4.49	-1.72	2.39
2011	12.93	3.80	5.16	7.74	0.41	1.82	8.39	0.59	2.55
2012	10.97	6.61	5.24	7.65	3.31	1.89	8.04	3.19	2.53
2013	-0.38	8.74	4.69	-2.98	5.02	1.36	-2.34	5.48	1.92
2014	18.47	9.90	5.79	16.58	6.30	2.62	17.82	7.08	3.10
2015	0.03	8.15	4.61	-1.16	5.33	1.57	-0.11	6.12	2.13
2016	17.99	9.10	6.42	15.12	6.74	3.52	16.14	7.60	4.04
2017	4.45	7.79	7.20	0.32	5.24	4.27	1.47	6.26	4.71
2018	-1.09	7.63	8.19	-3.68	5.09	5.05	-3.12	6.09	5.78
2019	13.54	6.72	8.30	11.09	4.08	5.18	12.08	5.03	6.05
2020	13.07	9.37	8.76	11.73	6.67	6.00	12.35	7.53	6.82
2021	-8.54	3.94	6.49	-14.96	0.40	3.52	-13.23	1.44	4.47
2022	-33.74	-5.10	1.14	-41.59	-9.90	-2.62	-40.04	-8.69	-1.50
2023	9.26	-3.20	2.08	3.90	-8.52	-1.95	5.13	-7.19	-0.77
2024	**-6.32**	**-6.85**	**-0.29**	**-9.45**	**-12.19**	**-4.40**	**-8.67**	**-10.91**	**-3.27**

Real dividends from ordinary shares and company earnings

The orange line in *Figure 16.* shows an index of real net dividends on ordinary shares from 1950 to 2024, constructed by linking together the share indices described under dividend yields in *Figure 6.* and dividing by the RPI. The pink line shows the corresponding index of real net dividends divided by CPI for the period from 1988 to 2024.

The dividend index in nominal values has been obtained by multiplying the value of the share indices described in *Figure 6.* by the net dividend yield. The indices of real share dividends are then obtained by dividing the share resulting dividend index by the RPI and CPI.

The teal line shows an index of company earnings divided by the RPI and the violet line show an index of company earnings divided by the CPI. The index of company earnings is based on the FTSE Actuaries 500 Share Index from April 1962 and the FTSE Actuaries All-Share Index from January 1993.

Figure 16. **Index of real company earnings and real net share dividends**

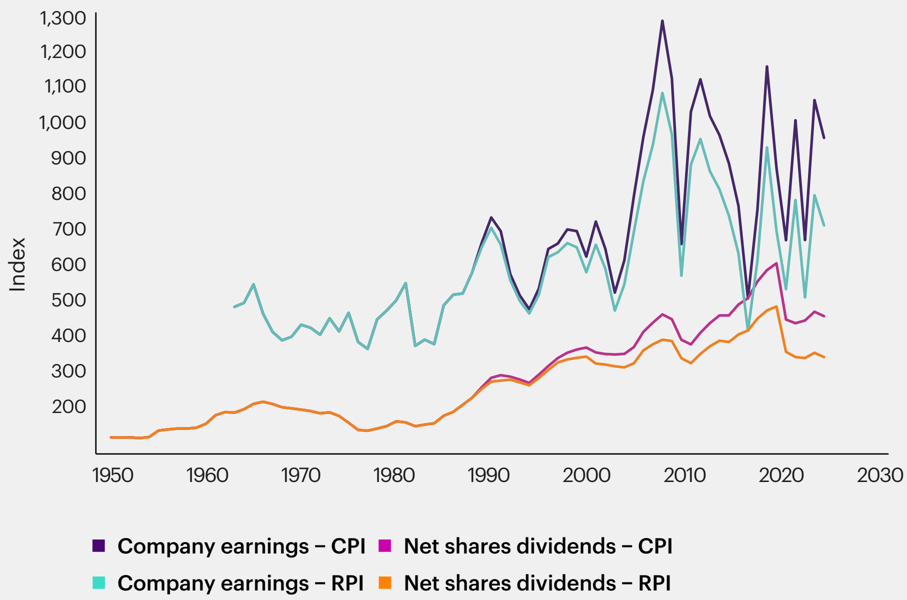


Figure 17. gives the percentage increase in the net dividend index on ordinary shares over periods of one, five, ten and twenty years, ending in December each year from 1988 to 2024. The first column shows the percentage increase in the nominal index, and the second and third columns show the percentage increase in the real index, relative to retail prices and consumer prices respectively.

