

MRP Calculations Market Index

	(1)	(2)
Dividend Yield (spot times (1+g))	D/P	2.1
Forecast Growth (DPS, EPS)	g	10.1
DCF Return S&P 500	K	12.4
Risk-Free Rate	R_f	5.0
DCF Market Risk Premium	DCF MRP	7.4
Ibbotson Historical Mkt Risk Premium	HIST MRP	7.0
Average Mkt Risk Premium	AVG MRP	7.2

Source: Value Line Investment Analyzer 2014
Yahoo Finance S&P Growth Projection 2014