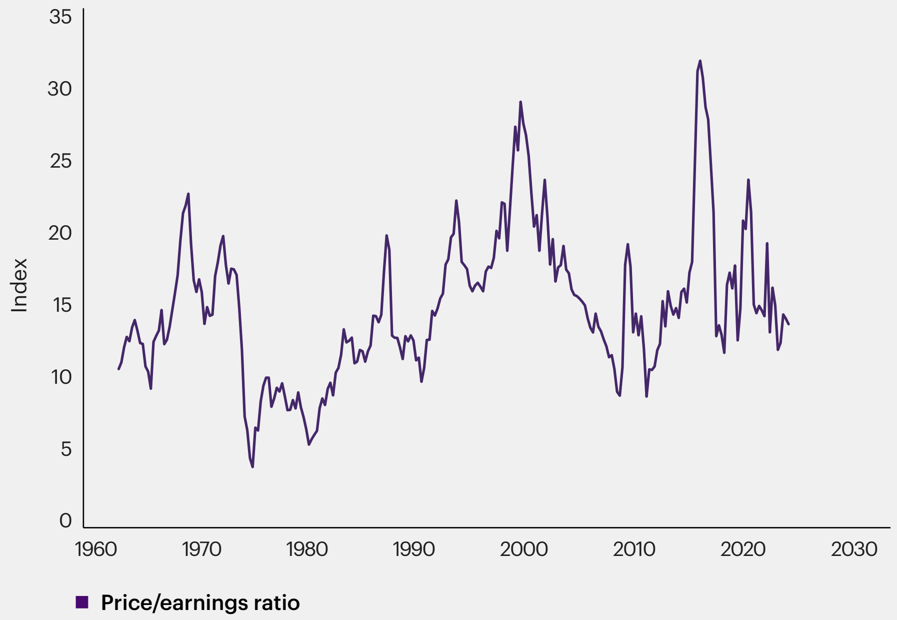
Figure 17. **Share dividend increases**

	Nominal increase % per year				Real increase % per year relative to retail prices				Real increase % per year relative to consumer prices			
Year	Over past year	Over past 5 years	Over past 10 years	Over past 20 years	Over past year	Over past 5 years	Over past 10 years	Over past 20 years	Over past year	Over past 5 years	Over past 10 years	Over past 20 years
1988	19.27	16.56	14.38	11.27	11.70	11.13	6.04	1.33	-	-	-	-
1989	17.04	15.87	13.24	12.00	8.67	9.82	5.88	1.85	-	-	-	-
1990	10.54	15.39	13.01	12.27	1.10	8.63	6.21	2.02	2.72	-	-	-
1991	5.59	13.29	13.23	12.29	1.08	6.50	7.17	2.26	-1.51	-	-	-
1992	-0.50	10.15	12.20	11.76	-3.00	3.77	6.48	2.03	-2.96	-	-	-
1993	-1.26	6.06	11.19	11.48	-3.14	0.85	5.86	2.18	-3.64	-	-	-
1994	11.37	5.02	10.31	11.81	8.24	0.77	5.20	3.24	9.13	0.64	-	-
1995	12.03	5.30	10.23	12.06	8.53	2.21	5.37	4.46	8.81	1.80	-	-
1996	9.91	6.14	9.66	11.92	7.28	3.44	4.96	4.93	7.44	3.59	-	-
1997	6.45	7.59	8.86	11.34	2.72	4.63	4.20	4.81	4.68	5.17	-	-
1998	4.23	8.76	7.40	10.83	1.44	5.60	3.20	4.61	2.65	6.51	-	-
1999	2.82	7.03	6.02	9.57	1.04	4.16	2.45	4.15	1.60	5.00	2.80	-
2000	-3.19	3.95	4.62	8.73	-5.94	1.22	1.71	3.94	-3.91	2.42	2.11	-
2001	-0.24	1.96	4.03	8.53	-0.93	-0.38	1.51	4.30	-1.30	0.70	2.13	-
2002	1.28	0.95	4.21	8.13	-1.61	-1.24	1.65	4.04	-0.40	-0.30	2.40	-
2003	1.79	0.47	4.53	7.81	-0.99	-1.72	1.88	3.85	0.53	-0.71	2.84	-
2004	7.45	1.36	4.16	7.19	3.83	-1.18	1.45	3.31	5.72	0.08	2.51	-
2005	14.22	4.77	4.36	7.25	11.75	2.29	1.75	3.55	12.08	3.21	2.81	-
2006	9.70	6.78	4.34	6.97	5.04	3.49	1.54	3.23	6.53	4.80	2.73	-
2007	7.73	8.10	4.46	6.64	3.54	4.56	1.62	2.90	5.50	6.01	2.81	-
2008	-0.06	7.71	4.03	5.70	-1.00	4.55	1.37	2.28	-3.07	5.24	2.22	-
2009	-10.94	3.74	2.54	4.27	-13.02	0.92	-0.14	1.15	-13.39	1.12	0.60	1.69
2010	0.19	1.06	2.90	3.76	-4.37	-2.18	0.03	0.87	-3.41	-1.84	0.65	1.38
2011	13.65	1.77	4.25	4.14	8.42	-1.56	0.94	1.22	9.07	-1.38	1.66	1.90
2012	9.78	2.16	5.09	4.65	6.49	-1.00	1.74	1.70	6.88	-1.12	2.38	2.39
2013	7.21	3.60	5.64	5.08	4.42	0.06	2.28	2.08	5.11	0.50	2.84	2.84
2014	0.56	6.15	4.94	4.55	-1.05	2.67	1.79	1.62	0.01	3.43	2.27	2.39
2015	7.04	7.56	4.26	4.31	5.77	4.76	1.23	1.49	6.89	5.55	1.79	2.30
2016	5.46	5.97	3.85	4.09	2.90	3.67	1.02	1.28	3.81	4.51	1.52	2.12
2017	12.77	6.54	4.32	4.39	8.31	4.02	1.48	1.55	9.54	5.02	1.91	2.36
2018	8.14	6.72	5.15	4.59	5.30	4.20	2.11	1.74	5.92	5.19	2.81	2.52
2019	4.71	7.59	6.87	4.68	2.45	4.93	3.79	1.81	3.36	5.88	4.65	2.60
2020	-26.37	-0.17	3.62	3.26	-27.24	-2.64	0.99	0.51	-26.84	-1.85	1.78	1.22
2021	2.89	-0.66	2.60	3.42	-4.33	-4.05	-0.26	0.33	-2.38	-3.05	0.66	1.16
2022	12.51	-0.70	2.85	3.96	-0.82	-5.72	-0.97	0.38	1.81	-4.46	0.17	1.27
2023	9.92	-0.38	3.11	4.36	4.53	-5.86	-0.96	0.65	5.77	-4.49	0.23	1.53
2024	**-0.26**	**-1.35**	**3.03**	**3.98**	**-3.59**	**-7.00**	**-1.22**	**0.28**	**-2.76**	**-5.65**	**-0.05**	**1.10**

Price/earnings ratio

Figure 18. shows the price of equity shares as a ratio of company earnings from June 1962 to December 2024 based on the FTSE Actuaries 500 Share Index until March 1994 and the FTSE Actuaries All-Share Index thereafter.

Figure 18. **Price/earnings ratio**



Dividend cover

Figure 19. shows the number of times that the net dividends were covered by company earnings from June 1962 to December 2024 based on the FTSE Actuaries 500 Share Index until March 1994 and the FTSE Actuaries All-Share Index thereafter.

Figure 19. **Dividend cover**

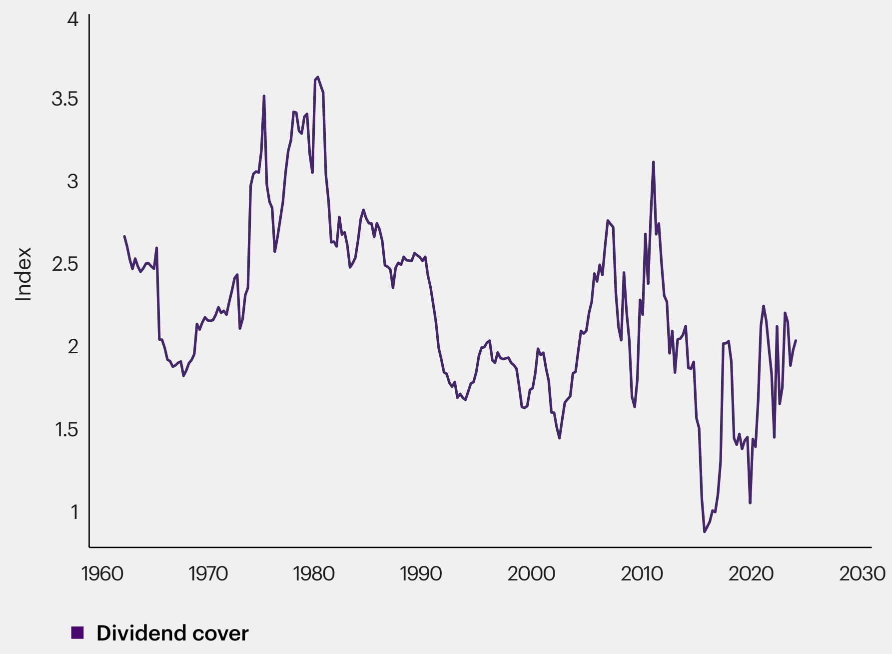
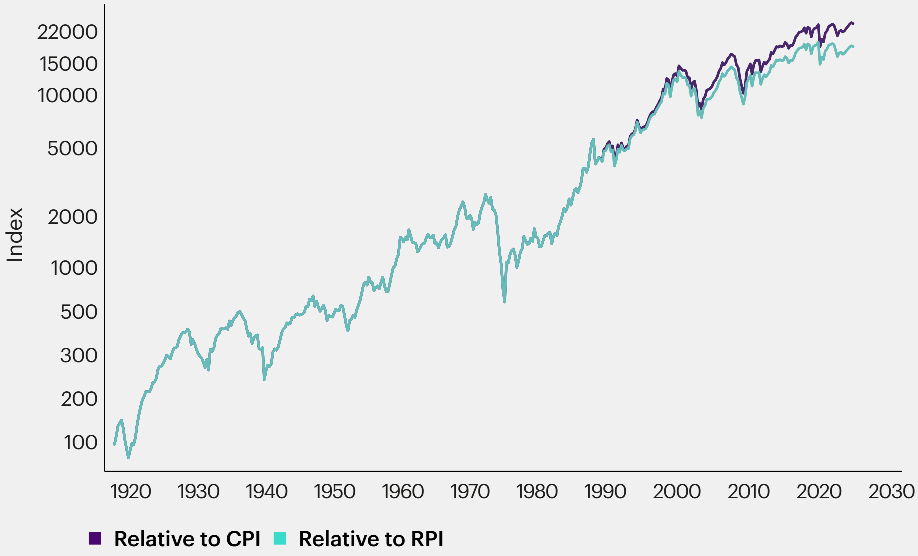


Figure 20. **Accumulated real return on UK ordinary shares (based on net dividends)**



UK ordinary share returns

Figure 20. shows an index of the accumulated real return on UK ordinary shares at the end of each quarter from 1919 to 2024, with returns obtained by dividing the UK ordinary share returns by the RPI, and from 1988 to 2024 with returns obtained by dividing the UK ordinary share returns by the CPI shown in *Figure 2.1.* The share indices used are those described under dividend yields in *Figure 6.* The accumulated money return allows for net dividend income and for changes in the capital value of shares.

Figure 21. is based on dividends received by pension funds and gives the percentage returns on ordinary share investment over periods of one, five, ten and twenty years, ending in December each year from 1998 to 2024. The first column shows the percentage rates of nominal return, and the second and third columns show the rates of real return, relative to retail prices and consumer prices respectively.

Figure 21. **UK ordinary share returns (to pension funds)**

	Nominal return % per year				Real return % per year relative to retail prices				Real return % per year relative to consumer prices			
Year	Over past year	Over past 5 years	Over past 10 years	Over past 20 years	Over past year	Over past 5 years	Over past 10 years	Over past 20 years	Over past year	Over past 5 years	Over past 10 years	Over past 20 years
1998	13.77	13.85	15.95	18.75	10.73	10.55	11.41	12.09	12.04	11.50	-	-
1999	24.20	20.34	14.89	19.41	22.05	17.10	11.03	13.51	22.73	18.05	11.40	-
2000	-5.90	13.90	15.37	17.25	-8.58	10.91	12.16	12.08	-6.60	12.23	12.60	-
2001	-13.29	7.33	11.61	15.66	-13.89	4.87	8.91	11.15	-14.21	6.01	9.58	-
2002	-22.68	-2.27	6.77	12.72	-24.89	-4.39	4.14	8.45	-23.97	-3.48	4.91	-
2003	20.86	-1.08	6.12	12.33	17.57	-3.23	3.43	8.21	19.37	-2.25	4.40	-
2004	12.84	-2.96	8.06	11.43	9.04	-5.39	5.26	7.40	11.02	-4.19	6.35	-
2005	22.04	2.22	7.90	11.49	19.40	-0.20	5.21	7.64	19.75	0.69	6.30	-
2006	16.75	8.48	7.91	11.00	11.80	5.15	5.01	7.13	13.38	6.47	6.24	-
2007	5.32	15.40	6.20	10.86	1.22	11.61	3.30	6.97	3.13	13.16	4.51	-
2008	-29.93	3.48	1.17	8.31	-30.59	0.45	-1.41	4.81	-32.04	1.10	-0.59	-
2009	30.12	6.47	1.64	8.07	27.07	3.57	-1.01	4.84	26.54	3.79	-0.28	5.40
2010	14.51	5.12	3.66	9.36	9.30	1.76	0.77	6.32	10.40	2.11	1.40	6.85
2011	-3.46	1.20	4.78	8.14	-7.90	-2.11	1.45	5.11	-7.35	-1.93	2.18	5.81
2012	12.30	2.51	8.76	7.76	8.94	-0.66	5.30	4.72	9.34	-0.78	5.96	5.43
2013	20.81	14.31	8.76	7.43	17.66	10.40	5.30	4.36	18.44	10.88	5.88	5.14
2014	1.18	8.70	7.58	7.82	-0.43	5.14	4.35	4.80	0.63	5.92	4.84	5.60
2015	0.98	6.00	5.56	6.72	-0.22	3.24	2.50	3.84	0.84	4.01	3.06	4.67
2016	16.75	10.11	5.56	6.73	13.91	7.72	2.69	3.84	14.92	8.59	3.20	4.71
2017	13.10	10.26	6.32	6.26	8.62	7.66	3.42	3.36	9.86	8.70	3.85	4.18
2018	-9.47	4.08	9.07	5.05	-11.85	1.62	5.92	2.19	-11.33	2.58	6.65	2.97
2019	19.17	7.54	8.12	4.83	16.59	4.88	5.01	1.95	17.63	5.83	5.88	2.75
2020	-9.82	5.14	5.57	4.61	-10.88	2.53	2.89	1.82	-10.39	3.36	3.69	2.54
2021	18.32	5.42	7.74	6.25	10.02	1.82	4.73	3.08	12.26	2.88	5.70	3.93
2022	0.34	2.92	6.53	7.64	-11.55	-2.28	2.57	3.93	-9.21	-0.97	3.75	4.85
2023	7.92	6.61	5.33	7.03	2.62	0.74	1.18	3.22	3.83	2.21	2.40	4.12
2024	**9.47**	**4.81**	**6.17**	**6.87**	**5.81**	**-1.20**	**1.80**	**3.07**	**6.72**	**0.24**	**3.00**	**3.92**

Overseas ordinary share returns

Figure 22. shows an index of the accumulated real return on overseas shares at the end of each month from 1994 to 2024. It is based on the FTSE All-World Ex UK Total Return Index. The accumulated money return allows for net dividend income and for changes in the capital value of shares. The real return is obtained by dividing the overseas ordinary share returns by the indices of UK retail prices and consumer prices shown in *Figure 2.1*.

Figure 23. gives the percentage returns on overseas share investment over periods of one, five, ten and twenty years, ending in December each year from 1998 to 2024. The first column shows the percentage rates of nominal return, and the second and third columns show the percentage rates of real return, relative to retail prices and consumer prices respectively.

Figure 22. **Accumulated real return on overseas ordinary shares**

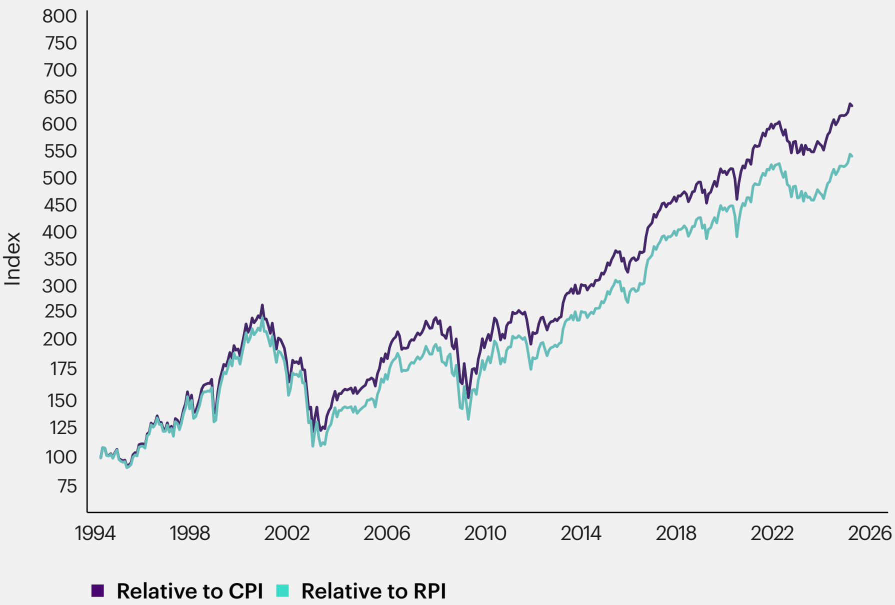
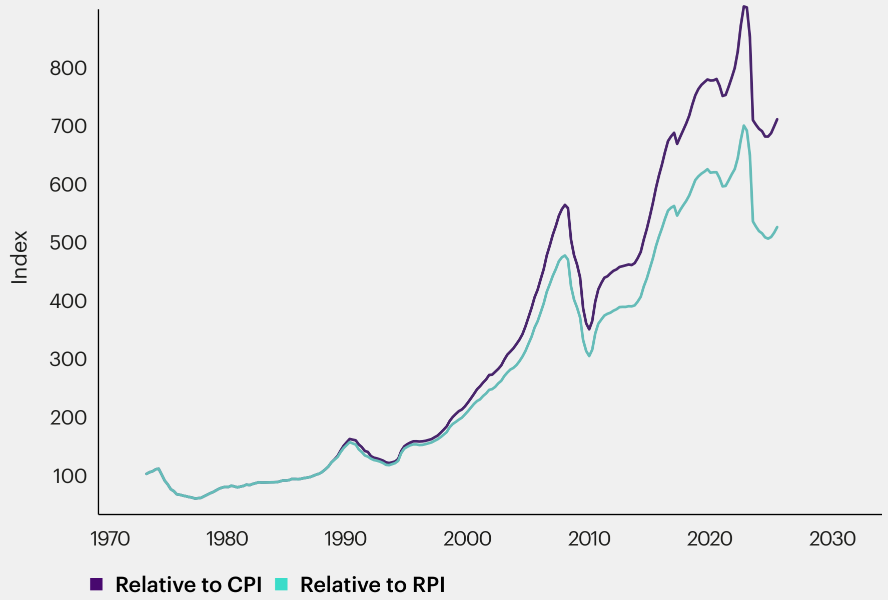


Figure 23. **Overseas ordinary share returns**

	Nominal return % per year				Real return % per year relative to retail prices				Real return % per year relative to consumer prices			
Year	**Over past year**	**Over past 5 years**	**Over past 10 years**	**Over past 20 years**	**Over past year**	**Over past 5 years**	**Over past 10 years**	**Over past 20 years**	**Over past year**	**Over past 5 years**	**Over past 10 years**	**Over past 20 years**
1998	21.91	12.21	–	–	18.64	8.96	–	–	20.05	9.90	–	–
1999	31.70	18.37	–	–	29.42	15.19	–	–	30.15	16.12	–	–
2000	-4.38	13.14	–	–	-7.10	10.16	–	–	-5.09	11.47	–	–
2001	-13.94	9.50	–	–	-14.54	6.98	–	–	-14.85	8.15	–	–
2002	-27.13	-0.76	–	–	-29.21	-2.90	–	–	-28.34	-1.98	–	–
2003	21.13	-0.88	5.46	–	17.83	-3.04	2.78	–	19.64	-2.05	3.75	–
2004	7.92	-4.75	6.18	–	4.29	-7.14	3.43	–	6.18	-5.96	4.50	–
2005	25.33	0.54	6.65	–	22.61	-1.84	3.99	–	22.97	-0.95	5.07	–
2006	6.38	4.90	7.17	–	1.86	1.67	4.29	–	3.31	2.95	5.52	–
2007	11.24	14.16	6.44	–	6.91	10.41	3.54	–	8.94	11.95	4.75	–
2008	-18.47	5.47	2.24	–	-19.24	2.38	-0.37	–	-20.93	3.05	0.47	–
2009	20.63	7.84	1.35	–	17.81	4.91	-1.30	–	17.31	5.12	-0.57	–
2010	17.16	6.40	3.43	–	11.83	2.99	0.55	–	12.95	3.35	1.18	–
2011	-6.94	3.59	4.24	–	-11.22	0.20	0.93	–	-10.69	0.38	1.66	–
2012	12.13	3.76	8.83	–	8.76	0.54	5.36	–	9.17	0.43	6.03	–
2013	21.22	12.32	8.84	7.14	18.07	8.48	5.38	4.08	18.85	8.95	5.96	4.85
2014	12.22	10.71	9.27	7.71	10.43	7.08	5.99	4.70	11.61	7.87	6.49	5.49
2015	4.43	8.19	7.29	6.97	3.18	5.37	4.18	4.08	4.28	6.16	4.75	4.91
2016	30.35	15.73	9.49	8.33	27.17	13.23	6.51	5.40	28.30	14.14	7.04	6.28
2017	13.97	16.11	9.76	8.09	9.46	13.37	6.76	5.14	10.71	14.46	7.22	5.98
2018	-3.07	11.03	11.67	6.85	-5.62	8.41	8.44	3.94	-5.06	9.43	9.19	4.74
2019	22.55	13.00	11.85	6.47	19.91	10.21	8.63	3.55	20.97	11.21	9.53	4.36
2020	14.30	15.06	11.57	7.42	12.95	12.22	8.74	4.56	13.57	13.12	9.59	5.30
2021	20.05	13.19	14.45	9.23	11.62	9.33	11.26	5.97	13.89	10.46	12.29	6.84
2022	-7.78	8.49	12.24	10.52	-18.71	3.01	8.07	6.71	-16.56	4.39	9.31	7.66
2023	15.97	12.45	11.74	10.28	10.28	6.27	7.33	6.35	11.58	7.82	8.62	7.28
2024	**20.15**	**12.01**	**12.51**	**10.87**	**16.14**	**5.59**	**7.87**	**6.93**	**17.14**	**7.12**	**9.15**	**7.81**

Figure 24. **Accumulated real return on property**



Property returns

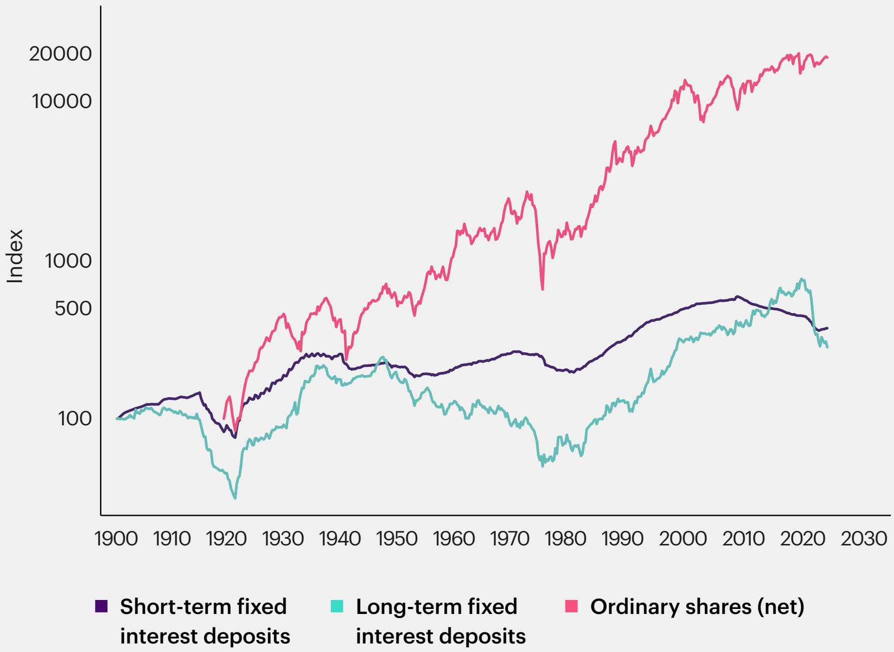
Figure 24. shows an index of the accumulated real return on UK property at the end of each quarter from 1973 to 2024, with returns obtained by dividing property returns by the RPI and from 1988 to 2024 with returns obtained by dividing property returns by the CPI shown in *Figure 2.1*. The index used from 2016 onwards is the IPD UK Property Returns Index — Standing Investment. The Jones Lang LaSalle Index was used between 1978 and 2015. Prior to 1978, actual returns achieved by pension funds have been used. The real return is obtained by dividing property returns by the retail and consumer price indices shown in *Figure 2.1*.

Figure 25. gives the percentage returns on property investment over periods of one, five, ten and twenty yearss, ending in December each year, from 1997 to 2024. The first column shows the percentage rates of nominal return, and the second and third columns show the percentage rates of real return, relative to retail prices and consumer prices respectively.

Figure 25. **Property returns**

	Nominal return % per year				Real return % per year relative to retail prices				Real return % per year relative to consumer prices			
Year	Over past year	Over past 5 years	Over past 10 years	Over past 20 years	Over past year	Over past 5 years	Over past 10 years	Over past 20 years	Over past year	Over past 5 years	Over past 10 years	Over past 20 years
1997	17.30	12.52	9.47	11.78	13.19	9.42	4.78	5.23	15.36	9.99	-	-
1998	12.00	10.94	7.85	11.11	9.00	7.72	3.63	4.87	10.29	8.65	-	-
1999	14.10	10.92	7.38	10.59	12.12	7.94	3.77	5.13	12.75	8.81	4.12	-
2000	11.40	12.54	9.16	10.45	8.23	9.58	6.13	5.58	10.57	10.88	6.54	-
2001	8.00	12.52	10.30	9.93	7.25	9.94	7.62	5.65	6.86	11.13	8.29	-
2002	12.50	11.58	12.05	10.26	9.29	9.17	9.30	6.09	10.63	10.20	10.10	-
2003	11.00	11.38	11.16	10.46	7.98	8.96	8.34	6.40	9.63	10.07	9.36	-
2004	20.60	12.62	11.77	10.98	16.54	9.80	8.87	6.97	18.65	11.20	10.00	-
2005	19.90	14.29	13.41	11.59	17.31	11.59	10.58	7.73	17.64	12.59	11.73	-
2006	17.70	16.27	14.38	11.95	12.71	12.70	11.31	8.04	14.30	14.12	12.61	-
2007	-5.60	12.27	11.92	10.69	-9.27	8.58	8.87	6.81	-7.56	10.09	10.15	-
2008	-21.20	4.83	8.06	7.95	-21.94	1.76	5.30	4.46	-23.57	2.43	6.18	-
2009	5.90	2.14	7.25	7.32	3.42	-0.64	4.45	4.11	2.98	-0.44	5.22	4.67
2010	15.20	1.33	7.61	8.39	9.95	-1.92	4.62	5.37	11.06	-1.58	5.27	5.90
2011	8.00	-0.40	7.61	8.95	3.04	-3.66	4.20	5.90	3.65	-3.48	4.95	6.60
2012	3.30	1.41	6.70	9.34	0.20	-1.73	3.30	6.25	0.57	-1.84	3.95	6.98
2013	11.80	8.76	6.78	8.95	8.89	5.04	3.39	5.83	9.61	5.50	3.95	6.62
2014	18.30	11.19	6.57	9.14	16.42	7.55	3.37	6.09	17.65	8.35	3.86	6.89
2015	13.80	10.92	6.02	9.65	12.45	8.03	2.94	6.69	13.64	8.84	3.50	7.54
2016	2.60	9.79	4.57	9.37	0.10	7.41	1.72	6.41	0.99	8.28	2.23	7.30
2017	11.24	11.43	6.30	9.08	6.84	8.80	3.40	6.10	8.06	9.85	3.84	6.95
2018	7.50	10.56	9.65	8.85	4.68	7.94	6.48	5.89	5.29	8.97	7.22	6.70
2019	2.10	7.35	9.25	8.25	-0.10	4.69	6.11	5.28	0.78	5.65	6.99	6.10
2020	-1.00	4.40	7.61	7.61	-2.17	1.81	4.88	4.75	-1.63	2.64	5.70	5.48
2021	19.90	7.70	8.74	8.18	11.48	4.03	5.71	4.95	13.75	5.11	6.68	5.81
2022	-10.10	3.21	7.24	6.97	-20.75	-2.00	3.26	3.28	-18.65	-0.69	4.44	4.20
2023	-0.10	1.71	6.04	6.41	-5.00	-3.89	1.86	2.62	-3.88	-2.48	3.08	3.52
2024	**7.00**	**2.67**	**4.98**	**5.77**	**3.43**	**-3.22**	**0.66**	**2.01**	**4.32**	**-1.81**	**1.85**	**2.85**

Figure 26. **Returns on fixed interest deposits and ordinary shares relative to RPI**



Comparison of accumulated real return from different investments

Figure 26. shows *Figures 7, 9 and 20* on the same scale.

Figure 27. **Returns on investments 1981 to 2024 relative to RPI**

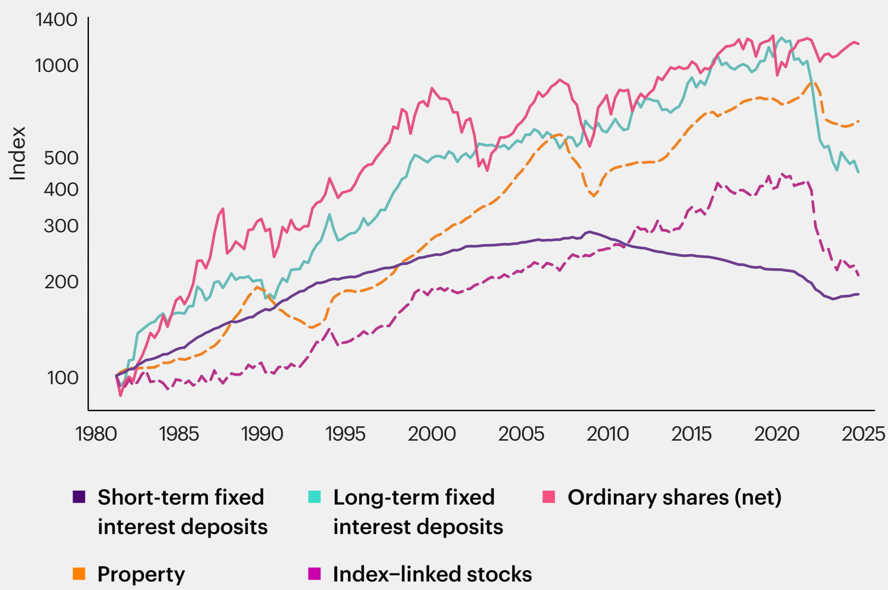


Figure 27. shows *Figures 7, 9, 11, 20 and 24* on the same scale.

Figure 28. **Sources of investment and economic statistics for the UK**

Statistic	Date	Source
Retail price inflation	–	**General Index of Retail Prices and predecessor indices**
Consumer price inflation	–	**General Index of Consumer Prices**
Alternative measures of inflation	**From January 2006**	**Retail price, consumer price and CPIH indices**
Average wages/ earnings	**From January 2011**	**Average Weekly Earnings**
	Up to December 2010	**Average Earnings Index and predecessor indices**
Short-term returns index	**From January 2018**	**Sterling overnight index average (SONIA) lending rate**
	January 1992 to December 2017	**LIBID seven-day notice**
	January 1973 to December 1991	**Local authority seven-day deposit**
	Up to December 1977	**Bank rate, Minimum lending rate and Bank Base rates**
Long-term returns index	**From January 1981**	**FTSE Actuaries Government Securities Over 15 Years Index**
	January 1978 to December 1980	**FTSE Actuaries Government Securities Index-Linked**
	Up to December 1977	**2.5% Consols**
Index-linked returns	–	**FTSE Actuaries Government Securities Index-Linked Index (all stocks, assuming 5% inflation)**
Corporate bonds	**From January 1998**	**iBoxx indices of sterling-denominated bonds of more than 10 years' duration**
	Up to December 1997	**UBS Warburg indices of sterling-denominated bonds of more than 10 years' duration**
UK equity returns	**From June 1962**	**FTSE Actuaries All-Share Index**
	January 1924 to June 1962	**Various actuaries indices**
	Up to December 1923	**de Zoete Index**
Overseas equity returns	**From December 1993**	**FTSE All-World Ex UK Index**
UK company earnings and price earnings ratios	**From April 1994**	**FTSE Actuaries All-Share Index**
	Up to March 1994	**FTSE Actuaries 500 Share Index**
Property returns	**From 2016 onwards**	**IPD UK Property Returns Index — Standing Investment.**
	From 1978 to 2015	**Jones Lang LaSalle Index**
	Up to 1978	**Actual returns achieved by pension funds**

Further information

We would welcome any suggestions to improve or expand WTW's *Long-term statistics*.

If you have any queries, please contact:
statistics@willistowerswatson.com

For more information visit UK Statistics website at:
www.wtwco.com/UK-statistics

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